

AFFORDABLE HOUSING

ISSUE

Housing is generally considered affordable if it costs no more than 30% of a household's income. Unfortunately, stagnant wages and a nationwide shortage of available affordable housing mean that as many as 12 million U.S. households spend over 50% of their annual income on housing, with millions more spending over 30%. This puts many families in the untenable position of having to choose between food, health care, and safe living conditions.

BACKGROUND

Financial planners typically agree that a household should spend no more than 30% of its income on total housing costs, including rent/mortgage, taxes, insurance, utilities, operating costs, permit fees, etc. When low- and even median-income families spend more than 35% of their income on housing, it becomes very difficult to pay for other necessities like food, clothing, transportation, education, and health care.

Unfortunately, affordable homes are not always available, and families are often forced to spend too much on housing. According to the Department of Housing and Urban Development (HUD), "An estimated 12 million renter and homeowner households now pay more than 50% of their annual incomes for housing, and a family with one full-time worker earning the minimum wage cannot afford the local fair-market rent for a two-bedroom apartment anywhere in the United States."

By The Numbers

In 2005, the most recent census data available, there were roughly 115 million households in the United States, putting HUD's estimate of 12 million at just over 10% of the population. This means millions of full-time workers and children face unreliable plumbing, incomplete kitchen facilities, cramped conditions, and impossibly tight budgets. The non-profit National Low Income Housing Association reports that in 2006, a two-bedroom apartment at fair market value was affordable only for those making a "housing wage" of at least \$16.31 an hour – even though the average wage was less than \$15/hr, and the average renter's wage less than \$13/hr. The most inexpensive place in the country to live was rural Louisiana, where the housing wage was \$8.42/hr – still \$3 above minimum wage.

The situation is especially dire for minority groups. According to United Way, 19.3% of rural African-Americans and 13.4% of rural Native Americans live in substandard housing, as do 11.4% of urban African-Americans and 5.7% of urban Native Americans. Additionally, discriminatory laws effectively banned African-Americans from public housing efforts until 1970, setting them well behind other groups. Latinos are no better off; a 2006 report from the City University of New York found that they pay 4% more in monthly housing costs than the rest of the country, despite a 20% lower income.

Not Just a Low-Income Issue

Although conditions are toughest for households at the bottom of the economic ladder, many more Americans are dangerously close to the edge. In 2005, the median household income was \$46,326, but the average consumer unit spent \$15,167 a year on housing – over 32% of their budget. Current economic conditions, including skyrocketing energy prices and the national mortgage crisis, have only made matters worse.

Available Assistance

Since the 1930s, the federal government has tried several approaches to creating affordable housing. Before the 1980s, HUD and U.S. Department of Agriculture (USDA)

Rural Development built large amounts of public housing and distributed a number of housing subsidies, such as the Section 8 Rental Voucher Program. While these subsidies still exist, most federal housing assistance now comes in the form of less effective tax reductions like home mortgage interest deductions and the Low-Income Housing Tax Credit. Since 1990, HUD has given direct rental assistance to only 84,000 tenants, although it has also acquired, constructed, or rehabilitated over 450,000 affordable housing units.

In addition to HUD and USDA, the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation (Freddie Mac), and the Federal National Mortgage Association (Fannie Mae) help renters and homeowners secure affordable loans and mortgages to find housing.

State and local governments generally have their own affordable housing programs, and a number of non-profit agencies have worked to create housing on their own, including The Episcopal Church (see below).

110TH CONGRESS

In 2008, the Episcopal Church supported, the Congress passed and the President signed into law legislation creating the first permanent national Housing Trust Fund. The stated goals of the Housing Trust Fund are “to increase and preserve the supply of rental housing for extremely low- and very low-income families, including homeless families; and to increase homeownership for extremely low- and very low-income families.” Recipients of trust fund grants or loans are able to use the money for “the production, preservation, and rehabilitation” of affordable homes, as well as assistance for operating costs, payments, closing costs, and interest rate buy-downs.

The trust fund is financed by the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae). The Department of Housing and Urban Development distributes these funds to states to pass along to households with an income below 50% of the area median income. 10% of the money is available for homeowners and 90% for renters, in order to target the poorest among us while still helping to increase homeownership rates. (A third of Americans rent rather than own.)

EPISCOPAL CHURCH ACTIONS

General Convention

The Episcopal Church has been involved with affordable housing issues since at least 1976, when the 65th General Convention passed Resolution B172, as described in the introduction to this paper. In 2003, the 74th General Convention passed Resolution D040, which declared the Church’s “commitment to providing rental and owner-occupied housing that is safe, accessible, and affordable for low-income and moderate-income persons and their families” and urged the federal government “to encourage state and local units of government to ensure that housing assistance programs are adequately funded to address the growing gap between the number of affordable housing units available and the number of renter households in the bottom quartile of income in this nation.” This resolution is the basis of the Church’s support for the Housing Trust Fund.

General Convention also passed housing-related measures in 1988 and 1991. You can access resolutions passed at General Convention and/or Executive Council by visiting the Episcopal Church Archives at <http://www.episcopalarchives.org>,

Since many retired persons have a hard time finding affordable housing, it is also relevant to note the 66th General Convention passed a resolution seeking “greater justice for the elderly by supporting social issues affecting their well-being including adequate income, adequate housing, adequate supportive health and welfare services.”

Jubilee Ministry

The Episcopal Church’s Jubilee Ministry was established in 1982 to help achieve economic justice and “To make a direct and dynamic link between our theology and our ethics.” Over 600 Episcopal congregations nation-wide are certified “Jubilee Ministry Centers.” Many of these congregations are focused on affordable housing; 8% of Jubilee Ministry’s 2006 grants were for housing/homelessness projects.

The Gulf Coast

The Diocese of Louisiana and Episcopal Relief and Development have joined forces to create the Jericho Road Episcopal Housing Initiative (<http://www.jerichohousing.org>), which builds permanent, energy-efficient, affordable homes in post-Katrina New Orleans. Since its inception in 2006, the Jericho Road has acquired 42 lots, constructed 17 houses, and sold 12, helping to bring back not only a vibrant city but also its spirit of neighbor-helping-neighbor. ERD and the Diocese of Mississippi have launched a similar program called Hallelujah Housing (<http://www.dioms.org/katrina/housing.html>).

The Diocesan Level

Many other dioceses and parishes have made reaching out to low-income families in their areas a hallmark of their ministries. The Diocese of Los Angeles operates both Community Housing Management Services and the Episcopal Housing Alliance (http://ministries.ladiocese.org/housing_and_food), which work with dozens of other non-profits and housing agencies and have helped thousands of low-income seniors and families. The Diocese of Maryland’s Episcopal Housing Corporation (EHC <http://www.ehc.ang-md.org>) is another model of success, having constructed 22 affordable living facilities since 1995. EHC currently manages six projects, serves as a development consultant for other social service agencies, and reaches out to those recovering from substance abuse. In the Diocese of California, Episcopal Senior Communities runs three facilities for low-income seniors, including one that just opened in spring 2008. In Wake County, North Carolina, the Episcopal Housing Ministry (<http://episcopalhousingministry.homestead.com/News>) has dedicated six affordable housing communities supporting hundreds of people since its inception in 1991. Many other dioceses and parishes run their own housing programs or are involved with Jubilee Ministries, Habitat for Humanity, and other similar groups.

OTHER RESOURCES

- General Convention Resolution 2003- D040: http://www.episcopalarchives.org/cgi-bin/acts/acts_resolution-complete.pl?resolution=2003-D040
- Episcopal Jubilee Ministry: www.episcopalchurch.org/jubilee.htm
- National Low Income Housing Coalition: Out of Reach 2006 Report <http://www.nlihc.org/oor/oor2006/?CFID=26410704&CFTOKEN=24486575>
- NLIHC National Housing Trust Fund Campaign: <http://www.nlihc.org/template/page.cfm?id=40>

- HUD Affordable Housing Information:
<http://www.hud.gov/offices/cpd/affordablehousing/index.cfm>
- U.S. Census Bureau: 2008 Statistical Abstract: Income, Expenditures, Poverty, & Wealth
http://www.census.gov/compendia/statab/cats/income_expenditures_poverty_wealth.html
- Current draft of the Housing and Economic Recovery Act of 2008 (HR 3221):
http://banking.senate.gov/public/_files/AYO08900_xml.pdf
- Habitat for Humanity: <http://www.habitat.org/>
- ACORN Housing Corporation: <http://www.acornhousing.org/index.php>

SCRIPTURE AND SONG

And Jesus said to him, 'Foxes have holes, and birds of the air have nests; but the Son of Man has nowhere to lay his head. – Luke 9:58

I was hungry and you gave me food, I was thirsty and you gave me something to drink, I was a stranger and you welcomed me, I was naked and you gave me clothing, I was sick and you took care of me, I was in prison and you visited me. – Matthew 25:35-36

If any of your kin fall into difficulty and become dependent on you, you shall support them; they shall live with you as though resident aliens. Do not take interest in advance or otherwise make a profit from them, but fear your God; let them live with you. – Leviticus 25: 35-36

Oh, You did not have a home
 There were places You visited frequently
 You took off Your shoes and scratched Your feet
 'Cause you knew that the whole world belongs to the meek
 But You did not have a home
 No, You did not have a home

And You did not take a wife
 There were pretty maids all in a row
 Who lined up to touch the hem of Your robe
 But You had no place to take them, so
 You did not take a wife
 No, You did not take a wife

Birds have nests, foxes have dens
 But the hope of the whole world rests
 On the shoulders of a homeless man
 You had the shoulders of a homeless man
 No, You did not have a home

- Rich Mullins, "You Did Not Have a Home"