

Tackling Housing Concerns at the State-Level: Lessons From Family Impact Seminars

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ABSTRACT

Suboptimal housing severely interferes with individual and family well-being, including children and caregivers. This is of concern because housing instability among families with children in the United States has risen since the 2008 recession, and it increased markedly during the COVID-19 pandemic. In Oregon, Wisconsin, and Indiana, housing legislation that affects families who are homeless, who are renters, or who are buying homes has demonstrated that states can create affordable housing options, protect low-income renters and homeowners, and prevent homelessness through housing trust funds and tax credits for individuals and developers, local fair housing laws, and permanent supportive housing and rapid rehousing programs.

Safe, affordable housing is one of the most powerful determinants of individual and family health and well-being. Families with stable, independent housing are more able to provide food, clothing, transportation, and health care for themselves and their children, which reduces the likelihood of school dropout, mental health concerns, and poor overall health outcomes for all family members.^{1,2}

Families' ability to obtain and sustain housing is a joint function of family income, housing costs, and housing availability. When they have high housing costs, families with children spend less on other basic needs. The central pillars of housing that are integral to optimal child development include quality, stability, affordability, and neighborhood.³ Housing that falls short

on any of these key domains interferes with children's and caregivers' physical, mental, and emotional well-being, both immediately and across time.³⁻⁶ Policy tools to help families obtain and sustain housing include increasing the supply of affordable housing, ensuring that housing meets quality standards, offering housing vouchers to individuals and families to make housing more affordable,

TALKING POINTS

- Stable, affordable, and quality housing is integral to child and family well-being. Housing instability in the United States has been on a steady rise since 2008, and it has worsened during the COVID-19 pandemic, particularly for communities of color.
- Family Impact Seminars in three states -- Oregon, Wisconsin, and Indiana -- examined housing challenges for families who face discriminatory and predatory lending practices, high rental and homeowner cost burden, and housing instability and homelessness.
- Evidence indicates that effective policy options to prevent housing issues, including excessive cost burden and homelessness, include inclusionary zoning, housing-related tax credits and tax incentives, and housing choice vouchers.
- States can create and maintain affordable housing alternatives for families by prioritizing funding streams, enacting laws to protect users of housing choice vouchers and other vulnerable groups from discriminatory lending and selling practices, and investing in programs to prevent homelessness such as permanent supportive housing.

POLICY IMPLICATIONS

There are several promising policy options at the state and local levels that can help to address housing instability concerns for families.

1. States can create and maintain affordable housing alternatives for families.

States play an important role in providing funding streams for affordable housing, particularly in the case of cities and counties that do not receive federal program funding. *Through housing trust funds and tax credits, and by eliminating restrictive zoning policies, states can encourage developers to create below-market housing alternatives. Additional investments at the state or local level would allow for more low-income households to receive assistance.*

2. States can protect renters and homeowners.

State governments can allow cities to enact local fair housing laws to protect individuals and families who are HCV holders. States can also regulate rent-to-own contracts by requiring third-party inspections and home appraisals, standard contract forms listing key terms of the transaction, and formal records of the sale within a short time period to protect buyers in case the seller declares bankruptcy, fails to pay taxes, or sells the home to someone else.^{32,54}

3. Create state-level tools to prevent families from facing homelessness.

The HUD-sponsored Continuum of Care program provides funding and resources for states to form interagency homelessness councils to devise and implement plans to tackle homelessness. Additionally, evidence-based solutions such as permanent supportive housing (providing housing and mental health services those who need it) and rapid rehousing programs (short- and medium-term rental assistance to tenants and supportive services for households experiencing homelessness) have been shown to increase long-term savings for the state by reducing the use of homelessness assistance programs as well as the number of unsheltered individuals.⁵⁵

and providing services to assist families in achieving housing stability. When considering housing policy and implications, it is important to note that families experiencing homelessness, housing instability, and high housing cost burden are not always distinct populations. Families often cycle through various levels of housing instability. This brief examines policy levers across the spectrum of housing concerns in Oregon, Wisconsin, and Indiana.

Please see the full brief for more information about the status of housing and relevant policy in these states.

U.S. Housing Landscape

One of the central housing concerns in the United States continues to be the challenge families face in finding adequate homes to rent or purchase. These challenges have been on the rise since the 2008 recession and only worsened during the COVID-19 pandemic. Unemployment and financial hardships due to the pandemic exacerbated existing concerns about rental affordability, particularly among lower-income households. Approximately 25% of renters and 20% of homeowners (with a mortgage) who make less than \$25,000 struggle to make payments.⁷ Additionally, households with children or people of color have disproportionately struggled to pay rent,⁸ making it especially important for policymakers to be mindful about housing availability, affordability, and quality for historically marginalized populations.

Please see the full brief for a complete set of references and more information about the authors.

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