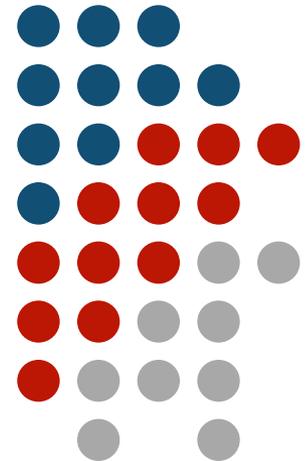
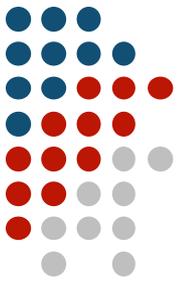


# *National Landscape of Affordable Housing*

Chris Estes  
President/CEO, National Housing Conference



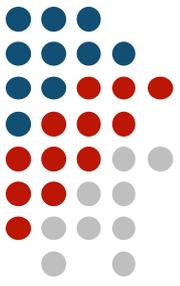


# National Housing Conference

- Bring broad section of affordable housing community together to find common ground.
- Resource, educator, thought leader and convener on:
  1. Policy
  2. Communications
  3. Research
- At both the Federal/National and Regional/State/Local level of focus

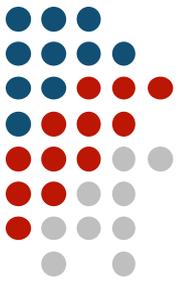
# What Will Drive Housing Demand?

*Key demographic and economic trends will shape demand*

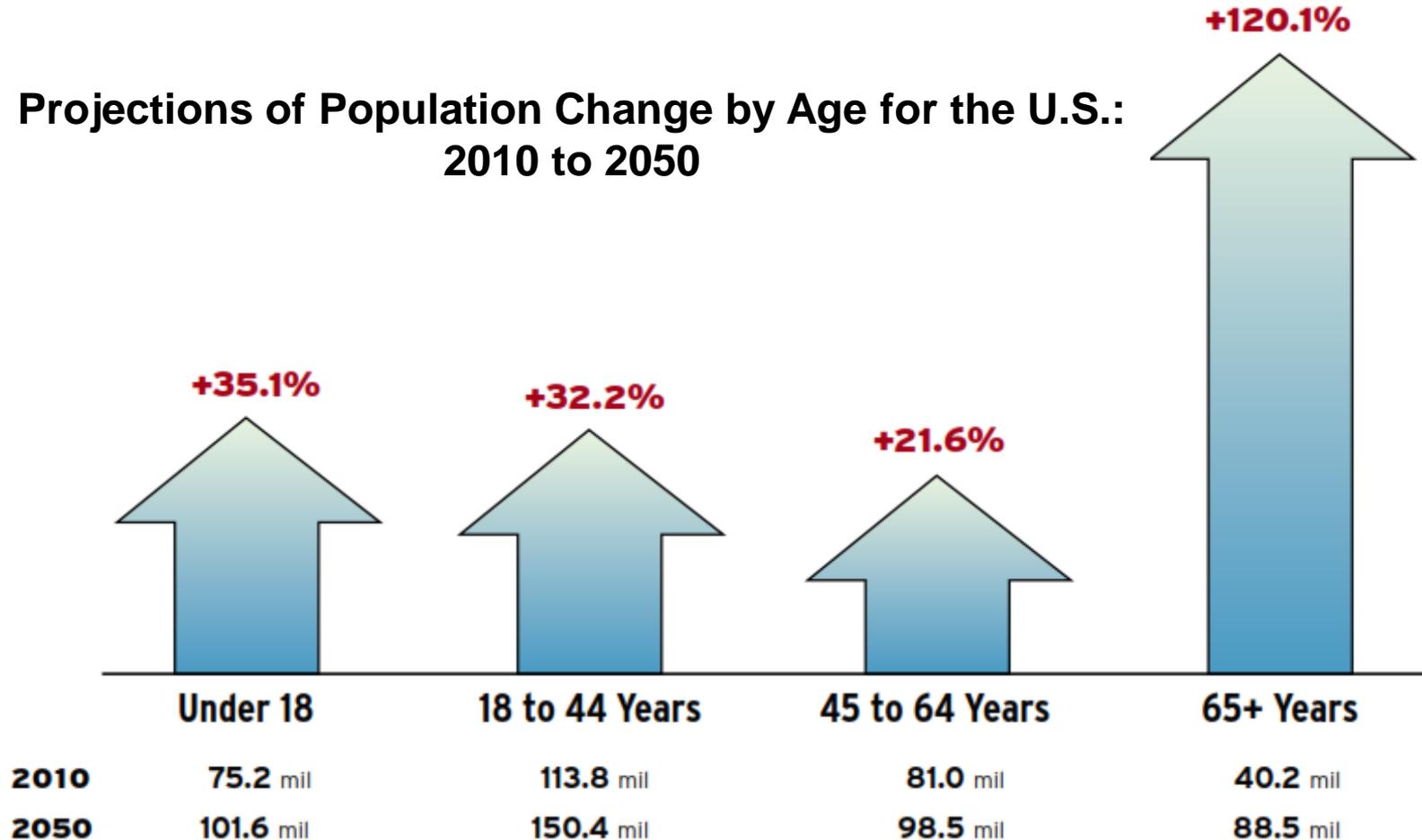


# Boomers

## *Growth in 65+ population*



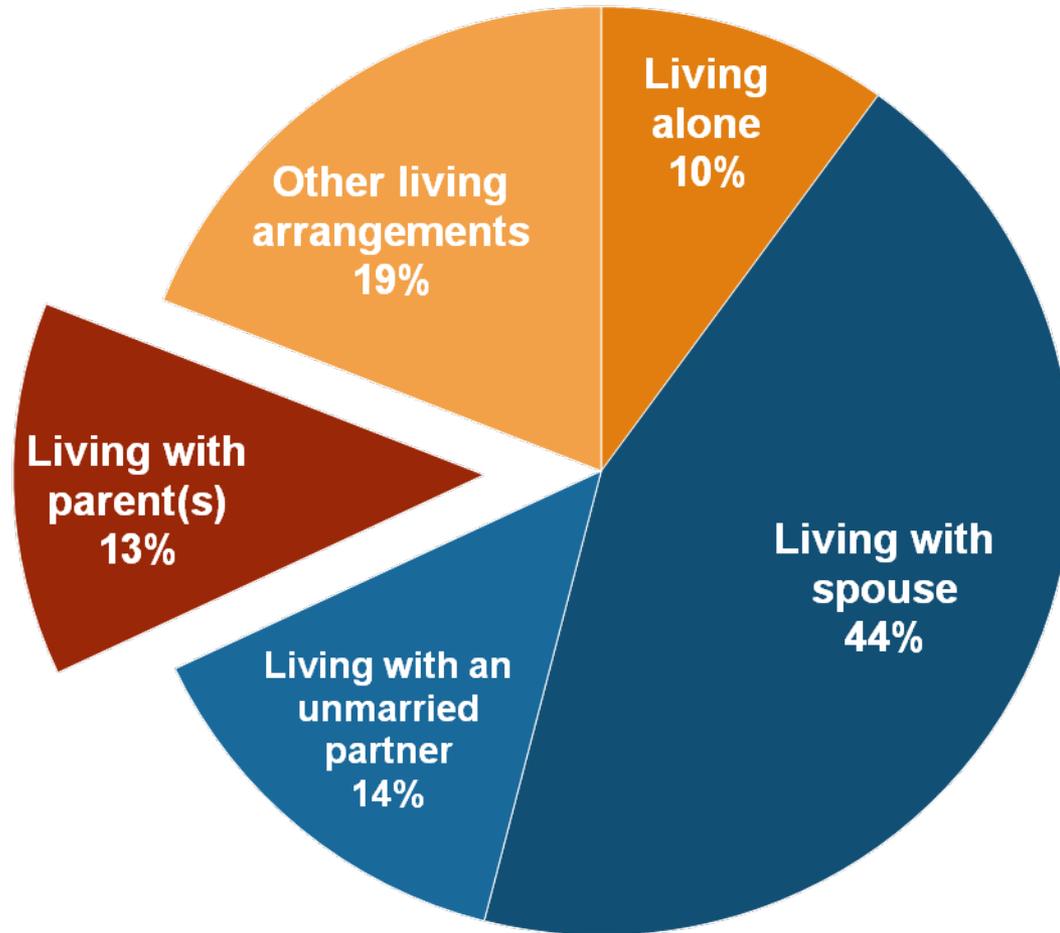
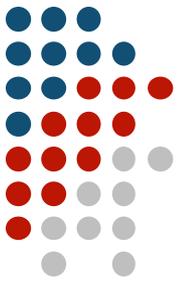
Projections of Population Change by Age for the U.S.:  
2010 to 2050



Source: *Housing an Aging Population: Are We Prepared?*

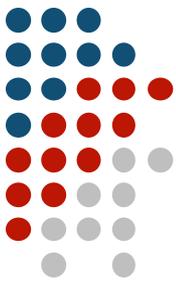
# Gen Y'ers

*Trends among 25-34 year olds*

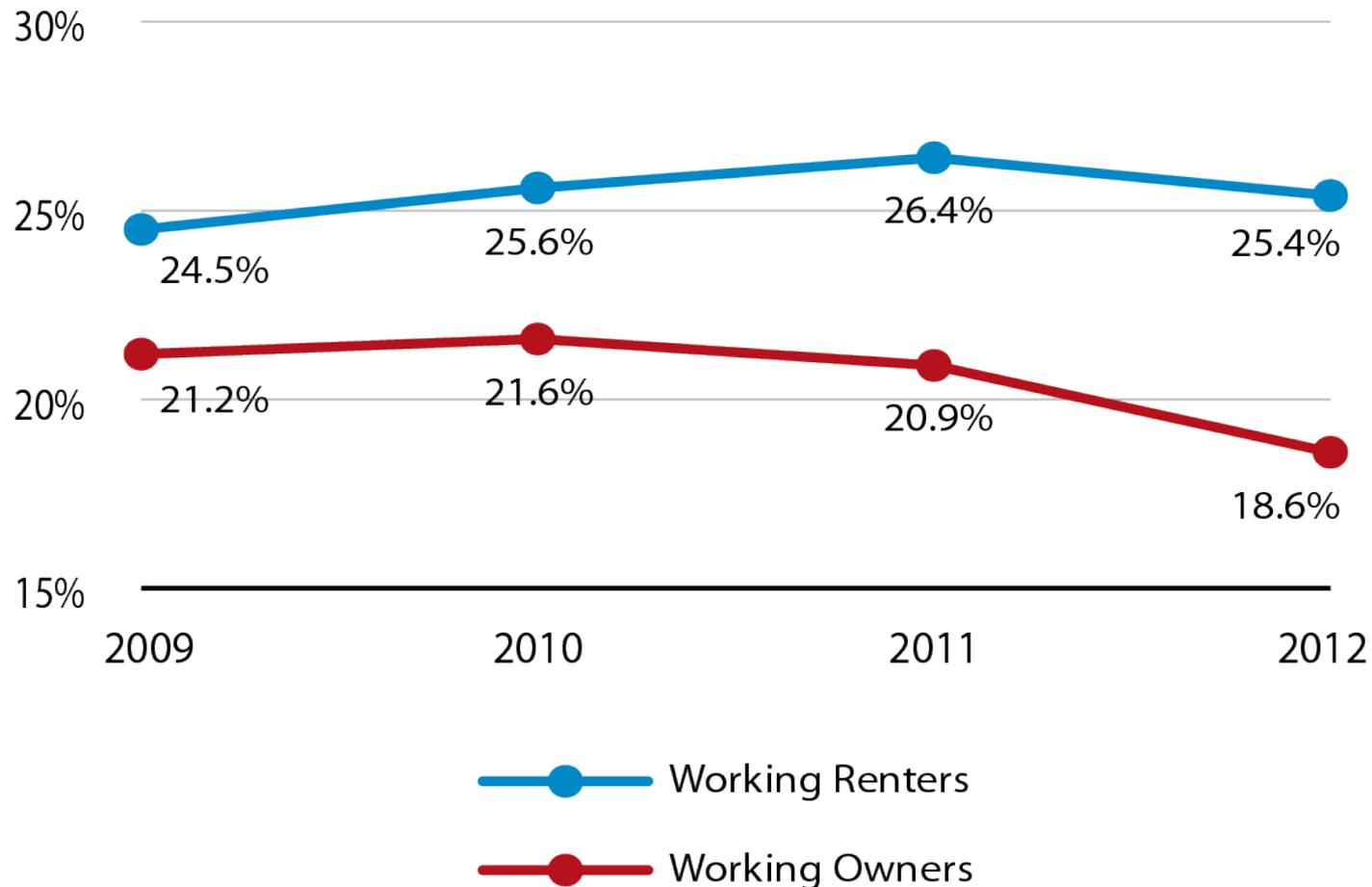


# Affordability

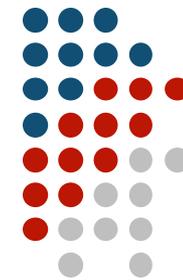
## Millions of cost burdened households



Percentage of Working Households with a Severe Housing Cost Burden

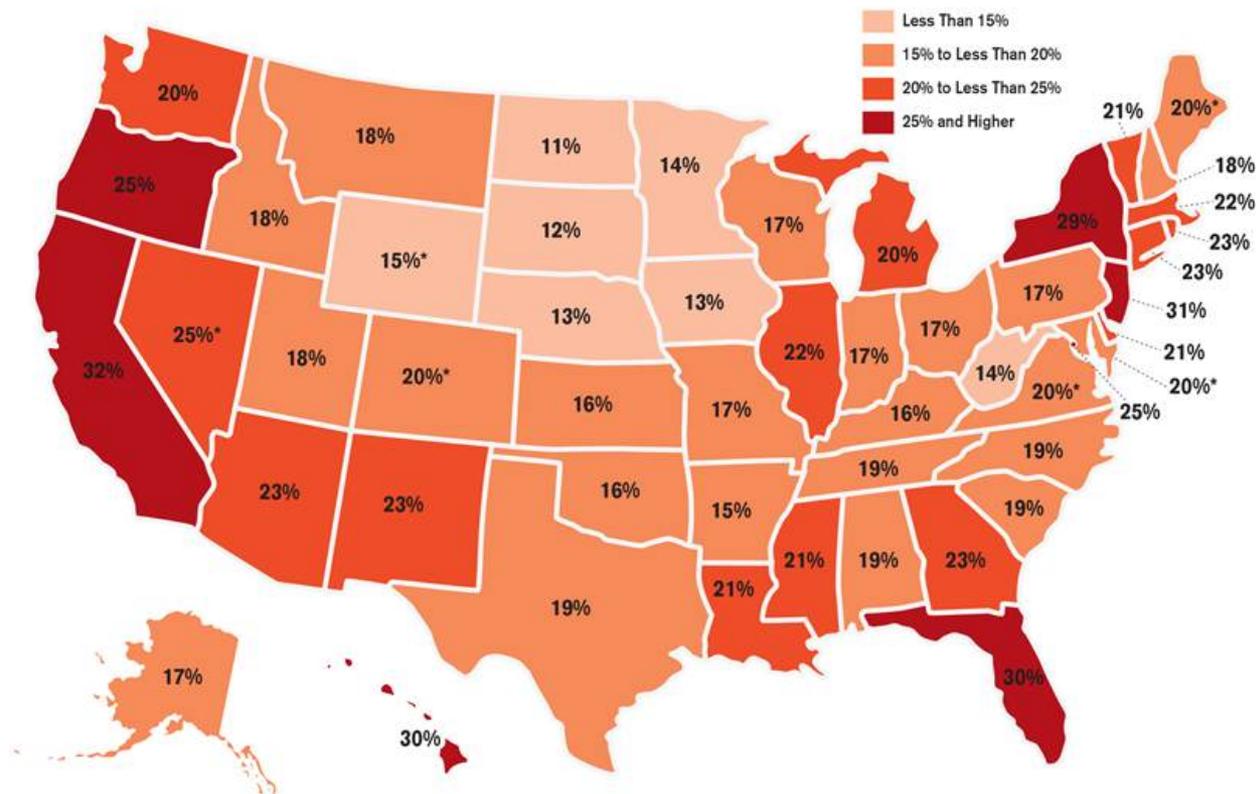


# In 21 States, at Least 1 in 5 Working Households is Severely Cost Burdened



**FIGURE 5.** In 21 States, at Least One in Five Working Households is Severely Cost Burdened

Share of Working Households with a Severe Housing Cost Burden, 2012



\*Shading is based on numbers rounded to one decimal place. See Appendix A for more details.

# Rents Have Risen Steadily Since the End of the Recession

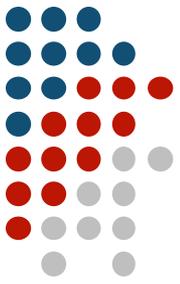


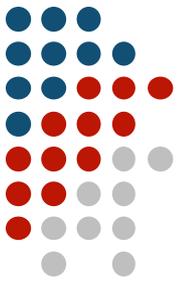
TABLE 1. Rents Rose Steadily Every Year Since the End of the Recession

Median Monthly Housing Costs for Working Households

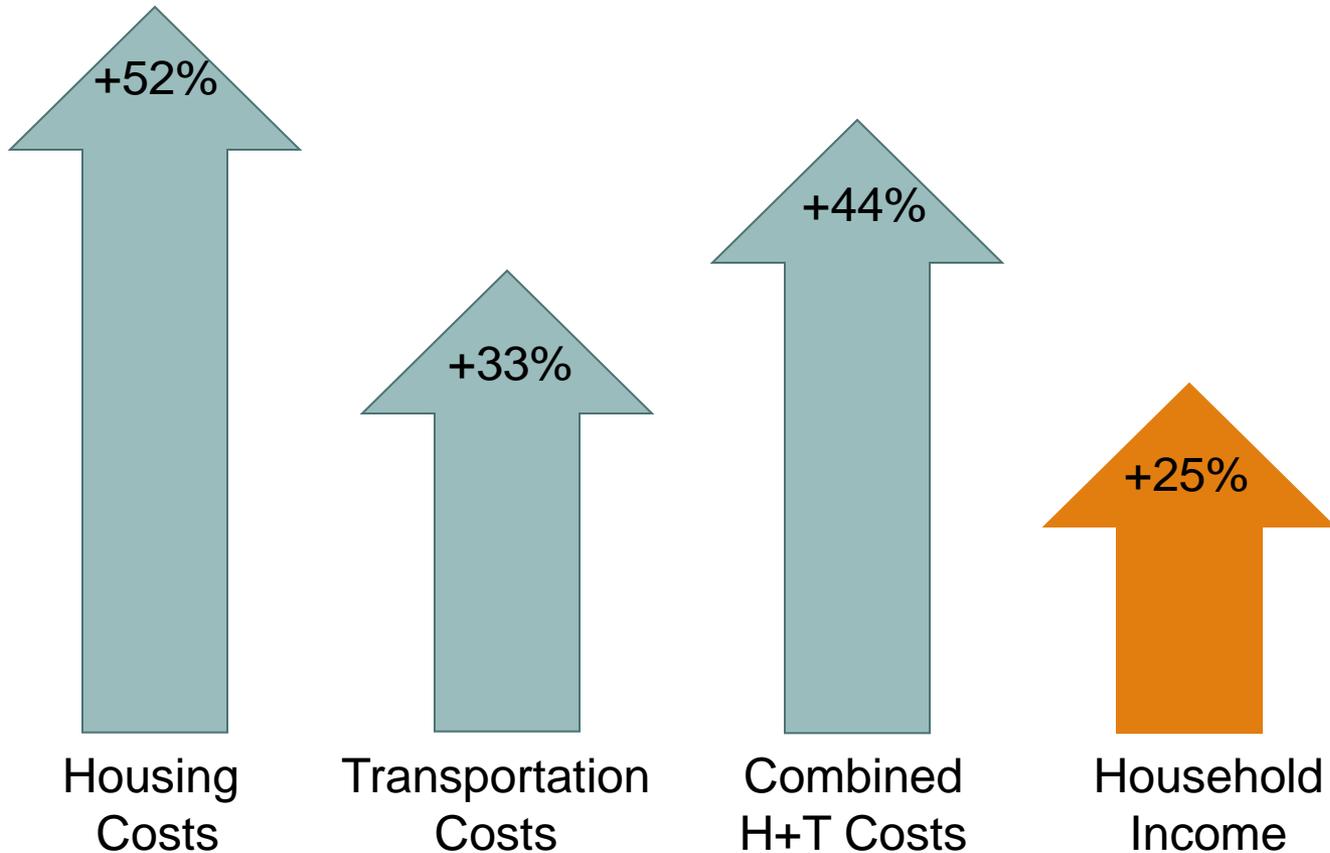
	2009	2010	2011	2012	One-Year Change	Two-Year Change	Three-Year Change
Renters	\$820	\$830	\$847	\$852	+0.6%	+2.7%	+3.9%
Owners	\$1,047	\$1,037	\$1,024	\$994	-2.9%	-4.1%	-5.1%

# Affordability

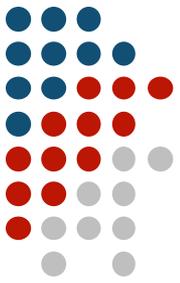
*Costs rising faster than incomes*



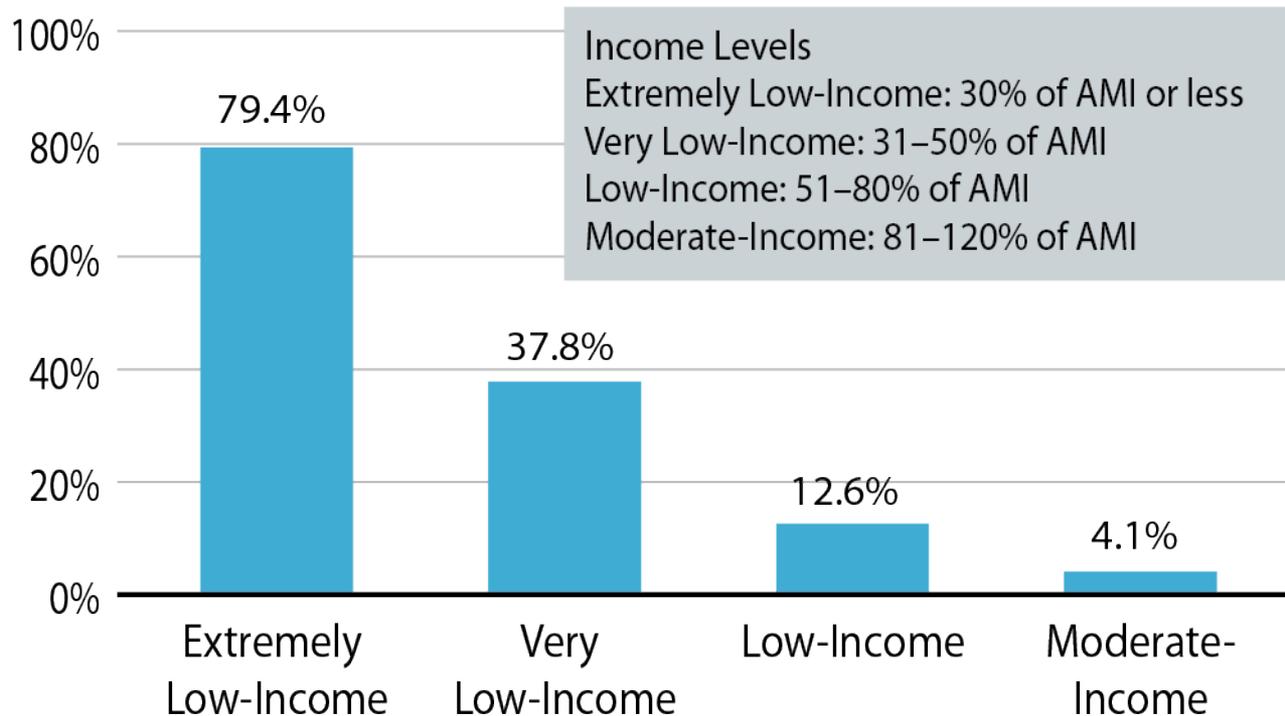
**Change in Incomes and Housing + Transportation Costs**  
**Median-Income Household in Largest 25 Metro Areas: 2000-2010**



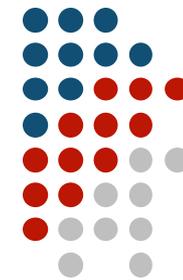
# The Vast Majority of Extremely Low-Income Households Have Severe Housing Cost Burdens



Percentage of Working Households  
with a Severe Housing Cost Burden by Income

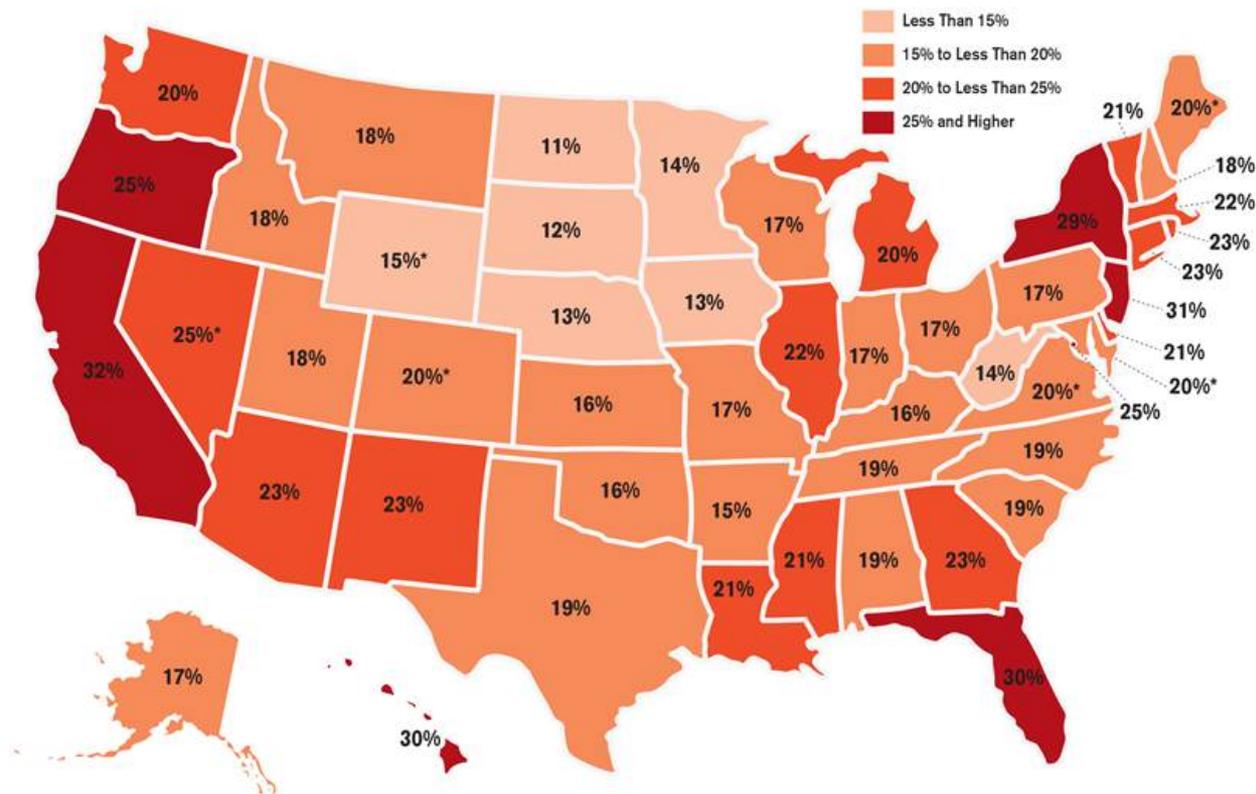


# In 21 States, at Least 1 in 5 Working Households is Severely Cost Burdened



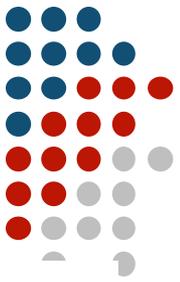
**FIGURE 5.** In 21 States, at Least One in Five Working Households is Severely Cost Burdened

Share of Working Households with a Severe Housing Cost Burden, 2012



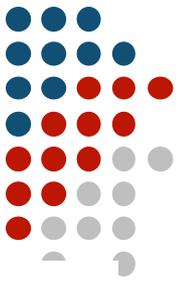
\*Shading is based on numbers rounded to one decimal place. See Appendix A for more details.

# Policy Implications



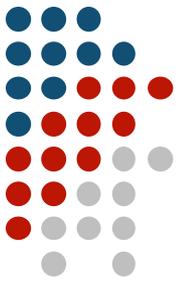
- Many low-income working households face significant housing cost burdens.
  - Federal housing assistance reaches only one in four of those in need.
- While affordability for owners has improved, access to homeownership has become more difficult.
  - Barriers to homeownership become barriers to wealth creation.

# Policy Implications (cont.)



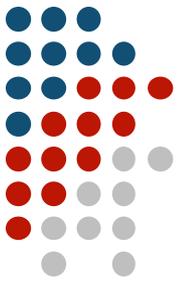
- When households spend more than half of income on housing, there is not enough left for other necessities.
  - Reduced spending on other goods and services also can dampen economic growth.
- Affordable and stable housing is a platform for other important positive family and community outcomes.
  - Better physical and mental health
  - Improved educational achievement
  - Robust economic development

# Implications of Insufficient Housing Near Jobs



What can we expect if there is an insufficient amount of housing that is affordable to workers along the income spectrum?

- Workers can't live near jobs → traffic congestion increases?
- Businesses have a hard time attracting workers → firms move elsewhere?
- Difficult to hire workers for resident-serving sectors → higher prices for everyone?

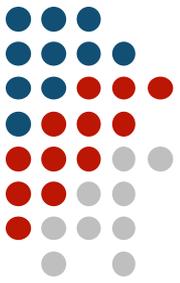


# Housing and Economic Growth

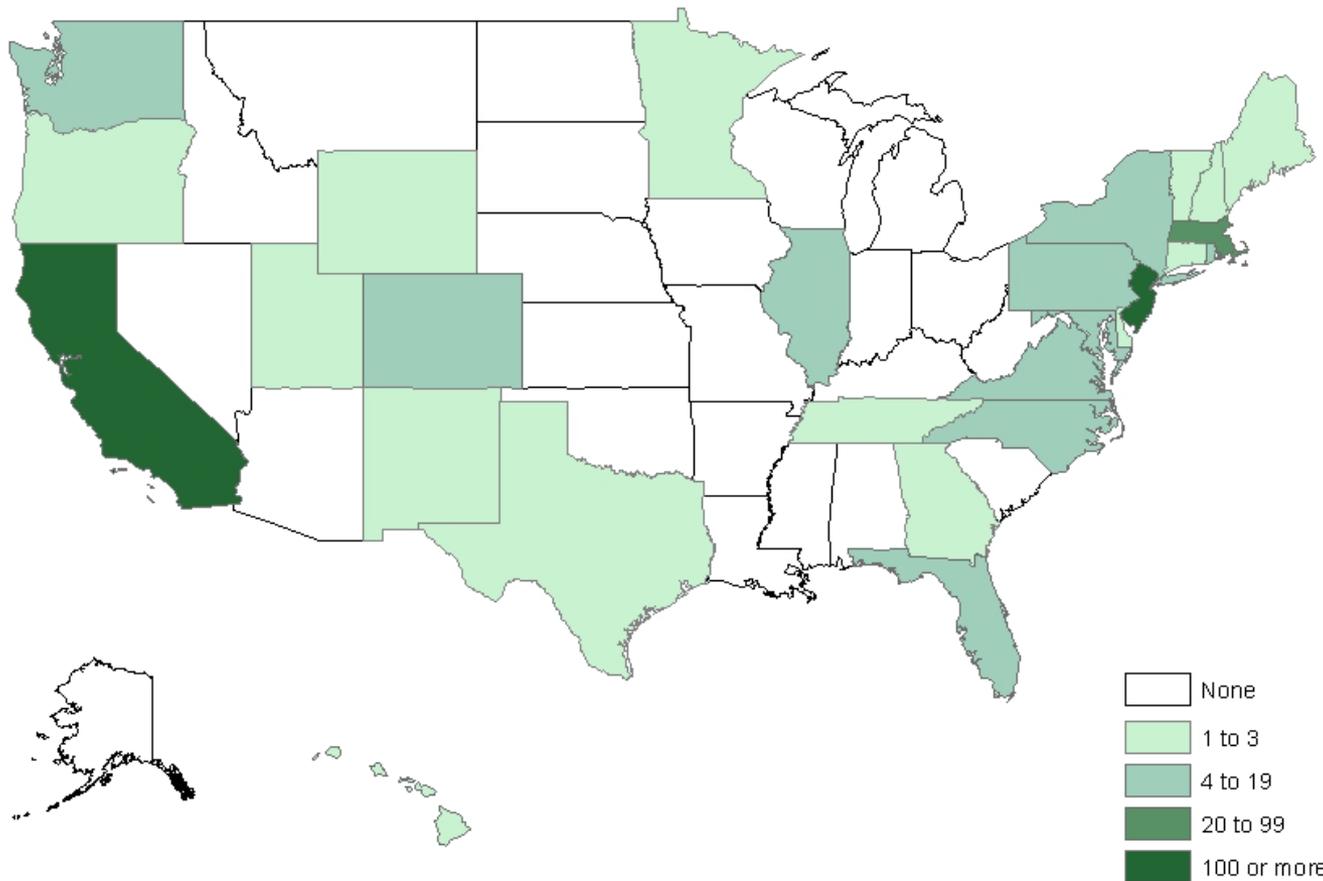
- What is the role for business in regional housing planning processes? What are the challenges?
- Are there models from around the country of private sector involvement in affordable housing policy?
- How does affordable housing contribute to local economies?
- What is the future for economic growth without sufficient housing?

# Inclusionary Housing

*Local affordable housing policies proliferating*



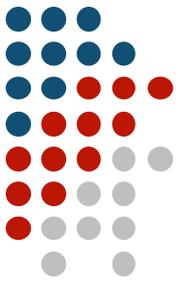
**Location of Inclusionary Housing Programs in the U.S.**



Source: *Designing Inclusionary Housing for Lasting Affordability*

# Housing & Services

*Meeting the continuum of needs*



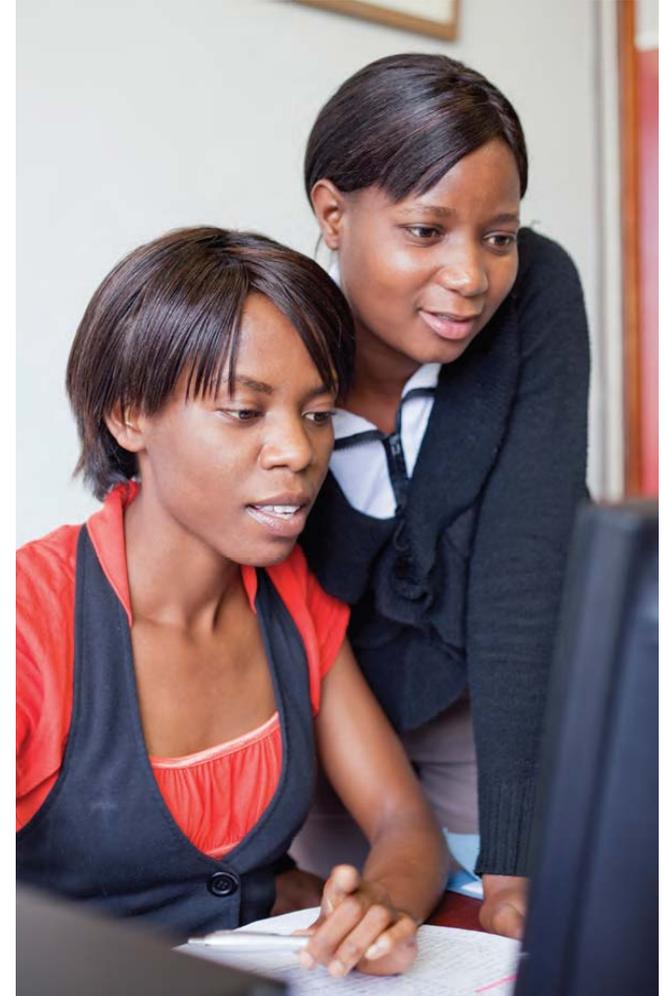
## What are Supportive Services?

- ▶ Medical services
- ▶ Case management
- ▶ Mental health services
- ▶ Social activities
- ▶ Medication management
- ▶ Personal care assistance
- ▶ Home chore assistance



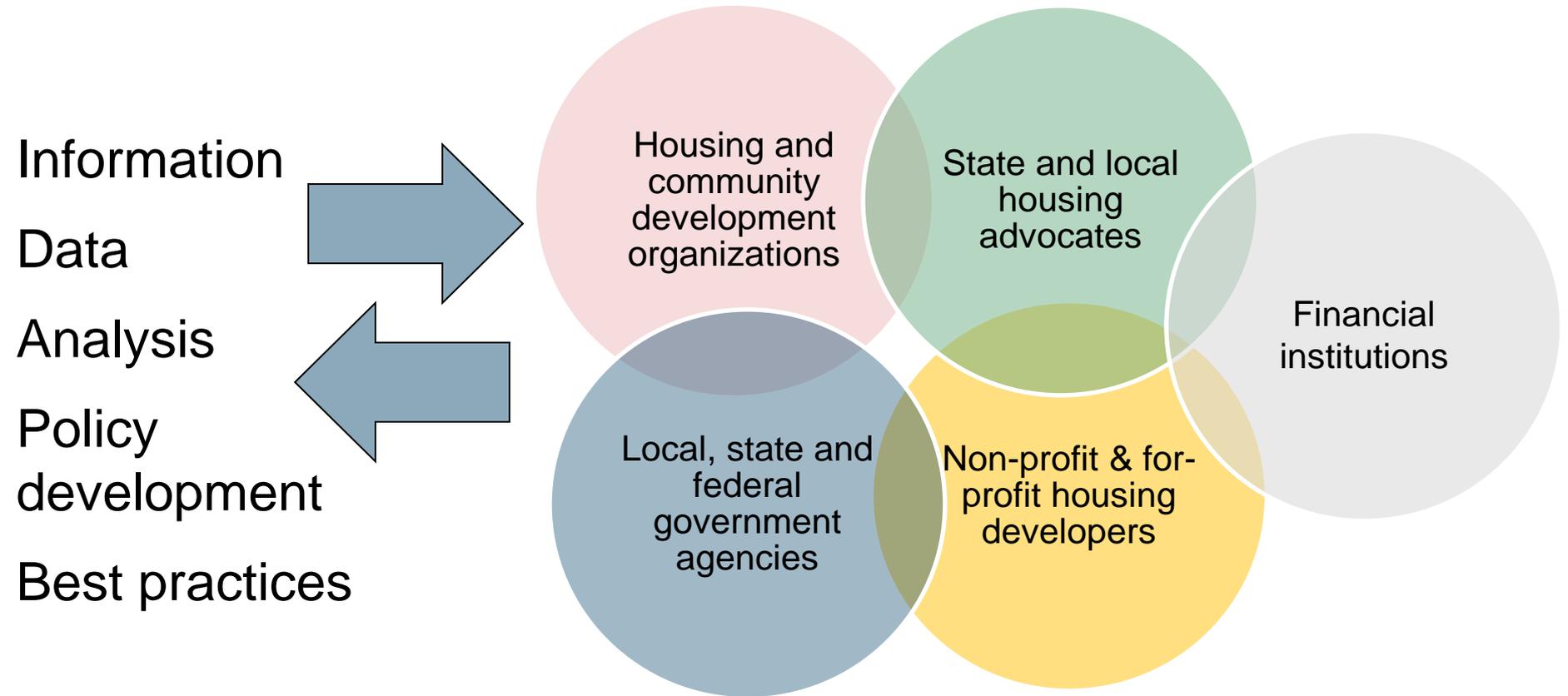
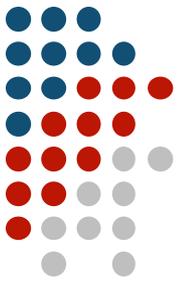
## Five Behavioral and Cognitive Science Principles for Supporting Residents' Economic Progress

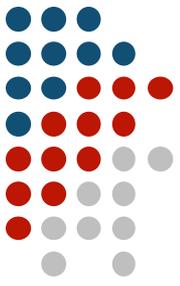
1. Participants Lead Their Processes.
2. Frequent Feedback Confirms Progress.
3. Participants Can Re-Start if Needed.
4. Intensive Support Rebuilds Skills.
5. Heightened Stress Can Thwart Success.



# Partnerships

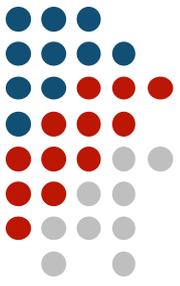
*Critical to meeting housing challenges ahead*





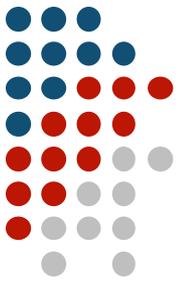
# National Housing Picture

- Weak and uneven
- Foreclosures reduced but underwater owners are up again.
- Only a few markets nationally where pricing is strong
- Supply in those will be key
- Affordable Multifamily is critical nationally
  - >30%AMI & Millennials



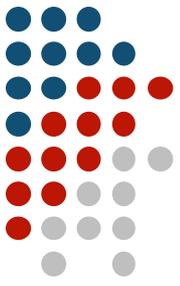
# National Housing Policy Issues

- Housing Finance Reform – Fannie & Freddie
  - Corker/Warner – what is next?
    - Gov't Guarantee
    - Spin off Multifamily
    - Funding for NHTF, Market Access and Capital Magnet Funds
  - Both GSE's are very vulnerable – no retained earnings
  - Tone of next election will have an impact



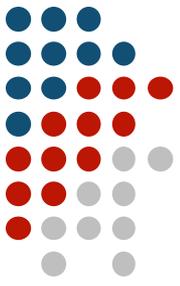
# National Housing Policy Issues

- Tax Reform – Needed for any budget stability as well as priority program growth – not likely until after 2016 election.
- Budget Issues – current situation will continue cuts, next year's budget has no deal in place, could face another sequestration/shut down scenario.



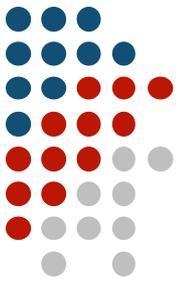
# National Housing Policy Issues

- New incoming HUD Secretary – will he raise profile of housing?
  - RAD is direction for Public Housing
- Budget Issues – current situation will continue cuts, next year's budget has no deal in place, could face another sequestration/shut down scenario



# Final Thoughts...

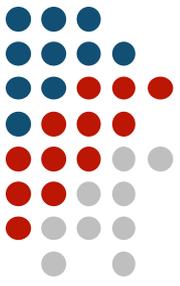
- Affordable Housing as a “movement” and a “community” not an industry.
- What are strategies to deconcentrate poverty and prevent displacement?
- Housing as a platform for services and opportunity – think in terms of community
- Intersection with other issues are what defines our work: impact on health, education, transportation, economic opportunity
- Values-based messaging is important for success.



# Final Thoughts...

- Housing as a platform for services and opportunity – think in terms of community
- Intersection with other issues are what defines our work: impact on health, education, transportation, economic opportunity

# Contact Information



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