

# Improving Housing Affordability and Stability to Advance Health Equity

Federal Policy Recommendations from the Robert Wood Johnson Foundation

## THE ISSUE

Everyone needs a safe, stable, and affordable home in a thriving neighborhood [to have a fair and just opportunity for good health](#). However, millions of families in America—particularly families of color—are denied shelter, security, and access to opportunity. How do we: 1) keep people stably housed through the COVID-19 pandemic and beyond, and 2) build toward transformational change that guarantees [housing as a human right and a public good that advances racial and economic equity](#)?

## WHY IT MATTERS

[A robust body of research demonstrates](#) that safe, stable, and affordable housing is associated with better physical and mental health, improved educational and developmental outcomes for children, and financial security and economic mobility. However, [17.6 million households spend 50 percent or more of their income on housing alone](#). When people are forced to devote a substantial portion of their income to housing, it strains their ability to pay for other essentials including health care, food, and transportation. Currently, there are [only 36 affordable rental homes available for every 100 very low-income renters](#), leaving a gap of 7 million units. Despite these great needs, federal housing expenditures have declined over the past 20 years.



Robert Wood Johnson  
Foundation

Moreover, [over the past century](#) discriminatory housing policy—including [redlining](#), [exclusionary zoning](#), and many other *de jure* actions—has resulted in widespread residential segregation and systematic public and private sector disinvestment in Black, Latino, and Indigenous communities. This unequal access to opportunity is, in fact, a [root cause](#) of the health differences experienced today by people of color. Remarkably, even [one's length of life](#) can be tied to the level of segregation in one's city.

COVID-19 has [exacerbated this crisis](#) through job loss, reduction in household wages, and inability to work due to illness or caregiving responsibilities. In a pandemic, stable housing is not only morally just, but also critical for public health: research demonstrates that [evictions](#) (and [lack of eviction protections](#)) are associated with increased COVID cases and mortality. Despite an infusion of federal rental assistance authorized in late 2020, the governmental response has been tardy and inadequate, threatening a [wave of evictions](#) that would push up to 40 million people into deeper poverty and poorer health.

## CONSIDERATIONS FOR POLICYMAKERS

### 1. Keep People Stably Housed During COVID-19

#### Administrative considerations:

- **Strengthen the eviction moratorium issued by the Centers for Disease Control and Prevention (CDC) by:** a) extending it through 90 days after the end of the public health emergency rather than the current end date of January 31, 2021; b) dropping the requirement that tenants must submit a form declaring their need for eviction relief, as many renters are not aware of this obligation and [are thus being evicted](#); c) rescinding a [Frequently Asked Questions \(FAQ\) document](#) issued by the CDC on October 9, 2020, that allows landlords to serve eviction notices and file eviction lawsuits as long as a family is not removed from their home, which is in direct contradiction to the [original CDC order](#); d) clarifying that the moratorium applies to all stages of the eviction process, to evictions initiated before the issuance of the moratorium, and to all types of evictions; e) requiring that landlords notify tenants of the moratorium when seeking rent payments; f) prohibiting the accrual of interest, fees, fines, and other debt related to rental nonpayment and the reporting of tenants for nonpayment to credit bureaus or other landlords; g) dedicating resources to promote awareness of the moratorium

among tenants, landlords, and other relevant stakeholders; and h) directing the Department of Justice and state and local agencies to enforce the moratorium, including directing local law enforcement to not carry out evictions, and creating a hotline for tenants to report landlords' violations of the moratorium.

- **Issue a moratorium on utility shut-offs** to protect people's access to electricity, water, heat, and internet. Even before the pandemic, [25 million households reported reducing or foregoing necessities like medicine and food to pay energy bills](#), and state and local utility protections adopted in response to COVID have been [incomplete and sporadic](#).

### Legislative considerations:

- **Provide substantial additional funding for tenants and landlords to prevent evictions. Based on data from December 2020, more than 14 million tenants are behind on rent payments** and small and non-profit landlords, [particularly Black and Latino ones](#), are struggling to make mortgage payments and cover maintenance and operational costs. The December 2020 COVID relief package provided \$25 billion in rental assistance, but the [total annual need](#) for the lowest-income renters and landlords well exceeds this amount.
- **Provide additional funding for homeless services and housing providers** to cover emergency expenses related to alternative housing options, enhanced cleaning and disinfection practices, and broadband access in shelters. While infections among people experiencing homelessness have been lower than feared (partly due to a robust public health response), they are at [high risk of severe COVID disease and fatality](#) due to advanced age, high prevalence of chronic disease, and the physical and mental effects of being exposed to the elements.

## 2. Advance Housing Equity to Ensure Affordability, Stability, and Access to Opportunity

### Administrative considerations:

- **Reverse harmful housing regulations including those that:**
  - [severely narrowed the disparate impact standard](#), which makes it nearly impossible to establish housing discrimination, eliminating legal recourse for people of color, people with disabilities, and families with children among others facing significant prejudice in rental and mortgage lending *decisions*;

- [prohibited families with mixed immigration status from living in public or subsidized housing](#), which, according to the Department of Housing and Urban Development’s own analysis, puts more than 55,000 children who are U.S. citizens or green card holders at risk of *eviction*;
  - [put immigrants’ green card status in jeopardy based on their use of social supports](#)—including housing assistance, nutrition assistance, and Medicaid—for which they are legally eligible; and
  - [gutted the Affirmatively Further Fair Housing rule](#), effectively eliminating its focus on desegregation and thereby curbing its power to promote fair housing and inclusive communities.
- **Establish a Presidential Commission on reparations to redress [discriminatory federal housing policy](#) that unjustly restricted African Americans’ access to housing and opportunity.** This commission would include representatives from across government and from key non-governmental constituencies. It would develop goals for advancing racial equity in housing and related sectors; policy recommendations to achieve these goals; and evaluation and accountability systems.
  - **[Reform the Housing Choice Voucher \(HCV\) program](#) to maximize access to housing and opportunity by:** fully implementing and expanding Small Area Fair Market Rents; giving families more time to find housing before vouchers expire; assisting them with housing search and security deposits; prioritizing families with children for vouchers; incentivizing more landlords to accept vouchers while [addressing rental discrimination against voucher users](#); and enabling regional partnerships among public housing agencies. (See legislative considerations for additional HCV reforms.)
  - **Restructure the Low Income Housing Tax Credit (LIHTC) programs to promote greater equity by:** [prioritizing affordable housing units for the lowest-income households](#); [promoting supportive housing for people with disabilities among others](#); and encouraging development in rural and tribal communities. LIHTC—a program with bipartisan support—has been successful in helping finance the production and preservation of millions of affordable rental housing units and, increasingly, is leveraged as an effective tool [to support health and access to opportunity](#).

- **Repeal the Community Reinvestment Act (CRA) rule published by the Office of the Comptroller of the Currency in June 2020 and revise it to promote equitable development and affordable housing production by:** using the investment, lending, and service tests to more explicitly redress racial segregation and racialized disinvestment; [developing new performance metrics prioritizing community-level social and economic outcomes](#); enhancing enforcement and public reporting; and [addressing the role of nonbank financial institutions](#), which now account for a significantly larger portion of lending than when CRA was originally enacted.
- **Incentivize state and local governments to address exclusionary zoning through a “carrot and sticks” approach.** Potential solutions include: awarding additional points to localities that phase out such zoning when they apply for competitive federal housing funds; making available challenge grants to spur state and local zoning reforms; and/or requiring inclusive zoning policies to be eligible for certain housing, community development, and infrastructure funding.

#### **Legislative considerations:**

- **Ensure that all income-eligible people can receive Housing Choice Vouchers.** The HCV program helps 5.3 million low-income people pay for housing costs, but this represents [only one in four of those who are income eligible](#). [Research demonstrates](#) that HCV program sharply reduces the likelihood of homelessness, helps families move to higher-opportunity neighborhoods, substantially improves outcomes for children, and reduces poverty.
- **Help low-income renters reduce their housing cost burden through new tax credits.** Homeowners, the majority of whom have incomes above \$100,000 per year, [benefit](#) from more than \$60 billion in tax savings through the mortgage interest deduction, yet low-income renters receive no such tax breaks for paying for housing costs. Tax credits for low-income renters could make up for the difference between their rent and 30 to 50 percent of their income—standard thresholds for determining housing cost burden—and thereby [decrease poverty](#) and improve housing security.

- **Rehabilitate, preserve, and rebuild public housing by** addressing the enormous back log in maintenance and repairs through public and private sources. The public housing system requires significant [attention](#): nearly half was built before 1970, properties face over \$70 billion in deferred maintenance and rehabilitation needs, and about 20 percent of the overall stock has been lost to demolition over the past 20 years. One tool for leveraging private capital is HUD's Rental Assistance Demonstration program, which needs [further study](#) particularly with regard to its effects on resident experience and outcomes.
- **Improve housing safety and security for Indigenous peoples by** increasing funding for tribal housing programs and creating a dedicated grant program to help local jurisdictions identify innovative housing solutions for Indigenous people not living on tribal land. The housing problems of American Indian and Alaska Natives, residing on and off tribal lands, are often [dire](#)—for example, 23% live in physically substandard housing compared with 5% of all U.S. households.
- **Expand the *Low Income Housing Tax Credit (LIHTC)* and other key programs to close the gap between affordable housing demand and supply.** The December 2020 COVID relief bill established a permanent floor for the 4% credit, which could create as many as 126,000 rental homes in the next 10 years. However, there is currently a [deficit of 7 million affordable housing units](#). Other essential production programs include: the [national Housing Trust Fund](#), the [HOME Investment Partnerships Program](#), and the [Section 811 Supportive Housing for Persons with Disabilities program](#).

**Need a content expert for more information?**

Giridhar Mallya  
[gmallya@rwjf.org](mailto:gmallya@rwjf.org)  
609-627-6000

**About the Robert Wood Johnson Foundation**

For more than 40 years the Robert Wood Johnson Foundation has worked to improve health and health care. We are working with others to build a national Culture of Health enabling everyone in America to live longer, healthier lives. For more information, visit [www.rwjf.org](http://www.rwjf.org). Follow the Foundation on Twitter at [www.rwjf.org/twitter](https://www.rwjf.org/twitter) or on Facebook at [www.rwjf.org/facebook](https://www.rwjf.org/facebook).