



### *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 Washington, D.C. region is expected to add 1.7 million households in the next two decades (34 percent growth). <http://commerce.uli.org/misc/BeltwayBurden.pdf>
- 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.
- In Northern Virginia/DC metro area, the average Fair Market Rent for a two-bedroom apartment is \$1,288. In the NoVa Region, the median income for a family that rents housing is \$67,000. <http://www.nlihc.org/oor/oor2009/>
- Thirty-seven percent (37%) of all renting households in the region cannot afford a two bedroom apartment at Fair Market Rent. <http://www.nlihc.org/oor/oor2009/>
- To afford a two bedroom apartment in Northern Virginia, a minimum wage earner must work 151 hours per week, 52 weeks per year. <http://www.nlihc.org/oor/oor2009/>

#### **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/Download/HousingandChildrenFINAL.pdf>

#### **Housing and transportation challenges are closely linked.**

- A shortage of affordable housing near job centers and transportation hubs, families must seek housing far from work, schools, and shopping. The result is increased congestion, higher energy use and pollution, and higher traffic safety and road maintenance costs for local communities. [http://www.housingpolicy.org/assets/TalkingPoints/TP\\_EnergyUse.pdf](http://www.housingpolicy.org/assets/TalkingPoints/TP_EnergyUse.pdf)
- As housing costs decrease away from job centers, 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 127 million hours of wasted time and 91 million gallons of wasted fuel. 2007 Annual Urban Mobility Report, Texas Transportation Institute: <http://mobility.tamu.edu/ums/>

- Preserving existing affordable housing is vital to meeting future transportation and housing needs. Much of the existing federally subsidized housing is located in neighborhoods with access to affordable transportation options. Yet, a recent AARP Public Policy Institute report finds that nationwide more than 250,000 subsidized affordable apartments in close proximity to transit may be at risk of converting to market rate housing as urban areas develop. <http://www.aarp.org/research/ppi/events/>

#### **Affordable housing creates jobs and generates economic growth.**

- 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.housingpolicy.org/assets/TalkingPoints/TP\\_HsgEconomicDev.pdf](http://www.housingpolicy.org/assets/TalkingPoints/TP_HsgEconomicDev.pdf)
- Insufficient housing supply and the resulting inadequate number of households results in the region losing jobs. The Center for Regional Analysis at George Mason University recently determined there will be a deficit of 37,700 households to satisfy projected demand by potential employers through 2025. <http://www.cra-gmu.org/forecastreports/09Forecasts/Housing-LeadershipFairfaxMay-14-09.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>
- The development of affordable housing in connection with neighborhood revitalization efforts can generate significant community economic benefits. For example, a study found that housing prices in and near a new mixed-income housing development initiative in Richmond, VA appreciated significantly faster than the citywide average over the five year study period. [http://www.housingpolicy.org/assets/TalkingPoints/TP\\_HsgEconomicDev.pdf](http://www.housingpolicy.org/assets/TalkingPoints/TP_HsgEconomicDev.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 have 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>

