



**BOLD
THINKERS
DRIVING
REAL-WORLD
IMPACT**

The Affordable Housing Crisis and Homelessness

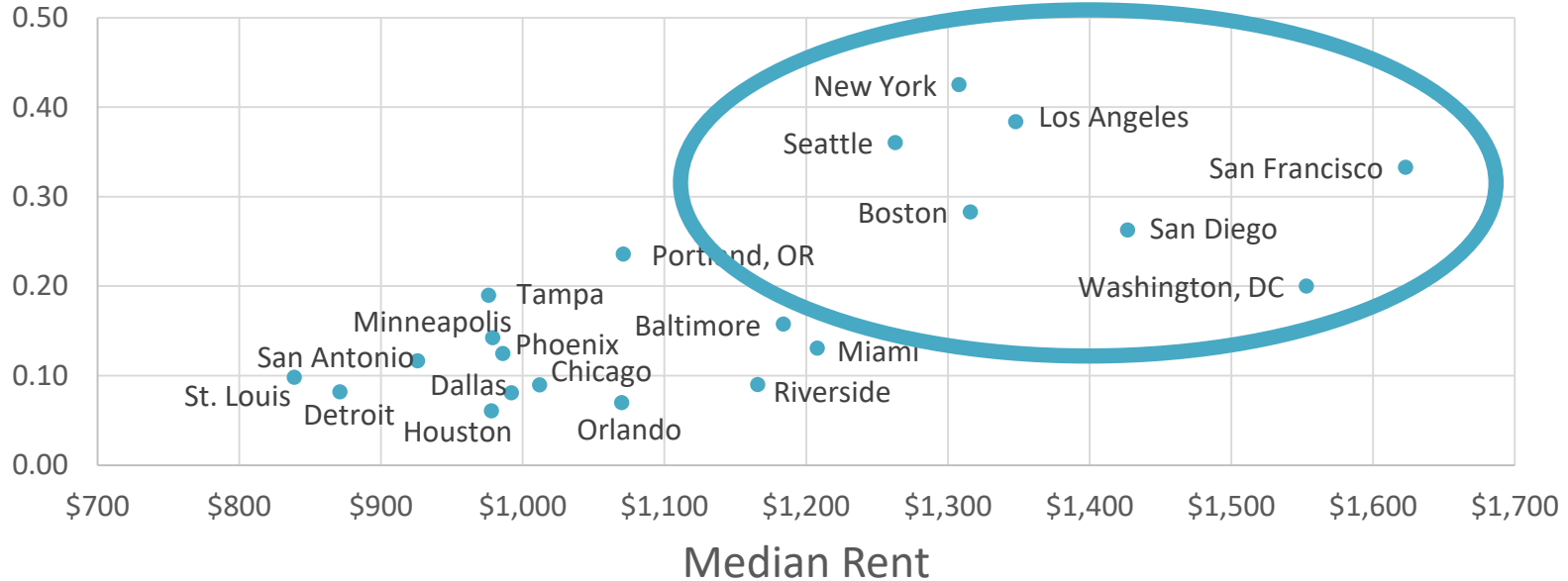
Jill Khadduri

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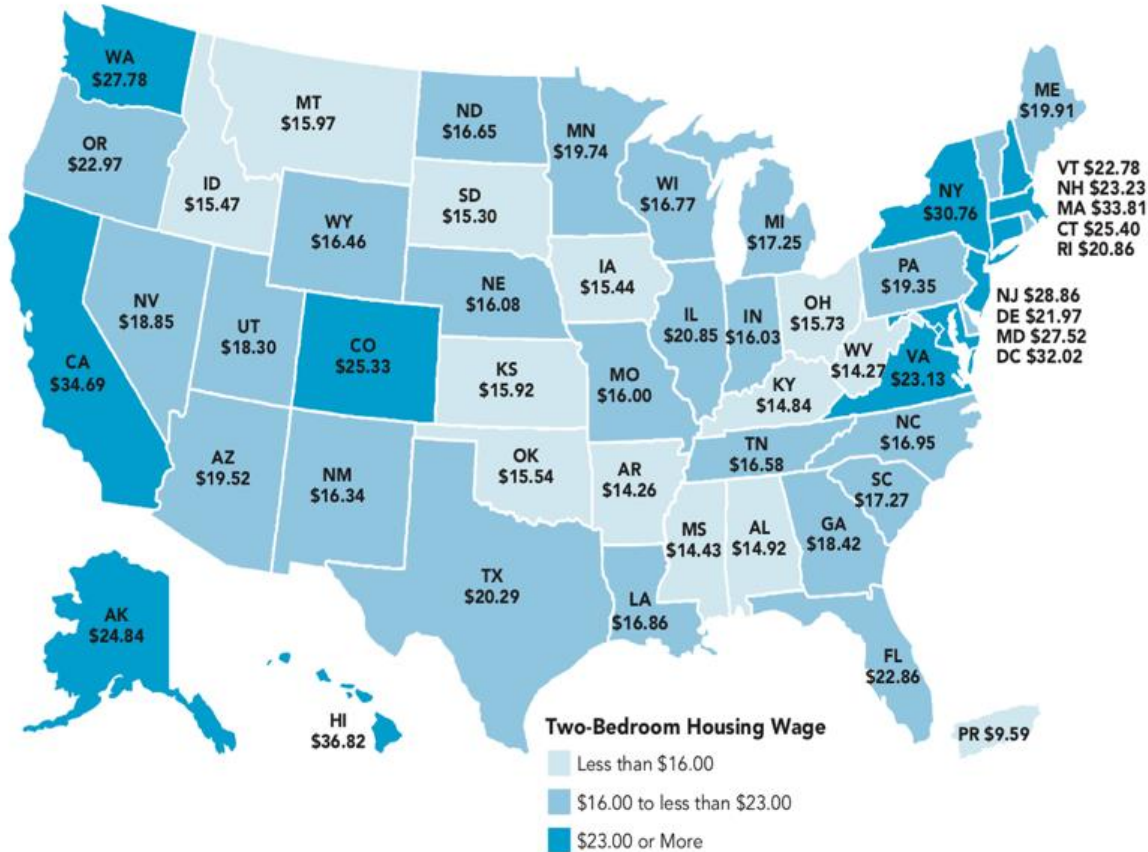


Geography: Rates of Homelessness are High Where Rents are High

Homeless
Percent



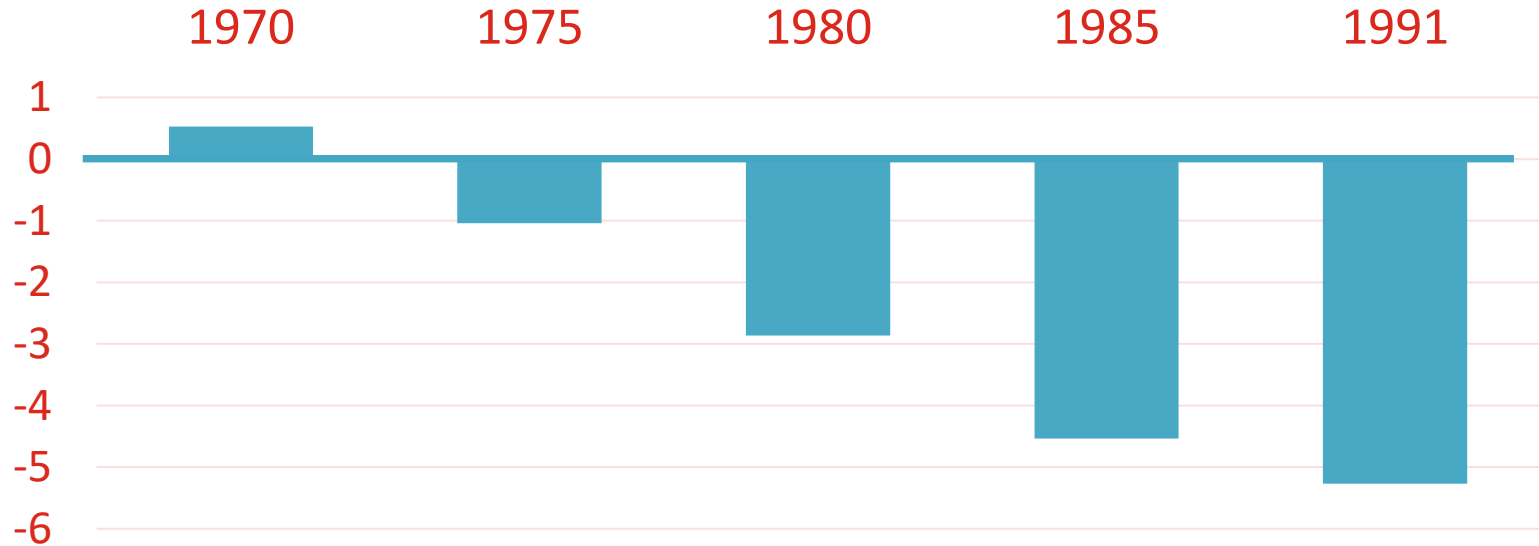
Source: Joint Center for Housing Studies *2017 Rental Report*



Two-Bedroom Housing Wage (State Average)

Source: National Low Income Housing Coalition *Out of Reach 2019*

Rental Units (Millions) Affordable to Bottom Quartile



The Solution: Expand Housing Choice Vouchers



- Program grew only from 2 million units in the early 2000s to 2.2 million now
- Growing support for a universal program
- Realistic phase-in: 300,000 vouchers a year

Major Expansion of Vouchers Would Not Drive Up Rents

- Erikson and Ross, American Economic Journal, 2015
- American Housing Survey panel of 134 metro areas—no significant increase in rents from an influx of vouchers in 2000-2002
- Very small increase for units close to FMR; no increase for less expensive units

Alternatives to Universal Vouchers for All Renters below 30% of Area Median Income

- Drop income limit to 25% of area median (or poverty line, where higher)
- Target to groups most vulnerable to experiencing homelessness
 - Families with children under 5
 - Non-elderly disabled



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- Families are especially vulnerable to homelessness when they have pre-school-age children
- Could further target to those with histories of homelessness or housing instability
- Could phase out as children get older



- People with disabilities are especially vulnerable to homelessness
 - limited ability to work
 - job discrimination and housing discrimination
- Current voucher sub-program, NED, is well targeted
 - Participants have high levels of mental health, physical disabilities, and chronic health conditions

Some Metro Areas Need to Expanded Housing Supply

- Same metro areas where rents and homelessness are high
- Add-on to LIHTC with a required match from state and local own-source funds
- Relax zoning requirements that keep multifamily housing out of neighborhoods and jurisdictions
- Relax requirements that prohibit splitting single-family housing into apartments



In the Midst of Plenty

Homelessness and
What to Do About It

Marybeth Shinn
Jill Khadduri



Shinn, M. & Khadduri, J. (2020).

*In the midst of plenty:
Homelessness and what to do
about it.*

Hoboken, NJ: Wiley