



Why Invest in Affordable Housing?

Affordable housing is a vital resource for working families and is central to advancing key community goals of quality education, efficient transportation systems, and job creation and retention.

The supply of affordable housing for working families is decreasing.

- The benchmark for what constitutes “affordable” housing is that no more than 30% of income is spent on housing—which enables families to pay for other needs, such as food, transportation, healthcare costs or long-term savings for education and retirement.
- To afford a two bedroom apartment in the Washington, D.C./Arlington/Alexandria metropolitan area at the 2009 fair market rent of \$1,288 per month, a person earning \$6.55 per hour (the 2009 minimum wage) must work 151 hours per week, 52 weeks per year.
<http://www.nlihc.org/oor/oor2009/data.cfm?getstate=on&getmsa=on&msa=2417&state=VA>
- A minimum annual income of \$51,520 is needed to afford a two-bedroom apartment for \$1,288, so that the cost of the apartment is no greater than 30% of the annual income.
<http://www.nlihc.org/oor/oor2009/data.cfm?getstate=on&getmsa=on&msa=2417&state=VA>
- The 2010 fair market rent for a two bedroom apartment in the Washington, D.C./Arlington/Alexandria metropolitan area increased to \$1,494.
http://www.huduser.org/portal/datasets/fmr/fmr2010f/FY2010_SCHEDULE%20B_Final.pdf

Housing is important for the family and for education.

- Lack of affordable housing options can cause frequent unwanted moves for low income families. Children in these households are only half as likely to be proficient in reading as their peers; are much more likely to be held back and eventually drop out of school; and are much more likely to experience behavioral problems, such as increases in violent behavior. <http://www.firstfocus.net/library/reports/the-effect-of-the-recession-on-child-well-being>

Affordable housing creates jobs and generates economic growth.

- In 2009, the Commonwealth of Virginia lost 54,800 jobs. Virginia lost a total of 122,900 jobs from the beginning of the recession in December 2007 through 2009.
http://www.varealtor.com/portals/0/files/research/sales_reports/2009-YearEnd_Report.pdf
- The construction and rehabilitation of affordable housing creates jobs and fuels local economies by stimulating employment in the construction trade. The National Association of Home Builders estimates that each new multifamily rental unit generates 1.16 jobs and \$33,494 in taxes and every \$100,000 spent remodeling residential units creates 1.11 jobs and \$30,217 in taxes.
<http://www.nahb.org/generic.aspx?genericContentID=103543&fromGSA=1>
- The Center for Regional Analysis at George Mason University recently determined for Fairfax County, there will be a deficit of 37,700 households to satisfy the projected demand of 142,500 additional households by 2025. http://www.fairfaxcounty.gov/dpz/tysonscorner/gmu_housing_study_12102007.pdf
- Affordable housing helps employers attract and retain employees. In a survey conducted for the Urban Land Institute by Harris Interactive, more than half of large companies (100+ employees) report that there

is a lack of affordable housing near the company.

<http://vahousingcoalition.org/Legislative/ULIWorkerandCompanyreport.pdf>

Housing and transportation challenges are closely linked.

- The Washington, D.C. region is expected to add 1.7 million households in the next two decades (34 percent growth) which may adversely effect traffic congestion in the DC metropolitan area. <http://commerce.uli.org/misc/BeltwayBurden.pdf>
- Although housing costs decrease for families willing to move to farther suburbs, transportation costs rise and quickly cancel out any savings. In the DC-metro area, households either have high housing cost burdens (13 percent of households) or they have high transportation cost burdens (17 percent of households)—for a total of 30% of households with one or the other cost burdening the family budget. By way of example, a family in Fauquier County on average spends \$23,500 on housing in a year compared to the \$27,300 spent in Fairfax County, but those in Fauquier spend \$18,000 on transportation rather than the \$14,000 spent on transportation by Fairfax County residents. <http://commerce.uli.org/misc/BeltwayBurden.pdf>
- Annually, traffic congestion in the DC-metro area results in an estimated 134 million hours of wasted time and 91 million gallons of wasted fuel. http://tti.tamu.edu/documents/mobility_report_2009_wappx.pdf
- A recent AARP Public Policy Institute report finds that nationwide, more than 250,000 subsidized affordable apartments are in close proximity to public transit but for more than seventy percent of these units, the support of federal subsidy will expire by 2014. <http://assets.aarp.org/rgcenter/ppi/liv-com/2009-15x.pdf>

Affordable housing has a positive impact on health.

- Lack of affordable housing often results in lack of money for medical insurance and healthcare. According to a report by Enterprise Community Partners and Center for Housing Policy, studies found that children in low-income families who do not receive a housing subsidy are more likely to suffer from iron deficiencies, malnutrition and underdevelopment than children in similar families receiving housing assistance. Homeless children are more susceptible to mental health problems, developmental delays and depression from facing eviction, foreclosure and other housing related stresses. <http://www.practitionerresources.org/cache/documents/651/65101.pdf>

Permanent affordable housing for transitional families is more cost effective than shelters.

- The Fairfax County–Falls Church Community Partnership found that the cost of providing permanent affordable housing for homeless individuals and families is less than the cost of providing temporary housing (shelters). It costs approximately \$13,500 per year for a bed in a Fairfax County shelter compared to \$10,500 per house voucher for a two or three-bedroom apartment. The main causes of homelessness in the Fairfax County/Falls Church community include, rising housing prices (82% of homeless families earn less than \$14.24 an hour) and domestic violence (25% of persons in families that are homeless are victims of domestic violence). <http://www.fairfaxcounty.gov/homeless/community-plan.htm>

