Policy Snapshot

Housing Insecurity: An Eviction Pandemic

KEY FACTS

- Each year from 2010 to 2017, the region lost an average of 10,500 rental units renting for less than $1,300 a month.
- The average rent for a 2-bedroom apartment in Washington, DC is currently $2,885, far out of reach for most working families.
- One in four Black households with children who rent in the District say it's very or extremely likely that they'll be evicted in the next two months.

Working Families Can't Afford Housing

Rent is too high for the average working family in the District of Columbia. According to one estimate, the average rent for a two-bedroom apartment in DC is $2,885 per month ($20,484 per year), an absurdly high figure where the estimated median household income for renters is just $56,885. For low-income families, the situation is even more dire.

For those earning the minimum wage of $15 per hour, the District's fair market rents (estimates of what a family moving today can expect to pay for a modestly priced, non-luxury rental home)–for example, $1,707 a month for a two-bedroom apartment–are out of reach. A resident would need to work 88 hours a week at minimum wage - more than double the standard 40-hour work week - to afford a two-bedroom apartment at fair market rent, or 77 hours for a one-bedroom unit. These calculations are based on the recommendations that housing should not cost more than 30% of an individual's income, so they can still meet basic needs such as food, child care, health care, education, transportation, and other necessities. This isn't just an issue for those earning minimum wage or less: many DC working families are burdened by paying a high percentage of their income just to keep a roof over their heads. More than half a million households in the region with incomes below $54,300, including earners with full-time jobs such as nursing assistants, substance abuse counselors, and paramedics, pay more than 30 percent of their income toward their rent or mortgage. Even when they are working full-time or multiple jobs, stable, affordable housing is unattainable for many.

More than one-third of District children live in households where more than 30% of income goes toward housing expenses. Families of color are more likely to face this high housing cost burden. The rate for white families with children is just 11%. The District's cost-burdened renters are concentrated in wards 7 and 8. Given this disparity, it is perhaps unsurprising that nationally landlords file for eviction against Black and Latinx renters—especially Black and Latina women—at higher rates than against their white and male counterparts, a trend that has continued during the pandemic.

How bad is the situation? For starters, the District would need to add nearly 47,000 units to meet the housing needs of families who can only afford the lowest-cost units (costing less than $800 per month). Unsurprisingly, the extreme deficit of affordable housing can result in families being forced out of the District or becoming homeless. And this was before the pandemic. The average monthly income of families entering the District's rapid re-housing program in fiscal year 2019 was just $930. Families graduating from the program reported an average monthly income of $1006, still nowhere near enough to afford fair market housing in the District.

Unfortunately, housing insecurity is nothing new to the District and the pandemic has only worsened an already terrible situation. Now, more than a year into the pandemic, tens of thousands of District residents remain unemployed or underemployed as their jobs were eliminated or hours reduced. This pushes an already dangerous situation closer to the brink of disaster.

The Inventory of Affordable Housing is Shrinking while the Population Grows

Making matters worse, the Washington area has been losing affordable housing units. Each year from 2010 to 2017, the region lost an average of 10,500 rental units renting for less than $1,300 a month. During that same period, an average of 36,700 units disappeared each year that would have been affordable to first-time homebuyers for below $1,800 a month. (All cost amounts are inflation-adjusted 2016 dollars).

Most low-cost rental housing in the region is unsubsidized– meaning public funding is not keeping down rents. As these units are critical to meet housing needs, preserving them and keeping them affordable must be a priority. Public support, not the market, makes and keeps housing affordable. By 2035, close to 77,000 units–more than three-quarters–of the region's federally assisted rental housing will no longer be bound by current affordability requirements. Some owners may opt to raise rents or redevelop buildings into market-rate units. The Urban Institute estimates that, "224,000 rental units in the Washington region that are currently affordable to households with low incomes will likely require an intervention of some kind before 2030 to maintain affordability, including renovation, major rehabilitation, subsidy renewals, or refinancing. Preserving as many units as possible in both the subsidized and unsubsidized rental housing stock will be critical to better aligning the region's future housing to stock to meet the needs of its residents."

At the same time, the District's population– including those who need low and middle-cost housing– is expected to rise. According to the Urban Institute, the District needs another 8,700 housing units to accommodate the anticipated growth in the lowest income households, 8,800 more housing units to accommodate expected growth of households with low incomes (but above the lowest incomes), and 10,100 more to accommodate growth in low-middle income households. Even before the pandemic, Urban Institute estimated that 30,000 District residents were at risk of displacement due to housing costs, with more than another 25,000 vulnerable as the District's population grew. While the District government's own estimate of vulnerable residents is somewhat lower, even they say that 36,000 new residential units must be built by 2025, with at least 12,000 affordable for low-income residents, and 6,000 more affordable homes must be preserved, to ensure all residents can live in the city without being burdened by housing costs.

Unfortunately, not all wards in the District are doing their fair share to maintain affordable housing. Half of income-restricted affordable housing is located in southeast, far southwest, and far northeast, roughly equivalent to Wards 5, 7, and 8 where the population of all three are 81% Black, 6% Latinx, 1% Asian, and only 11% white. Meanwhile only 1% of the District's income-restricted affordable housing is located west of Rock Creek Park, which is roughly equivalent to Ward 3 where the population is 8% Black, 11% Latinx, 7% Asian, and 71% white. As important as it is to preserve and increase affordable housing, we must make sure that in doing so we don't further exacerbate the District's already rampant segregation.

Black and Brown Families Bear the Brunt of the Eviction Pandemic

The COVID-19 pandemic has disproportionately hurt Black and brown families in so many ways. Latinx individuals have been more likely to become ill and both Latinx and Black individuals have been more likely to die from COVID-19 and more likely to lose jobs and wages. The same groups have been less able to access the vaccine and their children have had more trouble accessing quality education because of technological and environmental barriers. So the impending housing crisis adds yet another layer of stressors and institutional obstacles for families, particularly families with children, to face. Roughly 40% of District households with children report having lost employment income since March 13, 2020, with at least half of Black and Latinx households reporting the same. Nationally, renters living with children are roughly twice as likely to have been unable to pay rent compared to renters living without children (21% vs. 10%).

The situation is particularly dire for families that rent, which include half of the District's children. Throughout the pandemic, roughly half of Black renting households with children said they had little or no confidence in their ability to pay next month's rent, or that they deferred their payment, while only 7% of white renting households with children said the same. Between one-third and one-half of Black renting households with children reported being behind on their rent compared with a much smaller share of white adults (between 1 and 6%). Of families who reported being behind on rent, two-thirds of Black households said that it's very or extremely likely that they'll have to leave their home in the next two months due to eviction.[1]

How to Help Families Stay in Their Homes

While the District is getting a one-time infusion of assistance for renters from the $900 billion national federal relief package passed in December 2020, and is using those funds to support the newly announced $350 million dollar STAY program, those dollars won't address the long-term systemic problems that created this crisis in the first place. In the long term, DC needs to invest far more in affordable housing. In the short term, however, with these one-time federal funds and new program, renters who have suffered financial hardship due to the pandemic, who have incomes below 80% of the area median income, and who are at risk of losing their housing will have payments sent directly to landlords or utility companies on their behalf.

DC Action agrees with the recommendation from DC Fiscal Policy Institute and others that the District's Department of Human Services should allow households to receive rental assistance covering the full period of the public health emergency rather than capping rental assistance at five months. We are glad to see that the new STAY DC program will cover the full length of the pandemic so far, as well as at least a few months of future rent, and that recipients will not be required to go on a payment plan that would only multiply the debt they lack the means to pay. We also encourage DC to provide the full online application in multiple languages through the interactive site.

While we appreciate that this new program allows housing providers to initiate applications, the process as currently described still puts the bulk of the application burden on the tenant rather than the landlord. This could result in families getting evicted because they couldn't access assistance due to bureaucratic or linguistic challenges, or they simply don't trust local government. Enabling landlords to apply on behalf of all their tenants who have been unable to pay rent (while prohibiting landlords who receive funds from evicting those tenants, and ensuring that the tenants know their back rent has been paid to avoid unscrupulous landlords taking advantage of them) would reduce the burden both on tenants and on District officials processing applications.

[1] The data points in this paragraph are based on analysis of Census Pulse Survey microdata. For more details on the methodology used to obtain them contact us.

It's also important to have transparent data on the number, and demographic and geographic distribution, of applications and approvals in as close to real time as possible to better target additional outreach efforts.

With an estimated 39,000 District residents having been unable to pay rent and some many months behind, District policymakers must do everything possible to use both federal and local funds to ensure that all families who need support to ensure stable housing are able to keep a roof over their children's heads.

Beyond the immediate threat of a looming eviction crisis, the affordable housing shortage in the District has deep roots. Solving it will take more investment as well as thinking and planning, with residents closest to the pain at the center of the solution.