



**HEALTHY,  
EQUITABLE, &  
AFFORDABLE**  
**Housing Challenges and  
Policy Opportunities**

June 25, 2021

ENTERPRISE STATE AND LOCAL POLICY

# WHO WE ARE



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LET'S TALK

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WHO WE ARE - A BETTER AMERICA FOR ALL

## OUR VISION

A country where home and community are steppingstones to more.

## OUR MISSION

To make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all.

# HOW WE GOT HERE

## RAISING COSTS, INCREASING POVERTY, POOR QUALITY

### Ohio renters are cost burdened

- Between 2013-2017, 46% of Ohio's renters experienced housing cost burden. 24% experienced *severe* housing cost burden
- In every Ohio county at least 1 in 8 renter households is severely cost burdened.

### Ohioans are falling behind

- Ohio ranks No. 9 in the nation, with 11% of renters at risk of eviction
- Homelessness increased 20% in 5 years
- Homeownership racial gap between Black and white Ohioans is increasing, hitting 37% in 2018 – 9% larger than the national gap

### Ohio's housing stock is deteriorating

- Half of Ohio's housing units were built before 1950. Nearly one in four housing units in Ohio were built before 1940, including 30% of the state's vacant housing
- Many of these older units are concentrated in urban areas; 58% of homes in Ohio's urban cores were built before the 1950s.

## *Housing Insecurity hurts us all...*

**TOXIC TRADEOFFS:** When housing costs are 30% or more of a household's income, families are forced to decide between rent, healthcare, food, etc.

**IMPACT ON SENIORS:** 52% of renters and 24% of homeowners aged 65 or over were cost burdened. Low-income, severely cost-burdened seniors spend 70% less on health care than their peers.

**RACIAL INEQUITY:** In Cleveland, the rate of cost burden among households headed by a person of color in Cleveland was 49%, compared to 33% among white households.

**IMPACT ON HEALTH:** Substandard and unstable housing is linked to asthma, lead poisoning, food insecurity, chronic disease, mental health issues, infant mortality, and substance abuse.

# HOW WE GOT HERE

HIGHER COSTS, LOWER WAGE GROWTH, INCREASING DISPARITIES

## Affordable homes are out of reach

There is a **deficit of 7.5 million** affordable and available rental homes for households below 50% AMI, and nearly 1 in 2 renter households pay more than they can afford

## Income stagnation has widened the gap

Median rents have risen **13%** since 2001 while renter incomes have grown only **0.5%**

## Inequity in housing magnifies racial and economic disparities

People of color are **more likely** than white households to pay over half their income on rent, and make up **80% of eviction cases**

## *COVID has made this worse and more apparent...*

**1 in 3 jobs at-risk** of layoff or furlough, 86% of which pay below \$40,000 per year

**40%+** of jobs held by black and Latino workers are at risk of furlough or layoff due to COVID-19

**40+** million Americans have filed for unemployment since crisis, exposing **fragility in our economic system**

**32% decline** in multifamily housing starts between February and March 2020 as construction activity halts.

State and local gov't will face **staggering deficits** and pressure to cut investment and services

# FEDERAL POLICY: CRISIS RESPONSE AND RECOVERY

## CARES Act

\$2T relief package that included \$150 billion for the Coronavirus Relief Fund for state, tribal, and local governments and more than \$12 billion in funding for HUD programs

## Consolidated Appropriations Act of 2021

\$900 billion relief package that included \$25B for the newly created Emergency Rental Assistance Program

## American Rescue Plan Act

\$1.9T package that included \$27B for emergency rental assistance, \$16B for housing recovery and \$362B for the State and Local Fiscal Recovery Fund

## American Jobs Plan

\$2T package that includes \$213B for housing infrastructure. The infrastructure package could be the largest investment in affordable housing for decades

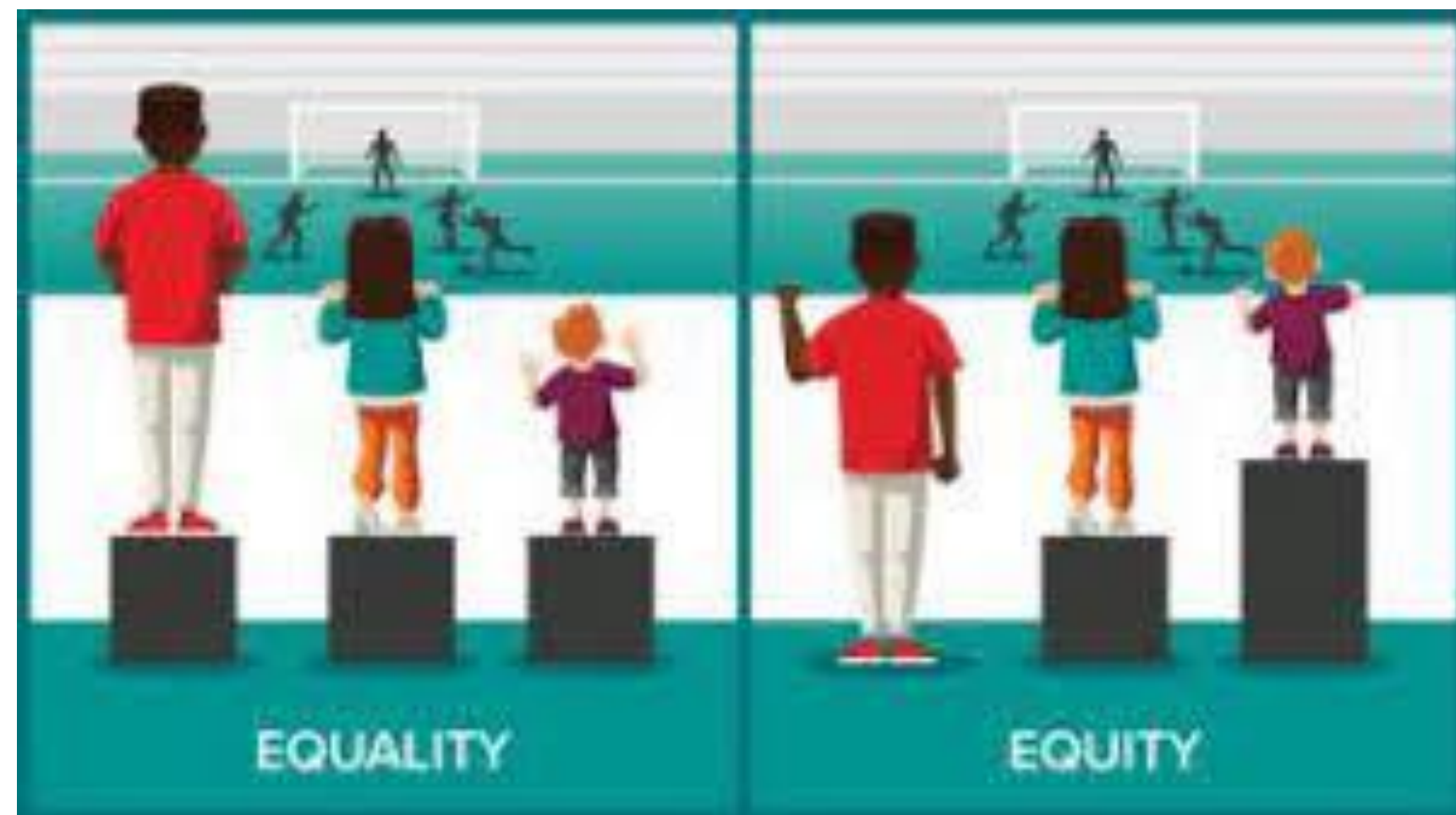
## Biden Administration Proposed Budget

The budget proposes a 15 percent increase for HUD over FY21 agency levels



## FAIR HOUSING

# MAKE HOUSING EQUITABLE



## ITS TIME TO PROTECT TENANTS AND END HOUSING DISCRIMINATION

Equity in housing means targeting valuable resources to households and communities with the greatest needs. To achieve equity, state and local governments can:

- Further the goals of the Fair Housing Act by pursuing policies that provide access to all types of housing in all communities without the fear of discrimination.
- Reduce barriers to housing such as excessive application fees and deposits or unreasonable background checks.
- Take action to prevent involuntary displacement caused by eviction, rapidly rising rents and property values, or expiring affordability.

### Desperately Needed Relief

The federal eviction moratorium – issued by the Centers for Disease Control and Prevention – is set to expire on June 30, 2021. State and local governments are working to quickly deliver **\$46.5 Billion in Emergency Rental Assistance Program funds** while ensuring funds reach households with the greatest needs. This means using algorithms to score applications based on need, prioritizing the lowest-income tenants, and targeting resources to communities hardest hit by Covid's economic fallout.



FAIR HOUSING

# MAKE HOUSING EQUITABLE

Toledo City Council Passes Source-of-Income  
Discrimination and Pay-to-Stay Ordinances

Feb 08, 2021

The Columbus Dispatch

DW  
e 98%

Sports Entertainment Lifestyle Opinion USA TODAY Obituaries E-Edition Legals

LOCAL

## Columbus might prohibit landlords from denying housing based on income source like rent vouchers

Mark Ferencik The Columbus Dispatch  
Published 6:36 a.m. ET Oct. 27, 2020 | Updated 11:12 a.m. E  
Community News

## Cleveland Heights enacts protections against housing discrimination based on 'source of income'

Updated May 05, 2021; Posted May 03, 2021

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CORONAVIRUS COVID-19 VACI

CORONAVIRUS

## Report: 93% of evictions in Cleveland were prevented during first six months of Right to Counsel program

## Akron considers pay-to-stay law to avoid evictions

### SOURCE OF INCOME DISCRIMINATION

- Many landlords refuse to rent to potential tenants who have subsidies
- SOI discrimination is a proxy for race discrimination
- Disproportionately hurts our most vulnerable and makes hard earned affordable housing resources ineffective
- SOI protections already on the books in 19 states, countless cities
- Elements of a successful law and momentum across Ohio

### RIGHT TO COUNSEL

- 60% of the 9,000 annual Cleveland eviction cases include households with children
- Evicted children are at higher risk of lead exposure, negative educational outcomes, and low-income black women are evicted at a higher rate
- In 2019, Cleveland passed Cleveland's Right to Counsel Ordinance
- 93% of those represented avoided eviction/involuntary move

### PAY TO STAY

- Landlords in Ohio are not required to accept late rent payments and can proceed with an eviction even if a tenant can make a payment covering the late rent.
- Yellow Springs, Toledo and Akron passed Pay to Stay

# ACCESS TO SAFE, QUALITY HOUSING

**EVERYONE SHOULD BE ABLE TO LIVE IN HOMES THAT ARE FREE OF CONTAMINANTS, RESILIENT, AND HAVE AFFORDABLE ENERGY & WATER COSTS**



Rising temperatures, floods, and natural disasters have become the new reality, and low-income families with limited access to resources shoulder the greatest burden. Although new housing is typically safer, healthier and more sustainable, it remains a fraction of the available affordable housing stock. We're working to ensure that:

- All affordable housing meets the Enterprise Green Communities 2020 criteria
- Housing is resilient: structurally sound, provides adequate ventilation, and has safe and working heating, cooling, electricity, indoor plumbing, hot water and other basic standards of living
- Rental housing can withstand and respond to our evolving climate. Tenants should have the choice to stay rooted and connected to the resources and opportunities in their communities.
- Tenants pay no more than 6% of their income, or the amount that makes it possible to pay living expenses, toward utilities.

HEALTHY HOUSING

# ACCESS TO SAFE, QUALITY HOUSING

## LEAD POISONING PREVENTION

Public health crisis with a housing solution

Lead Safe Cleveland Coalition: Over 450 members, 7 working committees, all committed to no child ever being poisoning by lead.

Primary prevention approach: Proactively create lead homes through the Lead Safe Certification and prevent poisoning before it happens

Lead Safe Home Fund: First-of-its-kind fund to make the Lead Safe Certification feasible and successful

**LEAD SAFE**  
CLEVELAND COALITION

**KNOW THE SOURCES. PREVENT EXPOSURE.  
LET'S BUILD A LEAD SAFE CLEVELAND.**

# BUILDING AND PRESERVING AFFORDABLE HOMES

HOW STATE AND LOCAL GOVERNMENTS ARE RESPONDING TO SUPPLY CONSTRAINTS

The availability of federal resources is facilitating innovation:

- Conversion of underutilized space, especially motels, hotels and commercial buildings.
- “Right-of-first-refusal” policies that allow tenants to purchase their buildings and other actions to prevent predatory acquisitions
- Engaging owners of small and medium-sized multifamily buildings (“mom and pop” landlords)



## AFFORDABLE HOUSING

# BUILDING AND PRESERVING AFFORDABLE HOMES



### ACCESS TO CAPITAL

- Challenges: legacy of redlining, property valuation, low rental rates and overall demand
- Large-scale home repair: Lending and grant capital directly deployed to individual homeowners
- Loan loss reserve: Using a publicly funded reserve, attract lending capital from private lenders, banks, foundations

### PROPERTY TAX RELIEF


- As property values rise in certain neighborhoods, tax burdens increase for low-income homeowners leading to a higher risk of delinquency, foreclosure, or displacement
- Relief programs such as freezes, LOOP, circuit breakers
- Cap and temporarily freeze the increase on tax bills for low income homeowners at no more than 15% increase per year
- For example: Taxes due on a home in 2020 were \$1,200 would increase to \$2,160 in 2021 (an increase of \$960, or 80%). Under proposal, homeowner would only be responsible for \$240 of increase.



LET'S STAY IN TOUCH

# CONTACT US

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**THANK YOU**