

Using Housing Data in Federal, State, and Local Advocacy

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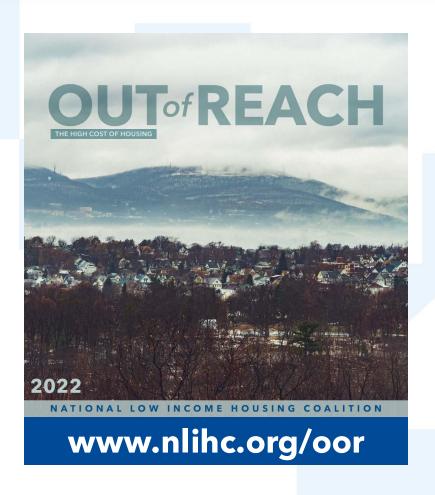
Out of Reach

Highlighting the Mismatch Between Wages and What's Needed to Afford Housing



Out of Reach: Overview





- Estimates the *housing wage*, or how much a worker must make in order to afford a 1-BR and 2-BR home at Fair Market Rent
- Data available for every state, county, and metropolitan area
- Released annually in late summer
- Illustrates the disparity between what renters can afford and housing costs



2022 Housing Wage

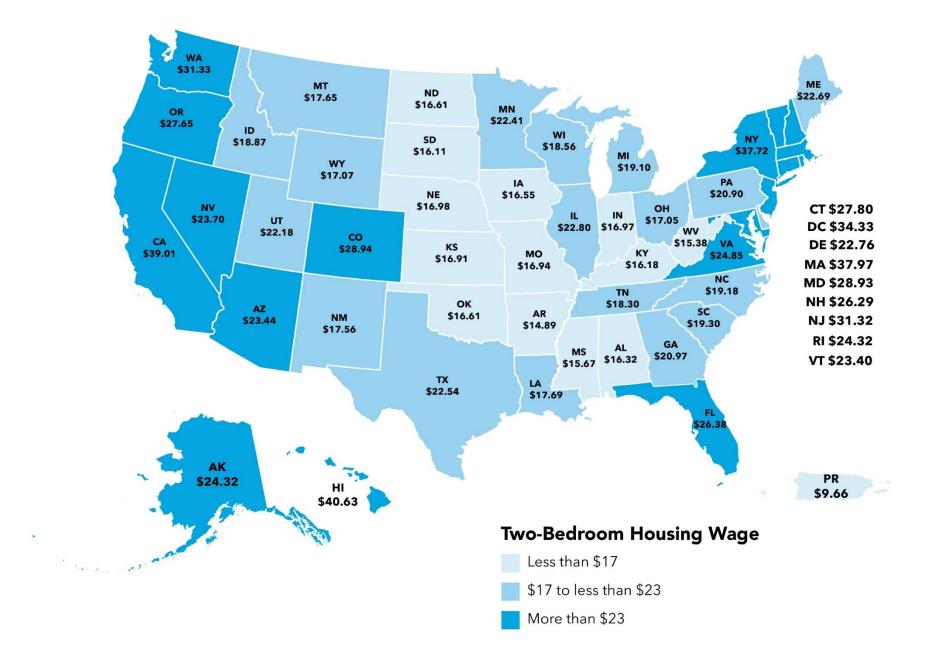


How much does a full-time worker need to earn to afford rent and utilities at fair market rent (FMR)?

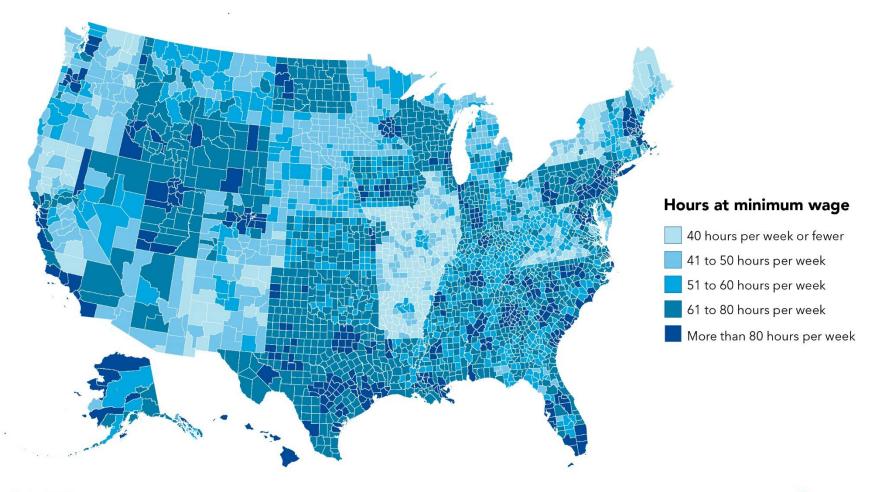
- The national Housing Wage for a two-bedroom apartment at fair market rent is \$25.82 per hour.
- The national Housing Wage for a one-bedroom apartment at fair market rent is \$21.25 per hour.

Nowhere in the United States do minimum wage full-time workers earn enough to afford a decent two-bedroom apartment at FMR.

2022 TWO-BEDROOM RENTAL HOUSING WAGES



HOURS AT MINIMUM WAGE NEEDED TO AFFORD A ONE-BEDROOM RENTAL HOME AT FAIR MARKET RENT IN 2022





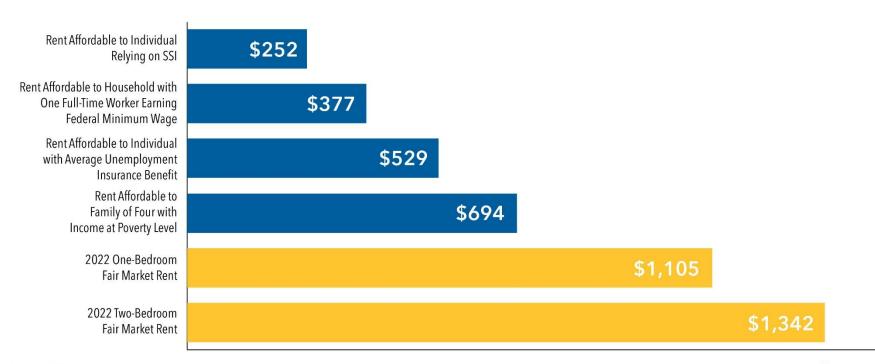
*Note: New England states are displayed with HUD Fair Market Rent Areas. All other states are displayed at the county level. This map does not account for sub-county jurisdictions with minimum wages higher than the prevailing county, state, or federal minimum wage. No local minimum wages are sufficient to afford a one-bedroom rental home at the Fair Market Rent with a 40 hour work week. The geographic variation of Oregon and New York's state minimum wages are reflected at the county level.



Housing Costs Are Not Keeping Pace with Wages



RENTS ARE OUT OF REACH





Source: NLIHC calculation of weighted-average HUD Fair Market Rent. Affordable rents based on income and benefits data from BLS QCEW, 2020 adjusted to 2022 dollars; U.S. Department of Labor, Employment and Training Administration, March 2022; and Social Security Administration, 2022 maximum federal SSI benefit for individual.



Wages for Many Occupations Remain Insufficient to Afford Housing



ELEVEN OF THE TWENTY-FIVE LARGEST OCCUPATIONS IN THE UNITED STATES PAY LESS THAN THE HOUSING WAGE





Source: Occupational wages from May 2021 Occupational Employment Statistics, BLS, adjusted to 2022 dollars. Housing wages based on HUD fair market rents.



Meanwhile, Median Rents Are Increasing



ANNUAL CHANGE IN FIRST QUARTER MEDIAN RENTAL PRICES







Source: Apartment List County Rent Estimates. Calculations are based on data for 345 metropolitan counties.

The Disparities Between Wages and Housing Costs Cause Disproportionate Harm to Renters of Color



Median Hourly Wages, by Race



Source: Housing wages based on HUD Fair Market Rents. The hourly wages by percentile from the Economic Policy Institute State of Working America Data Library 2021. Adjusted to 2022 dollars.

Frequently Asked Questions NATIONAL LOW INCOME HOUSING COALITION

DO WE REALLY NEED TO BUILD MORE HOUSING? CAN'T WE JUST RAISE THE MINIMUM WAGE?

- We need to do both. Raising the minimum wage is an important strategy for improving the quality of life for the lowest-wage workers.
- However, legislation raising the federal minimum wage to \$15 per hour would still fall more than \$10 short of the national two-bedroom Housing Wage of \$25.82 and more than \$6 short of the one-bedroom Housing Wage of \$21.25.
- Also, while Out of Reach highlights the gulf between wages and housing costs, not every household can work, so raising the minimum wage is not on its own a viable policy solution.



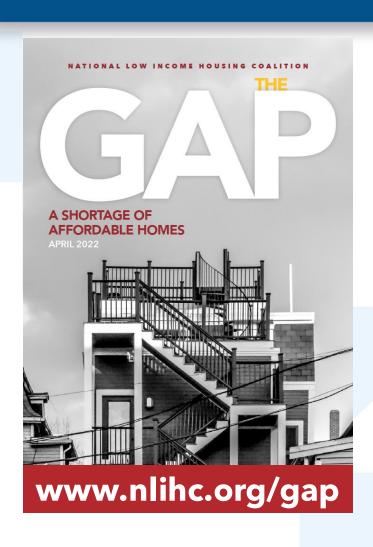
The Gap

Understanding the Shortage of Affordable Homes for the Lowest Income Renters



The Gap: Overview





- Estimates how many units of housing are affordable and available for renters at different income levels
- Data available for every state and some metropolitan areas
- Released annually in spring
- Illustrates supply deficit of affordable housing particularly for the lowest income renters



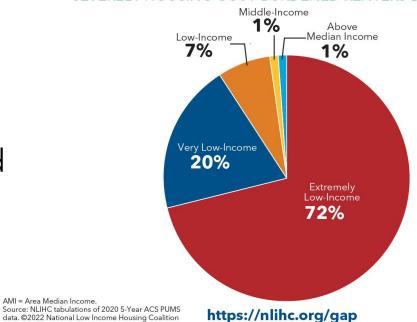
Severe Cost Burdens

AMI = Area Median Income.



ELI renter households account for more than 7 of every 10 severely housing cost-burdened renters in the U.S.

SEVERELY HOUSING COST-BURDENED RENTERS BY INCOME

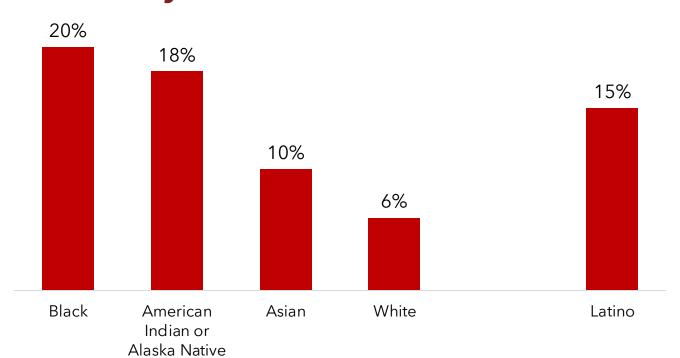




Extremely Low-Income Renter Demographics



Percent of Households who are Extremely Low-Income Renters

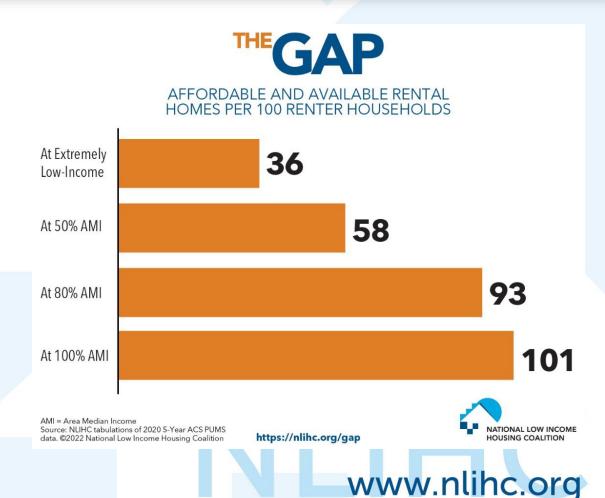


Source: 2020, 5-Yr ACS PUMS

National Landscape for Affordable Housing

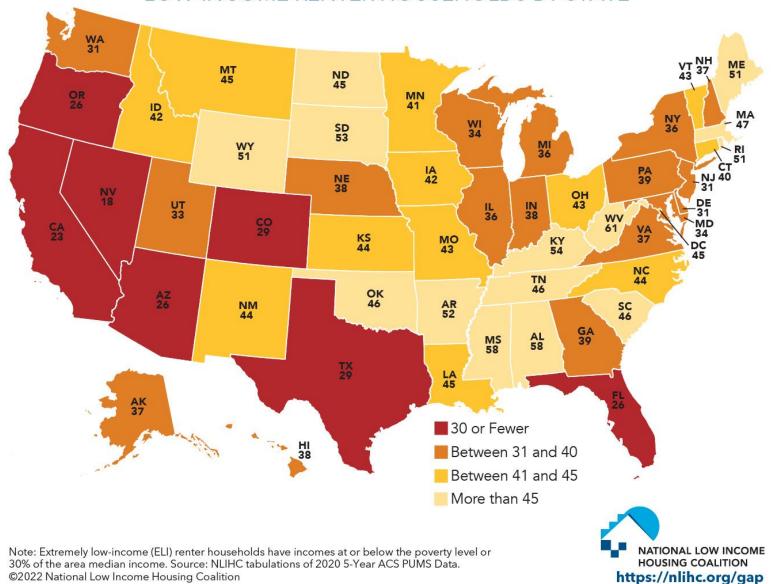


There is a national shortage of nearly
7 million rental homes affordable and available to households with the lowest incomes.





RENTAL HOMES AFFORDABLE AND AVAILABLE PER 100 EXTREMELY LOW-INCOME RENTER HOUSEHOLDS BY STATE



Using Data to Influence Policy

How to Access State-Specific Data and Current Opportunities for Advocacy



Housing is Vital to Other Important Outcomes





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Survivors Face Unique Barriers to Safe, Affordable Housing Affordable Housing COALITION



Often caused by abusers running up credit card bills or lying about paying rent, utilities, childcare and other bills. This affects a survivors' ability to pass a landlord background check.

Lack of Steady Employment



Caused when victims are forced to miss work as a result of violence, or are fired as a result of stalking and harassment that occurs at the workplace.

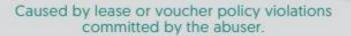
Housing Discrimination



The most common cases of this occur when landlords evict victims from housing due to repeated calls to the police or property damage caused by the abuser.

Source: <u>Safe Housing Partnerships</u>







Using NLIHC's Data to Make the Case for Increased Housing Investments

NATIONAL LOW INCOME HOUSING COALITION

- 1. Start here: nlihc.org/housing-needs-by-state
- 2. Select your state:

Housing Needs By State

Learn. Connect. Engage.

Learn about the most critical housing needs in communities across the country. **Connect** with NLIHC partners to expand housing resources in your state. **Engage** members of congress and other policy makers in solutions to end housing poverty.

Get an overview of affordable housing needs at the state level.

Select a state to explore the data below!

Select a State to Explore Data...



Using NLIHC's Data to Make the Case for Increased Housing Investments

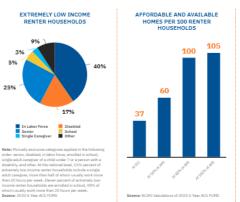
3. Get an overview of *Gap* and *OOR* data in your

Virginia

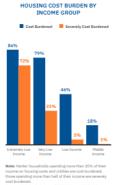
State Date Overlaw State Level Partners Housing Trust Fund Resources Take Action COVID-19 Resources

Across Virginia, there is a shortage of rental homes affordable and available to extremely low income households (ELI), whose incomes are at or below the poverty guideline or 30% of their area median income (AMI). Many of these households are severely cost burdened, spending more than half of their income on housing. Severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions.





state





NATIONAL LOW INCOME HOUSING COALITION

Using NLIHC's Data to Make the Case for Increased Housing Investments Investments

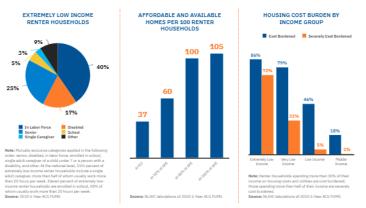
4. Numbers to notice



Across Virginia, there is a shortage of rental homes affordable and available to extremely low income households (ELD, whose incomes are at or below the poverty guideline or 30% of their area median income (AMI). Many of these households are severely cost burdened, spending more than half of their income on housing, Severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions.

Maximum income for an extremely low- income family of four







Using NLIHC's Data to Make the Case for Increased Housing Investments Authorition Housing Coalition

4. Numbers to notice

EXTREMELY LOW INCOME



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AFFORDARI F AND AVAILARI F

HOUSING COST BURDEN BY

 Annual income needed to afford a 2-bedroom rental at FMR



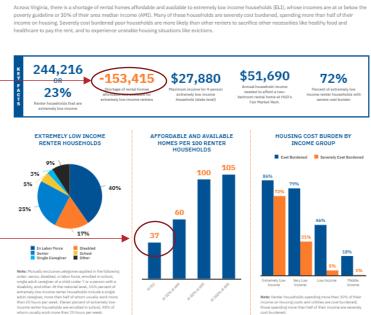
Using NLIHC's Data to Make the Case for Increased Housing Investments Autional LOW INCOME HOUSING COALITION

4. Numbers to notice



Statewide shortage of affordable housing affordable and available to ELI households

Number of affordable, available rental homes for every 100 ELI households





Using NLIHC's Data to Make the Case for Increased Housing Investments Autional LOW INCOME HOUSING COALITION

4. Numbers to notice



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EXTREMELY LOW INCOME



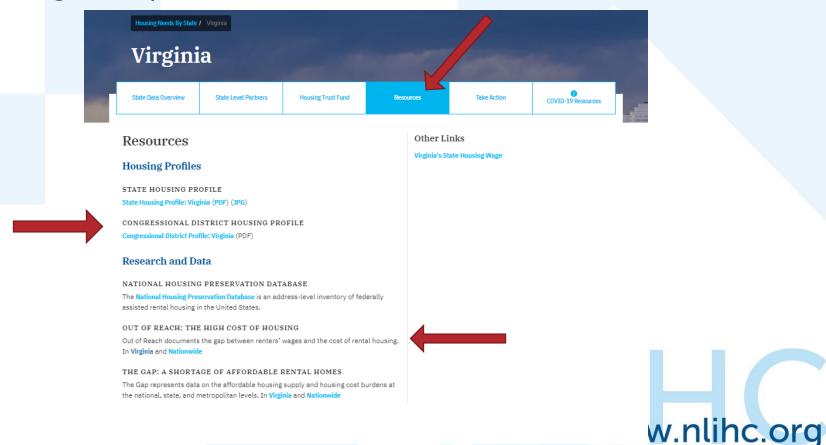
Number of ELI renters spending over 50% of their income on rent and utilities alone



Using NLIHC's Data to Make the Case for Increased Housing Investments <



5. Dig deeper



Drilling Down to Local Data





North Carolina #29

View State Map

Select a state...

MINIMUM WAGE	
2-BEDROOM HOUSING WAGE	

State Facts

\$7.25 \$19.18 1,381,743 NUMBER OF RENTER HOUSEHOLDS NUMBER OF RENTER HOUSEHOLDS 347,827 BELOW 30% AMI PERCENT OF RENTER HOUSEHOLDS 25% BELOW 30% AMI NUMBER OF RENTER HOUSEHOLDS 559,945 BELOW 50% AMI PERCENT OF RENTER HOUSEHOLDS 41% BELOW 50% AMI

Affordable Rent for Low Income Households

2-Bedroom Fair Market Rent

Minimum Wage Worker \$377/mo Household at 30% of Area Median Income \$609/mo Household at 50% of Area Median Income \$1.016/mo Fair Market Rent 1-Bedroom Fair Market Rent \$847/mo

Working at minimum wage \$7.25/hr Each week you have to work 90 HOURS To afford a modest 1 bedroom rental home at Fair Market Rent

DOWNLOAD STATE REPORT CONNECT TO NETWORK North Carolina



\$997/mo







For each state, downloadable Excel file includes data for each county and metropolitan area



Immediate Opportunities for Advocacy



FY23 Appropriations

Support the highest level of funding possible for HUD's housing and homelessness programs, including:

- Full funding to renew all existing Housing Choice Vouchers, and to expand vouchers to 140,000 more households with low incomes
- \$3.6 billion for Homeless Assistance Grants
- Full funding for public housing, legal assistance to prevent evictions, and tribal housing competitive funds

www.nlihc.org

Immediate Opportunities for Advocacy



Tax Extenders Package

Ensure any expansion of the Low Income Housing Tax Credit (LIHTC) is paired with key reforms:

- Incentives to serve ELI households and people experiencing homelessness
- Incentives to develop in tribal and rural areas





NATIONAL LOW INCOME HOUSING COALITION

Access the Fall & Winter 2022 Toolkit: bit.ly/3eB7jyt

Critical Long-Term Solutions



To end the affordable housing crisis, we must:

- 1. Bridge the gap between incomes & housing costs.
- 2. Expand and preserve the supply of rental homes affordable and accessible to people with the lowest incomes.
- 3. Provide emergency rental assistance to households in crisis.
- 4. Strengthen and enforce renter protections.

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Thank you!

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