

The pandemic saw hotels across the US transformed into accommodation for homeless people. In this article, Deborah Padgett travels from New York to California to compare the processes of these states' hotels-to-homes transformations and explores what "the American Way" has to do with the future of these transformations.

# THE AMERICAN WAY!

## RECKONING WITH HOMELESSNESS IN THE ERA OF COVID



By **Deborah K. Padgett PhD MPH**, New York University

When anthropologist Kim Hopper wrote a landmark book about “reckoning with homelessness” (2002), none of us could have predicted how much more needed reckoning with two decades later. And yet, as the COVID pandemic swept across the globe in the spring of 2020, two crises serendipitously combined to create an opportunity. The most enduring of these crises—homelessness—had ceased to be an ‘epidemic’ and was now endemic to most Western nations. Despite having an effective solution in the form of Housing First,<sup>1</sup> various obstacles to systemic change have ensured that shelters and temporary solutions are far from obsolescence.

The second crisis—COVID 19—resulted in empty hotel rooms by the tens of thousands, an unprecedented availability of accommodation ranging from the modest hostel to the luxury boutique hotel—tourism was at a standstill indefinitely. Homelessness organizations seized on this opportunity to move adults and families from crowded shelters into these hotels to prevent COVID transmission. In the United States, the Federal Emergency Management Agency (FEMA) guaranteed payment for the hotel rooms in the name of COVID relief.

California was among the first states to use hotels for this purpose along with New York City (the two epicenters of homelessness in the U.S.). Hotels were similarly repurposed in London (under the “Everyone In” initiative) and elsewhere in Europe<sup>2</sup>. By any comparison, the extent of homelessness in the U.S. is enormous—annual point-prevalence counts are over 600,000 homeless with millions falling into this benighted state each year. Thus, the solutions have to be scaled accordingly.

---

1 Full disclosure: the author has a lengthy history of research on (and advocacy for) Housing First and thus is biased.

2 <https://www.weforum.org/agenda/2020/12/pandemic-empty-paris-hotel-shelters-homeless-covid-coronavirus-lockdown/>

The prospect of turning hotels into permanent housing seemed to be a realizable goal as many vacant hotels would not survive the prolonged economic downturn in tourism wrought by the pandemic (Padgett & Herman, 2021). Moreover, it turned out the transferred shelter residents found the hotel experience revelatory—a good night’s sleep, a bathroom, privacy, safety, hygiene—all in direct contradiction to life on the street or in a shelter where COVID could intrude along with other dangers. Preliminary findings from a Seattle study of hotel residents found not only better health and mental health but progress made in seeking employment and permanent housing (Colburn et al., 2020).

Here I wish to pose a few distinctions of the American<sup>3</sup> way of becoming homeless, being homeless and ending homelessness vis-a-vis this ‘pandemic opportunity’. First, descending into homelessness in the U.S. is three times more likely for African Americans, the result of decades of systematic segregation and denial of home ownership rights which has resulted in a wealth differential of one-tenth that of White Americans (Rothstein, 2017). Structural racism is baked into the American Way, and ending homelessness through hotel transformations (or—even better—through building more affordable housing) must reckon with this barrier to acceptance of a large proportion of the homeless population resettling in urban business district hotels or suburban motels.

NIMBY (not in my backyard) reactions against housing the homeless in the U.S. may not be couched in racial terms but the historic implications lurk barely beneath the surface (intersectionality of racism and classism can fuel powerful emotions in White Americans). When the luxury Lucerne hotel in New York City’s affluent Upper West Side became home to 283 men from a single shelter at the height of the

---

3 Apologies to my Canadian colleagues for using this term for the U.S. only.

“It turned out the transferred shelter residents found the hotel experience revelatory—a good night’s sleep, a bathroom, privacy, safety, hygiene—all in direct contradiction to life on the street or in a shelter where COVID could intrude along with other dangers.”

COVID pandemic, local residents flew into a stunned rage and quickly filed a lawsuit that captivated local media for weeks (other residents countered with a welcoming committee). The men were eventually moved back to city shelters<sup>4</sup>.

Lingering evidence of American-style racism can be found in the hurdles that must be jumped to transform hotels or build affordable housing—zoning restrictions favoring single-family dwellings throughout much of the country outside of cities (areas previously excluding African American homebuyers) and the privatization of housing construction, i.e., new building is left to high-end developers who can afford the extensive wait times, costs of building permits, etc.

Despite the widespread endorsement of Housing First, being homeless in the U.S. typically means staying in a shelter or on the streets—for many only a few days but for others this can extend into years. To be clear, HF was established for homeless persons with serious mental illness, and the rapid expansion of permanent supportive housing (which may or may not adhere to the HF model) took place within separate funding and oversight jurisdictions compared to the vast network of crowded shelters for non-disabled homeless adults, families and unaccompanied youth. In New York City, the entirety of homeless services, a \$3 billion-plus enterprise annually budgeted to the Department of Homeless Services plus a multitude of non-profit agencies on contract with the city, constitutes a ‘homeless shelter industry’ with seemingly untouchable durability (Padgett, Henwood & Tsemberis, 2017).

<sup>4</sup> <https://www.westsiderag.com/2021/06/28/the-lucerne-saga-ends-as-the-last-men-leave-to-return-to-traditional-shelters>

By comparison, California's homeless had been predominantly living outdoors and largely ignored, many corralled into a 52-block area in downtown Los Angeles known as Skid Row where rescue missions provided assistance (but rarely housing access). Taking note of the seriousness of the crisis, and perhaps seeking to avoid starting a 'shelter industry' of its own, the state began aggressively dealing with COVID and homelessness in 2020, eventually pledging \$12 billion to build housing and transform hotels under "Project Homekey"<sup>5</sup>. Meanwhile, the rest of the U.S. was dealing with homelessness in varied ways, drawing on expanding Federal funds and local donations to build shelters and transitional housing (time-limited and rule-bound) and, in some cities, also implement HF. Although new infusions of Federal funds from the Biden Administration and newfound political will give cause for hope, the precedent—committing large-scale funding to temporary solutions that achieve modest to poor results in ending homelessness—is all too typical of the American Way.

The last element of the American way, specific to one important subgroup of homeless persons, is laudable yet underused. It is the 1990 Americans with Disabilities Act (ADA) which ensures that persons with disabilities have legal rights to accommodations to facilitate access to public spaces and to live in the least restricted manner possible in the community<sup>6</sup>. Given the powerful legal mandate of the ADA, local governments and businesses have enacted profound changes in public spaces for wheelchair access. A welcome byproduct of the ADA was the U.S. Supreme Court's 1999 Olmstead decision—extending ADA's legal protections to persons with psychiatric disabilities in the form of mandating against institutional care as opposed to 'normal'

---

5 <https://www.latimes.com/california/story/2021-05-11/california-governor-proposes-12b-to-house-states-homeless>

6 [www.ada.gov](http://www.ada.gov)

community living. What an incredible gift to homeless mentally ill persons crowded into adult homes and congregate shelters! Alas, enforcement of Olmstead has been disappointing<sup>7</sup>, but it stands as a beacon of hope (and an unintentional endorsement of HF's scatter-site living philosophy) in an era of re- or trans-institutionalization.

What has this to do with a promising future of hotel transformations? A hotel could just as easily become a rundown institutional facility in defiance of Olmstead as it could bring autonomy and comfort similar to a well-kept apartment building. This is where the American Way is put to the test to ensure that funding formulas include building upkeep and adequate support services. In other words, adhere to evidence-proven best practices such as Housing First. 'Housing only' may be the answer for homeless persons whose needs are purely economic. But for a sizeable (and complexly needy) subgroup, support services are critical to helping the resident live independently and recover a new life. Funding must be in accordance with needs.

As California and several American cities are moving ahead with hotel purchases and conversions, optimism was premature here in New York City where hotel residents were moved en masse back to crowded shelters in June 2021—only two hotels were retained for emergency quarantine purposes. This forced transfer of thousands back to crowded shelters seemed cruel given the continued threat of COVID 19 and the fact that FEMA funding was available until the end of 2021. The 'shelter industry' must share responsibility. Indeed, the care and feeding of this industry absorbs the bulk of New York City's public funds dedicated to homelessness. It also stands as a reminder of the urgent need to get governments back in the business of building affordable housing.

---

7 <https://www.justice.gov/archives/opa/blog/briefs-filed-three-states-enforce-supreme-courts-olmstead-decision>



The move to privatization of home-building in the U.S., solidified during the 1980s Reagan administration, has become an unwelcome addendum to the American Way. It promotes 'market-based solutions', a far cry from honoring the social contract that housing is a right. Thus, local developers earn generous tax credits rewarding them for reserving a small portion of their shiny new apartment buildings for the working poor. More ominously, capital investments in U.S. housing under the protective guise of "LLCs" (limited liability corporations) are predatory acts, buying up attractive properties not for public habitation but for squeezing profits from them and leaving them worse for the wear (Ross, 2021).

The American Way of spending large<sup>8</sup> yet reaping too little for those most in need continues to be viable, but hope remains that we have reached an inflection point in the U.S., if not here in New York City. In what seems the perfect negative counterpoint to the hotels-as-homes aspiration inspired by the COVID pandemic, New York City recently opened a men's shelter in a hotel on "Billionaires' Row" after years of lawsuits from surrounding luxury tower residents.<sup>9</sup> The hotel had sat vacant for four years.

---

8 Spending large, in American budgetary priorities, should be put into context in a nation that spends over \$700 billion annually on its defense budget (<https://www.defense.gov/>)

9 <https://www.thecity.nyc/housing/2021/11/8/22771214/manhattan-billionaires-row-homeless-shelter-opens-after-legal-battle>

## References:

Colburn, G., Fyall, R., Thompson, S. & Dean, T. (2020). Impact of hotels as non-congregate emergency shelters. Seattle: University of Washington.

Hopper, K. (2002). *Reckoning with homelessness*. Cornell University Press.

Padgett, D.K., Henwood, B.F. & Tsemberis, S. (2017). *Housing First: Ending homelessness, transforming systems and changing lives*. New York: Oxford.

Padgett, D.K. & Herman, D. (2021). From shelters to hotels: An enduring solution to ending homelessness for thousands of Americans. *Psychiatric Services*. 72(9):986-987.

Ross, A. (2021). *Sunbelt blues: The failure of American housing*. New York: MacMillan.

Rothstein, R. (2017). *The color of law: A forgotten history of how our government segregated America*. New York: Liveright Publishers.