

NewDEAL Housing Forum:

Improving Access to Affordable Housing

Affordable housing, already in short supply before the pandemic, is even more scarce today. According to research detailed in a piece for [The Conversation](#), the cost of rent has risen by 14 to 40 percent in the last two years, with median rents reaching a peak this January. To afford the median rent on a one-bedroom rental, a person making \$14 an hour would have to work 89 hours a week – but the average hourly earnings are only \$11.22, putting rent even further out of reach.

The NewDEAL convened experts from the public, private, and non-profit sectors on March 16, 2022, to discuss short and long-term housing solutions, including zoning changes, integration of housing and transit development, and tenants' rights legislation. The discussion, [which you can watch here](#), produced the below series of examples and considerations for state and local officials to follow as they pursue housing solutions in their communities.

Key Context

- Over the last few years, homelessness has risen, and now on any given day, half a million Americans are living in emergency shelters or are unsheltered.
 - ▷ In particular, there has been a sharper rise in unsheltered numbers, and 2020 was the first year that more people were sleeping outside than in emergency shelters.
- The COVID-19 pandemic has exacerbated the issues and laid bare the vulnerabilities people face when they don't have housing security.
- Many people experiencing homelessness or housing insecurity were more vulnerable to the virus and unable to “stay safe by staying home” or “maintain a physical distance” in shelters.
- Homelessness is driven by rent affordability, and as prices continue to rise rapidly, there are shared concerns that existing resources will not be enough to meet the growing need.

Federal Priorities

The American Rescue Plan provides dedicated programs and resources to address homelessness, including:

Emergency Housing Voucher

- \$5 billion to provide 70,000 vouchers to 600 public housing authorities to help individuals experiencing or at risk of homelessness.

HOME Investment Partnerships

- \$5 billion in grants to build supportive and affordable housing to add to housing stock and provide other supportive services.

Emergency Rental Assistance

- \$46 billion to prevent evictions and support rehousing for people evicted, displaced, at risk, or currently experiencing homelessness.

State & Local Fiscal Recovery Funds

- \$350 billion for state and local leaders to address the immediate needs of their constituents, including housing assistance.

Additional programs exist at the Department of Health and Human Services for related wrap-around supportive services such as mental health and substance abuse block grants, health centers, and Medicaid expansion.

House America

Secretary Fudge's initiative to encourage localities to effectively use new funds for the homelessness crisis by establishing ambitious goals to rehouse individuals and produce more housing units.

- **Re-Housing** - re-house at least 100,000 households into stable and supportive housing by 2023 through a housing first approach.
- **Unit Creation** - build 20,000 affordable housing units by 2023 and encourage local leaders to use funding to add as many units into the development pipeline as possible
- House America provides implementation support, such as: tools and resources, monthly "All-Hands-On-Deck" webinars and calls, office hours, and individual technical assistance.
- So far 80 state and local leaders have joined House America, including many NewDEALers who are already producing results:
 - ▷ [Oakland Mayor Libby Schaaf](#) is using federal funds to [rehouse 1,500 people experiencing homelessness and build 132 housing units](#).
 - ▷ [San Antonio Mayor Ron Nirenberg](#) is deploying [housing surges](#) to achieve the city's goals.
 - ▷ [Boston Mayor Michelle Wu](#) is using federal resources and a [housing first approach](#) to resolve an encampment.



Early ARP Implementation Successes

Massachusetts has invested over \$600 million of recovery money into housing programs, focusing on both immediate relief, such as emergency rental assistance, and medium- to long-term solutions to build intergenerational wealth and help people own their own homes. [Representative Andy Vargas](#) and the state's Black and Latino Caucus established [Common Wealth Builder](#), an innovative program that uses \$100 million in recovery funds to provide financial incentives for developers to sell to first-time home buyers, and help build intergenerational wealth for qualifying families.

Additionally, Massachusetts used recovery funds to bolster existing programs, including home ownership assistance programs, affordable housing production programs, and supportive housing production.

Read more details on these success stories in our report ["The American Rescue Plan - One Year Later"](#):

[County Executive Matt Meyer](#) - New Castle County, Delaware will invest to build affordable housing and promote homeownership and affordable rental properties in unincorporated areas.

[Mayor Miro Weinberger](#) - Burlington, Vermont will use a combination of federal and local funds to double housing production and end chronic homelessness.

[Mayor Levar Stoney](#) - Richmond, Virginia used ARP funds to renovate and improve two of the city's public housing complexes.

[Mayor Quinton Lucas](#) - Kansas City, Missouri will use federal funds to support a housing first site and to invest in a Housing Trust Fund to produce affordable units.

[Mayor Steve Adler](#) - Austin, Texas will leverage federal funds to raise \$500 million to end homelessness in the city.

[Mayor Tishaura Jones](#) - St. Louis, Missouri is investing in rental assistance, home repairs, property tax relief, and affordable unit construction.

Private/Public Role in Solutions

Supporting More Housing Production

Homelessness is driven by rent affordability, and increasing housing and affordable unit production is a key long-term solution to stabilize housing prices and rents. Policymakers should work to provide communities with a toolbox of supports and incentives to foster an environment for more housing production.

- New Hampshire [Senator Rebecca Perkins Kwoka](#) is advancing a [Community Toolbox bill](#) to create a Housing Champions Program that provides a toolbox to help municipalities build affordable housing and enact housing-friendly policies such as:
 - ▷ Expanding voluntary training for local planning and zoning board members, and
 - ▷ Incentivizing development with quicker approval processes, low-interest loans, and extra points on the state capital improvements plan.
- Under [Mayor Quinton Lucas](#), Kansas City is working on multiple solutions to incentivize collaboration with different funding sources to build more housing, including using the [Central City Economic Development Sales Tax Fund](#) to fund housing improvement in the city core with a direct cash infusion in these historically underinvested areas at risk of gentrification.

Eliminate Burdensome Security Deposits

City and state leaders can enact legislation to help families deal with growing cost pressures and the rising cost of rent by leveraging technology and private sector partnerships to reform the cash security deposit system, where currently \$45 billion sits as dead capital. Renter's Choice legislation requires that renters be offered an alternative to a traditional security deposit, such as a reduced security deposit, a security deposit payment plan, or a relatively new mechanism: security deposit insurance. Security deposit insurance is offered by private entities, allowing renters to make affordable monthly insurance payments as a low-cost alternative to massive upfront cash deposits. Eliminating burdensome cash security deposits up front helps more people access stable housing while also protecting owners' properties.

- NewDEAL Leaders championing this effort include: [Former Cincinnati Mayor John Cranley](#), [Atlanta Councilmember Amir Farokhi](#), [Virginia Delegate Mark Keam](#), and [Connecticut Representative Quentin Williams](#).
- [Read an op-ed from Montgomery, AL Mayor Steven Reed and Alabama Representative Jeremy Gray](#) on how Renter's Choice legislation can decrease barriers to renting and free up capital.

Provide Resources to Protect Tenants' Rights

Fifty percent of renters experienced COVID-related job loss, and policymakers have provided additional resources to protect tenants' rights. Best practices include:

- Reform eviction procedures and give families more time to stay in their homes with the option to back pay their landlords. In New Hampshire, proper eviction notice was extended from 7 days to 120 days, and the state cracked down on bad actors who were using renovation evictions to raise rent and get new tenants.
- Help tenants understand and exercise their rights, particularly in eviction proceedings. In Kansas City, a newly-established [Tenants' Right to Counsel Task Force](#) is providing legal representation for tenants navigating various issues during the pandemic.

Private/Public Role in Solutions (continued)

Non-Legislative Solutions

While housing has become a growing issue for communities, it is important to continue to raise awareness and work with urgency on solutions.

- Convene stakeholders and coordinate across the community. In Massachusetts, [Representative Andy Vargas](#) established the [One Haverhill Fund](#), which brings together the largest social services organizations and shelters to coordinate efforts to pursue housing funding and prevent redundancy in services.
- Foster political will and build consensus on solutions, particularly in politically divided states and communities.
 - ▷ There is no silver bullet to solve the crisis and rather will require collaboration between policymakers and businesses to develop multiple policies, solutions, programs and products.
 - ▷ Educate constituents on the issues, as some residents (particularly homeowners) can feel insulated from housing issues and placing unwarranted blame on individuals experiencing homelessness and housing insecurity.

We encourage Leaders to use the resources provided here to help achieve housing policy goals in their communities:

- [Watch the full conversation here](#)
- For assistance on House America or other federal initiatives: email HouseAmerica@hud.gov or HUD Senior Advisor Richard Cho at Richard.s.cho@hud.gov

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