Overview of Housing and Racial Wealth Equity

RESULTS Advocates Participate in Housing Week of Action
Poverty: Huge Disparities by Race

Source: United States Census Bureau
Racial Wealth Inequality

The Racial Wealth Divide in America

MEDIAN HOUSEHOLD WEALTH (2016)

WITH DURABLE GOODS

$171,000
White

$20,920
Latino

$17,409
Black

WITHOUT DURABLE GOODS

$140,500
White

$6,300
Latino

$3,400
Black


― "Wealth Building for the Wealthy through the Tax Code Continues as Families of Color Fall Farther Behind." Prosperity Now
In 2016, the median wealth for white families was 10 times greater than black families’ wealth and 8 times greater than Hispanic families’ wealth.

- Urban Institute, "Nine Charts About Wealth Inequality in America."
The History Behind Racial Wealth Inequality

1530s-1865
Forced Removal of Native Americans and Slavery in North America

1865
Land Reversals (1865) and Land Seizures (1865-Present Day)

1933
Public Works Administration

1934
National Housing Act

1934
Federal Housing Administration

1935
Social Security Act

1938
Fair Labor Standards Act

1944
G.I. Bill

1955
Urban Renewal Projects

1970s-Present
Subprime Loans (1970s-Present Day)

1971-Present
"War on Drugs" (1971-Present Day)

2005-09
Housing Bubble and Great Recession

Adapted from Bread For the World Racial Wealth Gap Simulation Policy Packet
Why is Housing Important?

- Housing is a major source of wealth for many middle-class Americans and remains a common path to wealth building
- Where you live has implications for health, education, job access and security outcomes that all affect overall economic well being
- The history of housing policy in the U.S. has been one where federal policies provided white Americans opportunities to build wealth while excluding Americans of color, particularly Blacks, from doing the same
Affordable Housing Crisis

RENTAL HOMES AFFORDABLE AND AVAILABLE PER 100 EXTREMELY LOW INCOME RENTER HOUSEHOLDS BY STATE

Note: Extremely low income (ELI) renter households have incomes at or below the poverty level or 30% of the area median income. Source: NLIHC tabulations of 2017 ACS PUMS Data.

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https://nlihc.org/gap
Since 1960, renter's incomes have gone up by 5% while rental cost has gone up by 61%.

72.5% of extremely low-income renters are severely cost burdened, meaning they spend more than half their income on housing.
Public Support for Housing Is Growing

Six in 10 say that housing affordability is a serious problem in the area where they live, a significant increase since 2016.

*Is housing affordability a problem in the area where you live?*

<table>
<thead>
<tr>
<th></th>
<th>April/May 2016</th>
<th>February/March 2019</th>
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<tr>
<td>Serious</td>
<td>24%</td>
<td>29%</td>
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<tr>
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</tr>
<tr>
<td>Fairly</td>
<td>15%</td>
<td>31%</td>
</tr>
<tr>
<td>serious</td>
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</tr>
<tr>
<td>Somewhat/</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
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<tr>
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<tr>
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<td>40%</td>
<td>60%</td>
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<tr>
<td>problem</td>
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</tr>
</tbody>
</table>

The Need for Action on Housing Affordability – February/March 2019

-Opportunity Starts at Home Campaign
Public Support for Governmental Action

Democrats, independents, and Republicans want their elected officials to take action on housing.

Elected officials should take action to fund programs that end homelessness

- Democrats: 95% Strongly agree, 24% Somewhat agree
- Independents: 83% Strongly agree, 37% Somewhat agree
- Republicans: 75% Strongly agree, 37% Somewhat agree

Congress should take major action to make housing more affordable for low-income people

- Democrats: 93% Strongly agree, 29% Somewhat agree
- Independents: 80% Strongly agree, 38% Somewhat agree
- Republicans: 65% Strongly agree, 30% Somewhat agree

The president should take major action to make housing more affordable for low-income families

- Democrats: 93% Strongly agree, 26% Somewhat agree
- Independents: 76% Strongly agree, 29% Somewhat agree
- Republicans: 61% Strongly agree, 28% Somewhat agree

The Need for Action on Housing Affordability – February/March 2019

Opportunity Starts at Home Campaign
Major Federal Rental Assistance Programs

Housing assistance programs lifted 2.9 million people above the federal poverty line in 2017.

But only one in four who need assistance receive it.
<table>
<thead>
<tr>
<th>INDIVIDUAL TAX CREDITS</th>
<th>“Rent Relief Act”</th>
<th>“Housing, Opportunity, Mobility, and Equity (HOME) Act of 2018”</th>
</tr>
</thead>
</table>
| **Sponsor**            | Senator Kamala Harris (D-CA)  
Congressmembers Danny Davis (D-IL)  
Scott Peters (D-CA), Jimmy Gomez (D-CA) | Senator Cory Booker (D-NJ)  
Congressman James Clyburn (D-SC) |
| **Type**                | Fully Refundable | Fully Refundable |
| **Eligibility**         | Taxpayers earning less than $125,000 annually | All cost-burdened taxpayers |
| **Value of Credit**     | A share of the difference between 30% of income and rent, capped at 100% of Small Area Fair Market Rent | The difference between 30% of income and rent, capped at 100% of Fair Market Rent |
| **Schedule**            | If gross income is:  
< $25,000  
Between $25,000 and $50,000  
Between $50,000 and $75,000  
Between $75,000 and $100,000  
More than $100,000* | The percentage is:  
100%  
75%  
50%  
25%  
0%  
100% of cost burdens for all incomes |
| **Utilities**           | Included | Included |
| **Residents in Federally Subsidized Housing** | Provided a separate tax credit – in lieu of the one above – equal to the amount paid by the taxpayer in rent for 1 month | Eligible for the tax credit, if they have cost burdens |
| **Interest Accrued**    | | Creates a Rainy Day Fund for taxpayers who choose to defer tax credit for 180 days to collect interest accrued |
| **Other Provisions**    | Allows taxpayers to receive their benefit in monthly payments. | Requires states and local communities to develop new inclusive zoning policies, programs, or regulatory initiatives to create more affordable housing supply. |
We must address this housing crisis -- and we can begin to do so by shifting tax resources to support a “Renters Tax Credit” for low- and moderate-income renters. Several policymakers have introduced legislation that does this (H.R. 2169 and S. 1106, H.R. 7050 and S. 3342 in the last Congress).

TAKE ACTION: https://tinyurl.com/RESULTShousing
Advocacy Works!

Want To Be Heard? Show Up!
Influence on Washington D.C.-based congressional staffers by communication type.

- A Lot of Positive Influence
- Some Positive Influence

- In Person Visits From Constituents
- Contact from Constituents' Reps
- Individualized Emails
- Individualized Letters
- Local Editorial Referencing Pending Issue
- Comments During Telephone Town Hall
- Phone Calls
- Letter to the Editor Referencing Your Boss
- Lobbyist Visit
- Form Emails

Source: Congressional Management Foundation
*Bars do not add up to 100 because not all surveyed categories are displayed