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Rooms to Maneuver in Handling Homeless Issue 12/1/2008

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While government and city leaders debate the different aspects of the mayor's recently announced housing plan, one important piece of the plan is getting lost: the commitment to build 2,200 units of permanent supportive housing for homeless individuals.

As a developer undertaking a large urban mixed-use project in downtown Los Angeles, I view myself more as a "community builder," one working to fill in the patchwork of underutilized parking lots with new buildings providing new homes and places for business to thrive. This in turn creates a more vibrant and welcoming downtown for the office worker, Staples Arena attendee, resident and tourist alike. Yet this task of community building is challenged by one social epidemic confronting all those who come to live, work or play downtown: homelessness.

In today's downtown of new loft dwellers, full office buildings and a burgeoning entertainment district anchored by Staples, Nokia Theatre and the soon-to-open L.A. Live, the homeless exist more as a nuisance marring our feelings of pride in the renaissance of our urban core. Dismissed for their disabilities or judged by their addictions, we pass by these lost souls as we bustle to and fro – trying to avoid them while lamenting why "no one" does anything to solve this ever-present and seemingly growing crisis.

It's a crisis that demands better of us – from all of us. Los Angeles the city needs Los Angeles the county; and all service organizations working to aid the homeless need the support and involvement from us – the business community.

I'm not some naïve do-gooder. I believe strongly in the free-enterprise system's ability to create opportunity for all. My business is to build the buildings that will help Los Angeles thrive as a major urban center by helping to create the community of downtown. To have that happen, however, requires that we look at the homeless crisis for what it is. The homeless don't threaten our ability to succeed. It is the failure to adequately address the crisis that threatens our investments. Dealing effectively with the crisis is a good business investment.

Right direction

While I do not agree with everything in the mayor's housing plan, his commitment to build 2,200 units of permanent supportive housing is a solid step forward in reducing homelessness. Permanent supportive housing and "Housing First," the rather elementary idea of putting the homeless in housing first, and working on the reasons for their homelessness second, have dramatically succeeded in other cities. New York City street homelessness is down 13 percent; Seattle down 20 percent; even Nashville, Tenn., is down by 21 percent in one year per the United States Interagency Council on Homelessness statistics.

By setting a numerical goal and timeframe, the mayor's Housing Plan establishes an objective that we can measure our success against.

Now is the time for the business community to embrace this solution, support the mayor's commitment and participate in ensuring that these homes are built.

Why engage in this giveaway of housing?, you might ask. It's actually an investment, an investment in our city by solving in the most economically efficient manner this seemingly intractable problem.

Housing First costs less – far less – than the status quo. While Los Angeles has never collected data on the cost of public services for the homeless, data from other cities show that a typical chronic homeless individual can cost the government an average of \$40,000 a year in emergency room visits, arrests and incarcerations, etc. Starkly, the same individual living in one permanent supportive housing apartment runs on average \$10,000 to \$15,000 per year.

While these other cities were creating new paradigms to deal with the homeless, Los Angeles has remained mired in decades of failed policies, and lack of governmental and jurisdictional cooperation. We can do better. We have to do better. Trying to hide the homeless, allowing them to live with the trash on city streets and then leaving them to the mercy of a system that churns them from one location to another is not worthy of a world-class city.

Los Angeles has a chance to make downtown work. In a real city, we all live together, rich and poor. We can no longer afford to segregate the homeless into ghettos of despair and expect Los Angeles to work.

That is why I urge not only my downtown business colleagues to embrace permanent supportive housing, but all of L.A.'s business community. In exchange, we will get cleaner, safer, lovelier streets where our businesses will succeed.

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