Affordable Housing & Homelessness

Action Workshop –
December 4, 2021

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Homelessness is a national, regional and local crisis

Nationwide, 2020 Point in Time Count = 580,500 homeless in the US (2021 data not available)

• WA State, 22,923 homeless

• Men, black, Indigenous, domestic-violence survivors, veterans, and people with substance use or mental health disorders all experience homelessness at higher rates.

National Alliance to End Homelessness
State of Homelessness, 2021 Edition
National Trend

National-Level Counts for Overall Homelessness

647,258 Total Homeless

2007

580,466 Total Homeless

2020

2016

2017

2020

National Alliance to End Homelessness State of Homelessness, 2021 Edition
Why is Homelessness Increasing? Homelessness has increased since 2013 in Washington state due to multiple factors, but overwhelmingly because growing rents are pushing people living at the margins into homelessness.

--WA State Dept. of Commerce, https://www.commerce.wa.gov/serving-communities/homelessness/
Housing non-Affordability

National rent growth
Growth in median price since April 2020

Source: Zumper National Rent Report

https://www.zumper.com/blog/rental-price-data/
Recovery in 2021 after free-fall in 2020

Rent growth in the Seattle metro area

Source: Zumper National Rent Report

https://www.zumper.com/blog/rental-price-data/
Also Income Inequality

The Rich Have Become Richer as the Poor Have Gone Under Water
Average household wealth in 2016 dollars

Bottom 40% | Top 1% | Top 0.1%

$100,000,000 | $90,000,000 | $80,000,000
$70,000,000 | $60,000,000 | $50,000,000
$40,000,000 | $30,000,000 | $20,000,000
$10,000,000 | $10,000,000 | $10,000,000


Source: National Bureau of Economic Research

This was pre-Pandemic
It’s an Income Inequality Issue

Billionaire Wealth is Skyrocketing During the Pandemic
Total U.S. billionaire wealth, select dates in 2020 and 2021

Source: Institute for Policy Studies and Americans for Tax Fairness

Top 5 Billionaires, as of 10/15/2021: Elon Musk, Jeff Bezos, Bill Gates, Larry Ellison, Larry Page
Racial Imbalance

The Racial Wealth Divide Has Grown Over Three Decades
U.S. median wealth by race, 1983 and 2016

<table>
<thead>
<tr>
<th></th>
<th>1983</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latino</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Institute for Policy Studies
Income Inequality = Housing Inequality
There is not enough Affordable Housing

Nationwide, rental markets are tight
  • Vacancy rates low
  • More higher income people renting
  • Market price shifting upward
  • Therefore, rent increases

In the last 5 years, statewide
  • Market rents increased 51%
  • Median home prices increased 40%
There is not enough Affordable Housing

49% increase in median rent in 5 years
Washington has the 16th highest rent in the country
  • out of 56 states and territories.
  • The Fair Market Rent in Washington ranges from $700 for a 2-bedroom apartment in Lincoln County, WA to $1,899 for a 2-bedroom unit in Seattle-Bellevue, WA HUD Metro Area.
    https://www.rentdata.org/states/washington/2019

But only 4.4% increase in median household income in the same period

Compounded by racial inequality
  • White families in America have, on average, 13 times the wealth of Black families and 10 times that of Latino families
  • Policy choices have made it harder for people of color to obtain good housing
### Pierce County Example: Affordable Housing Data

**Renter Households**

<table>
<thead>
<tr>
<th>Housing Wage</th>
<th>per Hr</th>
<th>Fair Market Rent/mo</th>
<th>Annual Income Needed</th>
<th>Hrs/Wk at Min Wage</th>
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<tbody>
<tr>
<td>0 BR</td>
<td>$18.48</td>
<td>$961</td>
<td>$38,440</td>
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<tr>
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<td>$20.67</td>
<td>$1,075</td>
<td>$43,000</td>
<td>61</td>
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<td>2 BR</td>
<td>$27.08</td>
<td>$1,408</td>
<td>$56,320</td>
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<td>3 BR</td>
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<td>$81,240</td>
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<tr>
<td>4 BR</td>
<td>$47.54</td>
<td>$2,472</td>
<td>$98,880</td>
<td>141</td>
</tr>
</tbody>
</table>

**Affordable at Min Wage**

- Min Wage: $13.50/hr
- $702/mo

**Occupations**

- Fast food workers
- Home health aides, retail sales, waiters
- Nursing Assts., Laborers, Cooks

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National Low Income Housing Coalition, [https://reports.nlihc.org/oor/washington](https://reports.nlihc.org/oor/washington), 11/4/20
Crisis on Top of Crisis: Effects of COVID-19

12-20% of current renters in WA State reported they could not pay September-October rent
- Many using credit card debt to cover rent
- Estimated 170,000 households in WA State at risk of eviction

Unemployment & Health Care
- Health coverage is attached to employment;
- Medical bills are largest source of bankruptcy

Rental assistance
- Available throughout the state but many don’t know about it
- Some gave up when first efforts to obtain it did not work
- Must be COVID-related; only CARES Act $$

<table>
<thead>
<tr>
<th>Year</th>
<th># Claims</th>
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<tr>
<td>2015</td>
<td>221,326</td>
</tr>
<tr>
<td>2016</td>
<td>210,554</td>
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<td>2017</td>
<td>224,823</td>
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<tr>
<td>2018</td>
<td>187,603</td>
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<tr>
<td>2019</td>
<td>196,545</td>
</tr>
<tr>
<td>2020</td>
<td>898,712</td>
</tr>
</tbody>
</table>
How do we Solve Homelessness?

The solution to homelessness is to provide housing

• Prevent loss of housing
• Subsidize housing for lowest income people
• Provide supportive housing for those with long-term need
• Help people get ahead with education, training, reasonable wages
Recent State Legislation

2019-20 Legislative Sessions

• Funding
  • $325 million added to Housing Trust Fund (State Capital Budget)
  • State Sales Tax Retention Locally (HB 1406)
  • REET exemption on the sale of self-help housing by an affordable homeownership facilitator (e.g., Habitat for Humanity) to a low-income household (SB 5025)
  • Increased funding for HEN (Housing & Essential Needs) program & TANF

• Land Use
  • Authorization to increase density, housing action plans, and planning grants (HB 1923)
  • Authorization to create tiny house communities (SB 5383)
  • Authorization to increase density with bonus for certain affordable housing development on property owned or controlled by a religious organization (HB 1377)
Recent Legislation, cont’d

2019-20 Legislative Session, cont’d

- **Tenant Protection**
  - Modification to Manufactured/Mobile Home Landlord-Tenant Act (HB 1582)
  - Provide 60 days’ notice of rent increase (HB 1440)
  - Allow judicial discretion for evictions (SB 5600)
  - Increase protection for forelosers (HB 1105)
  - Modification to property tax exemptions for seniors, veterans (SB 5160)
  - Three-month payment plan for first, last and damage deposit payments upon moving into a rental unit

- **Support for Youth**
  - Expansion of McKinney-Vento program and grant funding for school districts to arrange support services for homeless students (SB 5324)
  - Pilot programs in colleges for variety of support services for homeless (SB 5800)
  - Authorize use of HOPE Centers for the placement of a child in need of services and clarifies availability of street outreach services (HB 1657)
Recent State Legislation

2021 Legislative Session

Increased Funding to Add and Preserve Affordable Housing:
$400 million invested in the Housing Trust Fund and additional for preservation of affordable housing (USDA and other properties at risk of loss).

Resources to keep people in their homes and prevent an increase in homelessness:
Statewide protections against discriminatory and arbitrary evictions (good cause termination requirements) and prevent evictions based on nonpayment of rent with improved legal protections and rental assistance.

Increase in state resources to prevent and end homelessness:
New $100 document recording fee to increase resources to prevent homelessness.
Hopes for 2022 Legislation

• Additional Housing Trust Fund appropriation
• Housing Justice Act
• Increase cash grants for aged, blind & disabled
• Additional tenant protections (anti-rent gouging) & enforcement
• Registration requirement for for-profit landlords
• Support for nonprofit homelessness providers whose employees are financially at risk
• Funding for local jurisdictions to plan for housing
LWVUS Position:

“The federal government shares with other levels of government the responsibility to provide equality of opportunity for education, employment and housing [emphasis added] for all persons in the US regardless of their race, color, gender, religion, national origin, age, sexual orientation or disability.

In order to promote self-sufficiency for individuals and families, the LWVUS supports policies and programs designed to prevent or reduce poverty.”

LWVWA Position – Housing, HO-1:

“All levels of government and the private sector share the responsibility to help alleviate the housing shortage in the low income sector. Identifying housing needs and planning to meet these needs is best done at the local level. The state should set minimum standards for safe and decent housing and provide for their enforcement. Policies should be formulated to allow for maximum use of available federal funding as well as encourage the participation of industry, business, local and nonprofit groups in meeting housing needs. The state government should provide information, assistance and coordination for housing programs at all levels.”
Help Wanted

For the State Legislature:

• Watch for opportunities to testify
• Support Lobby Team
• Develop network of local advocates to help
• Provide community education

For your homelessness in your community

• Monitor and advocate within development of your local comprehensive plan
Thank You!

Q & A
5-minute Break

Return to link for main session