

# Housing Affairs Letter

THE INDEPENDENT WASHINGTON REPORT ON HOUSING SINCE 1961

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## Report Paints Dismal Housing Portrait

HUD's 2017 study "Worst Case Housing Needs" portrays a nation beset by diminishing housing options for poor families. The number of poor families struggling to pay rent or living in deplorable housing conditions has increased 41% in the decade since the beginning of the recession.

More than 8.3 million poor households in 2015 qualified for, but did not receive, federal housing assistance because of a lack of funding according to the biennial report to Congress.

The report blames increasing competition for a diminishing supply of affordable housing for the increase, a result of declining homeownership and rising rents and the widening gap between the number of renters needing government subsidies and the availability of government assistance.

The report covers the period between 2013 and 2015 and for the first time in the lengthy series of HUD studies, the department reports the estimates of worst case housing needs for select metropolitan areas across the country.

From now on, HUD will measure the housing needs of the largest 15 metropolitan areas every two years and measure 10 metropolitan areas that represent a subset of the 16th to 50th large metropolitan areas on a rotating basis every four years.

The 2015 8.3 million estimate of families in need is up from 7.72 million in 2013 and it approaches the record high of 8.48 million recorded in 2011 when the foreclosure crisis peaked sending thousands of families from homeownership to renting.

"Severe housing problems have grown 41% since the beginning of the Great Recession in 2007 and 66% since 2001," the report says. "Worst-case needs continue to affect all subgroups, whether defined by race and ethnicity, household structure, or location within metropolitan areas or regions."

The report comes at a time when the Trump administration wants to curb housing subsidies. The White House's FY 2018 budget request proposed scaling down the Section 8 housing voucher program by 5% from the FY 2017 appropriation, and a \$400 million cut for the project-based voucher program that pays Section 8 contract landlords directly.

"Most cases of worst-need are caused by severe rent burdens -- paying more than one-half of income for rent," the report says. "Inadequate housing caused only 2% of worst-case needs. An increase by 700,000 in the number of very low-income renters who lack housing assistance -- the groups at risk of experiencing worst-case needs -- explains about 402,000 of the 582,000 new cases of worst-case needs between 2013 and 2015."

**Info:** Read the report at [www.cdpublications.com/docs/9269](http://www.cdpublications.com/docs/9269)

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