

Corruption? Ignorance? What Explains Over \$800,000 Per Unit to House Homeless?

There is an evidence-based argument made by numbers of researchers that link the lack of affordable housing to the rise in homelessness. Who says? Several academic, nonprofit, and governmental sources, per the overview results shown in Part I of this report. Quoting from Part I: "...extensive evidence from research establishes a robust link between a lack of affordable housing and increased homelessness. While individual vulnerabilities like substance use and mental illness are contributing factors, a critical mass of research demonstrates that the primary, structural driver of homelessness is the housing market itself. This market is characterized by rising rents, stagnant wages, and a severe shortage of housing that low-income people can afford." At the time this article was being written on the [Manufactured Housing Association for Regulatory Reform](#) (MHARR) multiple posts there specifically use the word "[homeless](#)" as part of one of their reports. On the Manufactured Housing Institute (MHI) website just minutes later, there only two public facing articles use the word "homeless" for the site that claims to represent "[all segments](#)" of the factory-built housing industry. There is one more MHI "member only" post than before and the same number of public facing articles as the last time [MHProNews did a screen capture on this topic on December 28, 2024](#).

A closer look at the [MHI posts](#) on this topic reveals the context of the use of the term "homeless."

As part of a partnership between Clayton and Family Promise, an organization assisting families with children at risk of homelessness, Clayton donates new homes to be used as transitional housing for families seeking to rebuild their lives. This year, Clayton donated its fifteenth home to a Family Promise affiliate in Marysville, OH.

Restated, MHI is touting [Clayton Homes](#), an 'award winner' with their association despite years of scandals and [poor ratings that include poor ratings from their own employees](#).

The second public-facing use of the term homeless on the MHI website at the date/time checked on 10.9.2025 is the following, per Tim Williams of the Ohio Manufactured Homes Association (OMHA) via MHI.

Manufactured homes are the most affordable form of housing with the strictest building, safety, and wind zone requirements of any form of housing. I encourage Ohio officials to consider utilizing new manufactured homes to provide housing for those left homeless by the March 14th tornadoes.

That may come closer to the notion of homelessness as a social problem that manufactured homes could be addressing, albeit that OMHA's Williams used it for homelessness caused by tornadoes (that post is dated March 27, 2024). According to [Merriam Webster](#).

an organization for the promotion of a cause : association ; b · an educational institution

According to the [Cambridge Dictionary](#).

an organization whose purpose is to advance the study of a particular subject

In what sense if MHI an "institute" that is advancing the study or cause of manufactured housing? So, while there are certainly concerns about what is found in Part II from an investigative report provided by The Center Square to *MHProNews* regarding stunningly high costs for building and serving the homeless in California, perhaps [part of the responsibility lies with MHI](#), which appears to be [failing at its own self-stated core missions](#).

This [MHVille Facts-Evidence-Analysis](#) (FEA) is underway.

FEA

FACTS-EVIDENCE-
ANALYSIS

"Analytical journalism is the highest style of journalism." - Diana Dutsyk

... the personal courage of the journalist is important, he should not be afraid to go against the bosses, should not call white black. He [the analytical journalist] cannot distort the truth.



FACTS



EVIDENCE



ANALYSIS



Part I. Input-inquiry (Q&A) with Google's Artificial Intelligence (AI) powered overview (preview, Gemini-not logged in) on 10.9.2025.

Is there an evidence-based argument made from research that links lack of affordable housing to homelessness?

AI Overview

Yes, extensive evidence from research establishes a robust link between a lack of affordable housing and increased homelessness. While individual vulnerabilities like substance use and mental illness are contributing factors, a critical mass of research demonstrates that the primary, structural driver of homelessness is the housing market itself. This market is characterized by rising rents, stagnant wages, and a severe shortage of housing that low-income people can afford.

Key findings from research

- **Regional variations and housing costs.** Research shows that homelessness is most pronounced in regions where the cost of housing is highest, not in areas with the highest rates of poverty or behavioral health issues. A study by Zillow and the National Low Income Housing Coalition found that communities where the median rent exceeds 32% of median household income are likely to have sharply higher rates of homelessness.
- **Wages vs. rent.** For decades, rents have consistently outpaced wage growth, creating a widening gap that pushes millions into housing instability.
 - From 2001 to 2023, median rents increased by 23% (adjusted for inflation), while renters' median incomes rose by only 5%.
 - As of 2024, no state exists where a person working a full-time minimum wage job can afford a modest two-bedroom apartment.
- **The tipping point into homelessness.** When the housing market is tight and costs are high, a financial or personal crisis is more likely to result in homelessness. This includes job loss, a medical emergency, or the end of a relationship.
 - Research shows that many people who experience homelessness are employed, but their wages are not high enough to afford housing in a competitive market.
- **Housing cost burden.** Research has consistently linked the high financial burden of housing to homelessness. Households that spend more than 30% of their income on housing are considered "cost-burdened," while those spending more than 50% are "severely cost-burdened". Millions of low-income renters are in the severely cost-burdened category, leaving them one emergency away from losing their home.
- **The role of supply.** The core issue is a fundamental imbalance between the supply of and demand for affordable housing. There are not enough housing units to meet the existing need, so competition for limited units locks out the most vulnerable.
 - As of 2024, only 35 affordable and available rental homes exist for every 100 extremely low-income renter households.

Key research from institutions

Numerous studies and reports from authoritative organizations support this connection.

- **Pew Charitable Trusts:** A 2023 analysis by Pew found that what distinguishes areas with low homelessness is the abundance of low-cost housing relative to demand. The evidence supports allowing more lower-cost housing to address both homelessness and affordability.
- **Harvard Joint Center for Housing Studies:** The 2024 report *America's Rental Housing* highlights the affordability crisis as the most fundamental driver of rising homelessness. The study notes that record numbers of renters are cost-burdened, putting them at high risk.
- **National Alliance to End Homelessness:** Research from this organization emphasizes that the lack of affordable housing is the "primary cause of homelessness". They point to stagnant wages, inadequate rental assistance programs, and insufficient affordable housing development.
- **U.S. Interagency Council on Homelessness:** Reports from the USICH connect severe housing affordability challenges and limited supply to increases in unsheltered homelessness. Their data show that communities with the most severe affordability problems account for a disproportionately high number of people experiencing homelessness.

--- *MHProNews* notes that the screen capture that documents the accuracy of that result is found at this [link here](#). ---

Part II. From [The Center Square](#) to MHProNews with reprint permission.

LA skyscrapers for homeless could cost federal taxpayers over \$1 billion

- [By Kenneth Schrupp | The Center Square](#) | Oct 2, 2025



California Gov. Gavin Newsom clears out trash from a homeless encampment on state property in Los Angeles County.
Office of the Governor of California



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(The Center Square) - Federal taxpayers might be on the hook for more than \$1 billion over the lifetime of three downtown Los Angeles skyscrapers designed to house the homeless, state records show.

State and city programs provide the funding and financial tools to construct the three towers. But federal Section 8 Housing vouchers will be used to repay the state and city and fund private developer fees and investor returns over the 55-year life of the buildings.

“Taxpayers are being forced to foot the bill for over \$800,000 per unit for homeless housing,” said Howard Jarvis Taxpayers Association Vice President of Communications Susan Shelley in an interview with The Center Square. “There should be an audit to determine if this is genuinely the best option to provide housing or if this is just making a lot of people rich off the taxpayers' dime.”

These towers are projects of the Weingart Center Association, a homeless services nonprofit and major recipient of taxpayer funding, which was created by the Weingart Foundation. The Weingart Foundation describes itself as a “private grantmaking foundation advancing racial, social and economic justice in Southern California.”

Last year, Weingart’s 19-story, 278-apartment, \$167.7 million tower was completed in Los Angeles’s Skid Row, which hosts the nation’s highest concentration of homeless people.

Constructed at cost of over \$600,000 per unit, the tower was funded with \$32 million of the city’s homeless housing bond, a \$1.8 million land loan from the city, \$48.7 million in deferrable loans from the California Department of Housing and Community Development, \$56.9 million in tax credit equity and \$85.3 million in tax-exempt bonds. The state treasurer’s report noted the project would “have positive cash flow from year one” and would be occupied entirely (except for the managers’ units) with people using federal Section 8 project-based vouchers.

The developer, Chelsea Investment Corporation, earned \$18.3 million in development fees for the project, according to the project’s tax credit application.

While voucher details for new tower was not available, another nearby \$171 [million](#) Weingart tower for the homeless that opened in June 2025, featuring 298 resident units and four manager units. It received federally-funded, city-administered housing vouchers worth \$194 million over 20 years, as [reported](#) by the Los Angeles Business Journal.

Over the lifetime of the second tower, these vouchers, if renewed, would be worth \$534 million.

Assuming proportional voucher revenue for the first tower, the two completed towers’ 55-year, federally-funded voucher revenue would be worth \$1 billion.

Weingart is now pursuing a [third](#), 104-unit tower at a cost of \$90 million. State staff noted would it cost \$865,656 per apartment — which is [more](#) than California’s median sale price for an entire house.

This tower — to be constructed at \$1,048 per square foot, or as much as high-end luxury homes in the Los Angeles area — would also rely on Section 8 vouchers to fund occupancy, which, over the lifetime of the building, could provide nearly \$200 million in revenue for developers. The Related Companies, the developer of the second and third project, will reportedly earn \$10.4 million from developing the third tower.

Its development fee for the second project could not be established by the time of publication.

The investors who purchase the tax credits and invest in the building also receive distributions on the building's profits, offering lower but much safer returns than the private market because the Section 8 vouchers nearly guarantee revenue and occupancy.

Market-rate, private-sector housing construction has [collapsed](#) in Los Angeles in recent years, with permitting approvals for government-regulated, income-restricted "affordable" housing rising from 24% in the prior four years to 60% in fiscal year 2023-2024. Real estate experts [blame](#) Measure ULA, the voter-approved "Mansion Tax."

A UCLA recent report ties the transfer taxes to significant declines in housing production and property tax revenue growth.

"[ULA] has damaged the real estate market in the City of Los Angeles by adding a 4 to 5 and a half percent tax not just on mansions, as it was advertised, but also on apartment developments, commercial real estate—all properties in the City of Los Angeles above \$5.3 million in value," said Shelley. "HJTA is the proponent for a new initiative called the Local Taxpayer Protection Act to Save Proposition 13 that would repeal measure ULA because real estate transfer taxes were prohibited by Proposition 13 and the courts have improperly allowed them."

California Gov. Gavin Newsom and the state legislature successfully [sued](#) to block a similar measure from appearing on the state ballot in the November 2024 general election. HJTA's new initiative, collecting signatures until February 2026, would repeal ULA and similar transfer taxes, and restore the prior maximum transfer tax of 0.11%.

Los Angeles Mayor Karen Bass, Weingart Center Association, Chelsea Investment Corporation, and The Related Companies did not respond to requests for comment from The Center Square by the time of publication.



[Kenneth Schrupp](#)

Investigative Reporter

Part III