

Making Housing and Community Happen (MHCH) 101

Module 1: The problem, focus, how we get our work done and why religious engagement is important

In Module One you will learn:

- About the housing crisis in the US, California and Pasadena



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- About the housing crisis in the US, California and Pasadena
- **Who needs affordable housing?**



In Module One you will learn:



- About the housing crisis in the US, California and Pasadena
- Who needs affordable housing?
- **Why we focus on affordable housing and engage religious communities**

“No state has an adequate supply of affordable rental housing for the lowest income renters...”

OUT*of*
REACH
THE HIGH COST OF HOUSING



NATIONAL LOW INCOME
HOUSING COALITION

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The Problem: What's the housing crisis like in the US?

The U.S. has a shortage of 7 million rental homes affordable and available to extremely low income renters....

Low-income = below the poverty guideline or 30% of their area median income.

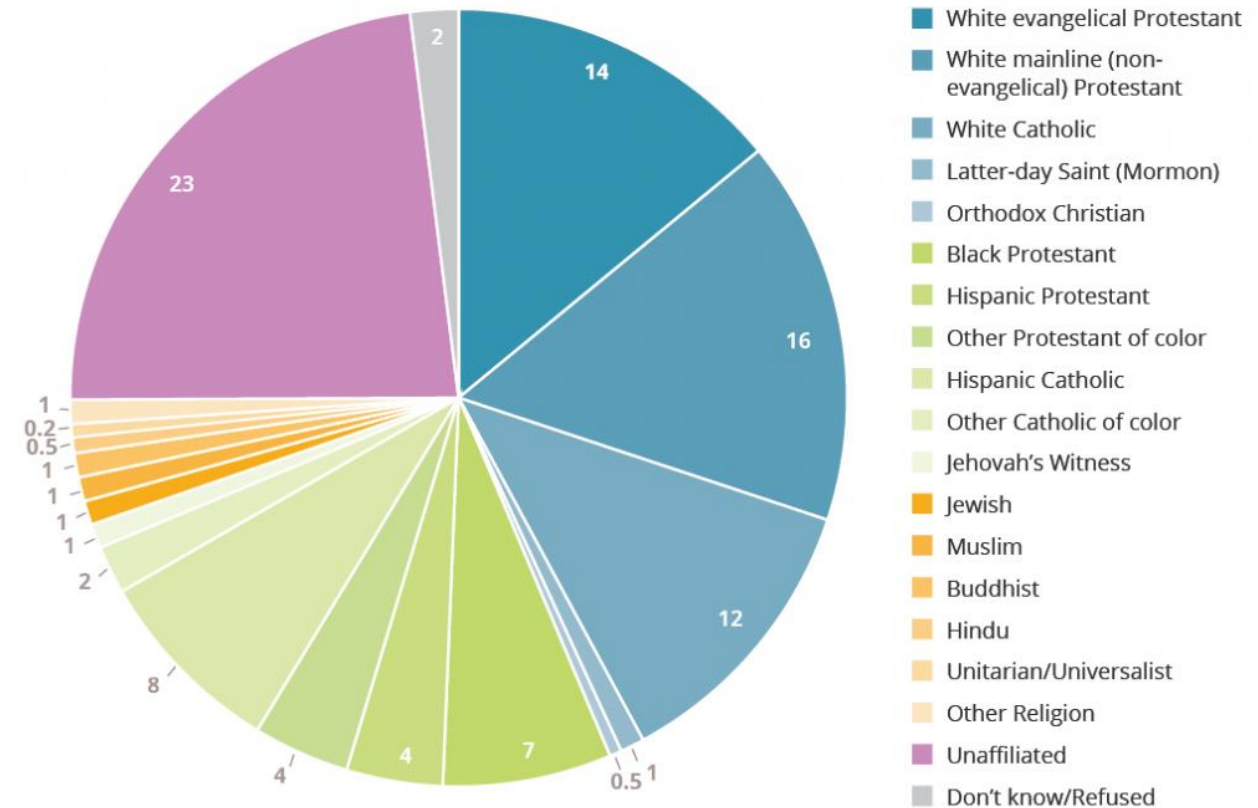


See <https://nlihc.org/gap#:~:text=The%20U.S.%20has%20a%20shortage,extremely%20low%2Dincome%20renter%20households> .

The Problem: Why engage the religious community?

People of faith comprise nearly 75% of Americans, which is an important reason why we engage the religious community.

FIGURE 1. The American Religious Landscape in 2020
Percent who identify as:



Source: PRRI 2020 American Values Atlas.

The Problem: Why engage the religious community?

We are open to people of all faiths and also to people of conscience who aren't religious.

“The righteous care about justice for the poor, but the wicked have no such concern.”

Proverbs 19:7

“O you who believe, be upright for God, and be bearers of witness with justice!” Quran, 5:8



The Problem: Why engage the religious community?

Justice is a universal value...

- ▶ “Nations are judged in how they treat the marginalized.” Matthew 25:31-46
- ▶ “All religions try to benefit people, with the same basic message of the need for love and compassion, for justice and honesty, for contentment.”—Dalai Lama
- ▶ “The greatness of humanity is not in being human, but in being humane....Earth provides enough to satisfy every man's needs, but not every man's greed.” — Mahatma Gandhi.



The Problem: What does the crisis look like in California?

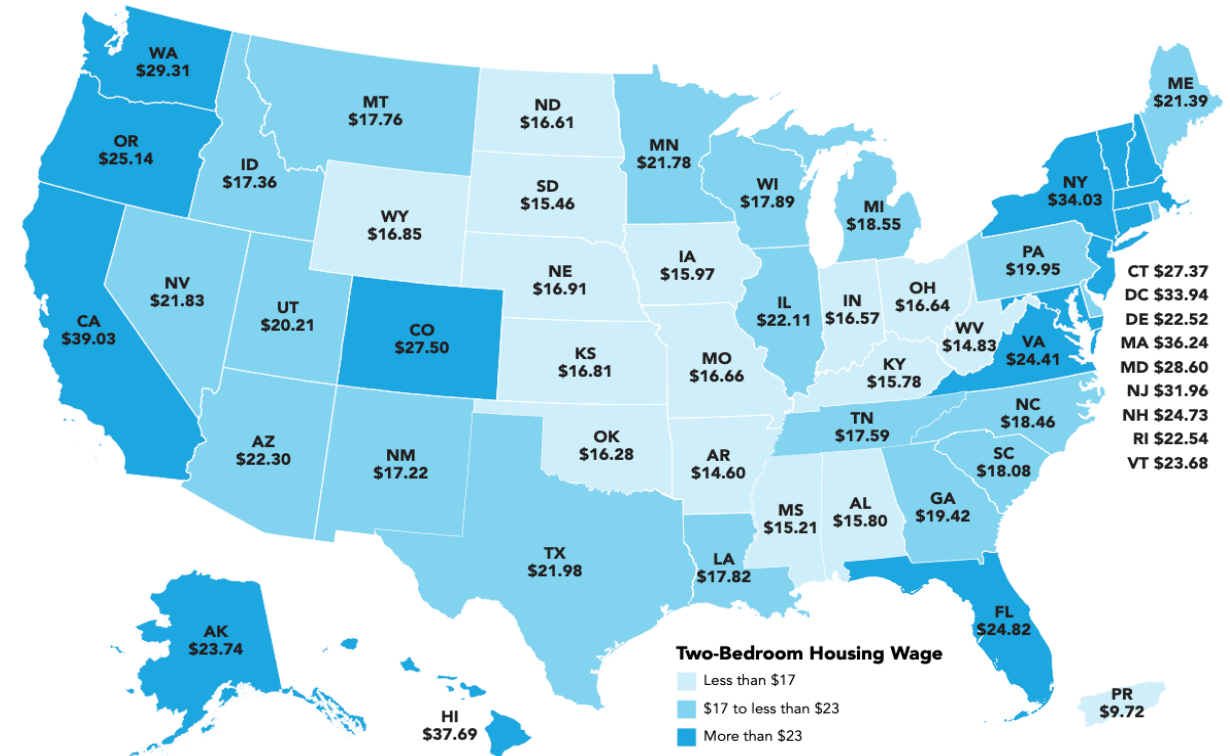
How much did you need to earn per hour for a 40-hr/wk job to afford two-bedroom apartment in CA in 2021?

\$39.03 (see map)

“Having a job does not guarantee that you will be able to have a life, or a stable, affordable place to live.”

<https://www.fastcompany.com/90224907/salaries-are-not-keeping-pace-with-housing-costs>

2021 TWO-BEDROOM RENTAL HOUSING WAGES



OUT of REACH
THE HIGH COST OF HOUSING

Represents the hourly wage that a full-time worker must earn (working 40 hours per week, 52 weeks per year) in order to afford Fair Market Rent for a **TWO-BEDROOM RENTAL HOME**, without paying more than 30% of income.

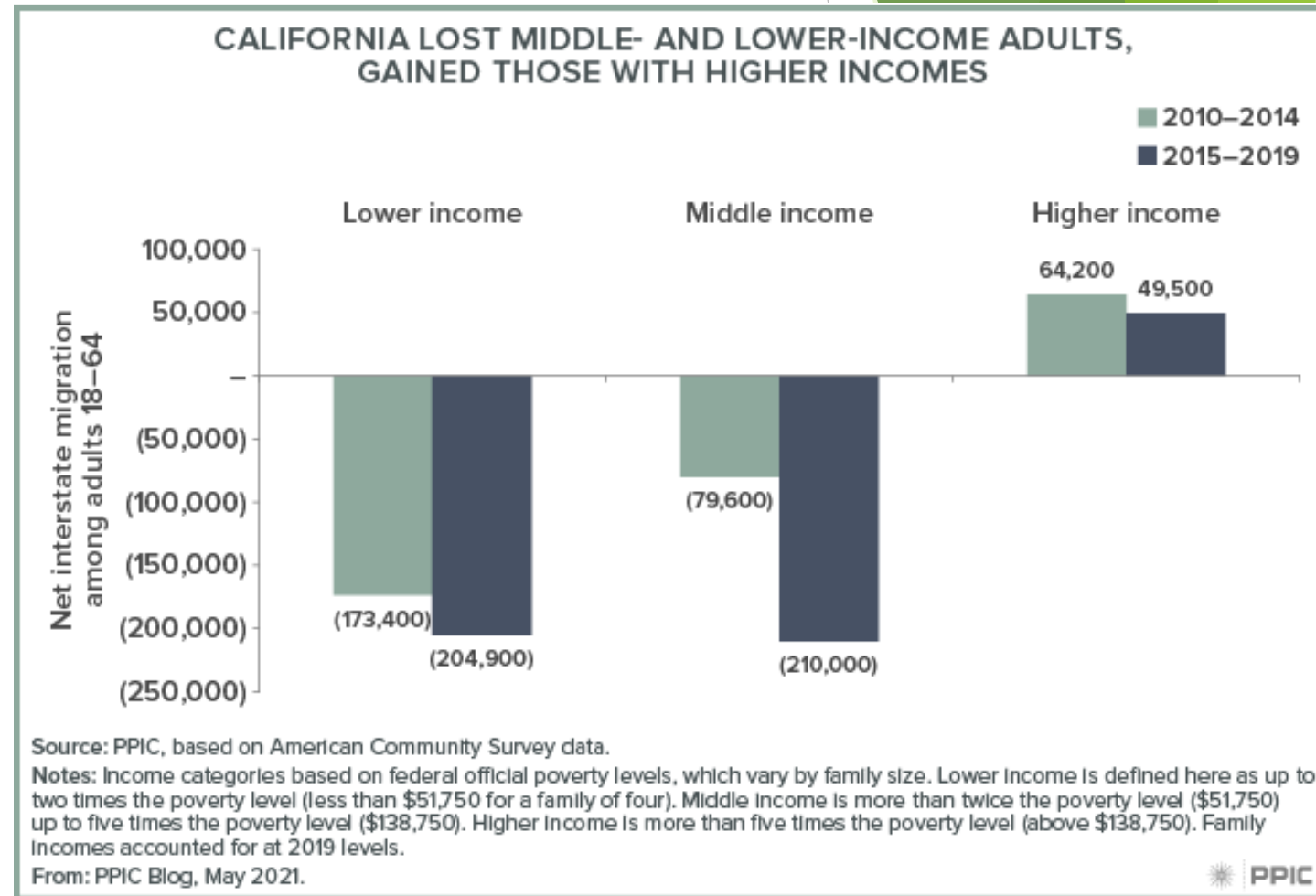
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The Problem: What does the crisis look like in California?

- ▶ **Businesses cannot pay wages high enough to cover employees housing costs. Jobs leave the state.**



The Problem: What does the crisis look like in California?

- ▶ People move far from their jobs to afford rent or to purchase a home, causing jammed freeways and pollution.



The Problem: What does the crisis look like in California?

To make ends meet families double up. Jill Shook visited a home in Pasadena with 10 families...

And some fall into homelessness..

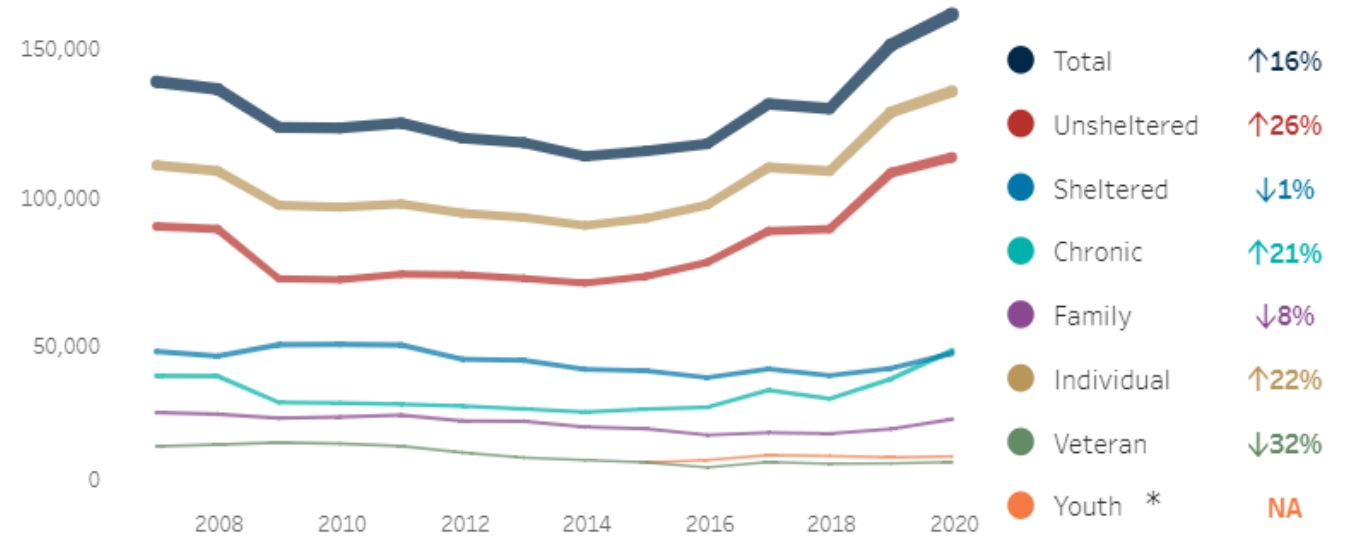


The Problem: What does the crisis look like in California?

- How many people in CA are homeless on a given night?

161,548

- 40.9 homeless per 10,000 people in the general population



And the numbers keep rising....

See: <https://endhomelessness.org/homelessness-in-america/homelessness-statistics/state-of-homelessness-2021>

The Problem: What does the crisis look like in California?

LA County is the homeless capitol of the US. According to the 2022 homeless count, 69,144 people are unhoused.



<https://www.weho.org/Home/Components/News/News/10523/23#:~:text=The%20official%202022%20LA%20County%20Homeless%20Count%20is%2069%2C144%20people.>

The Problem: What is the housing picture in Pasadena?

62% of Pasadena are renters. 27.6% of renters spend more than 50% of their income on housing, which is considered “severely cost burdened”* .

***** SCAG Pre-Certified Pasadena Housing Data, pg. 14.

The rule of thumb is that you should spend no more than 30% of your income on housing needs



The Problem: What is the housing picture in Pasadena?



According to the City of Pasadena, 17,000 are on Pasadena's waiting list for section 8 vouchers.

During the initial term of the lease, voucher-holding tenants pay no more than 30-40% of their income on rent. This may go up over time.

Racial Disparities

Racial makeup of Pasadena:

- 8 % Black
- 33% Latinx

Racial makeup of Homeless population:

- 34% Black
- 44% Latinx

https://drive.google.com/file/d/1es_sJG7UwluYP8zHrVykzj0nwMEA4boS/view

IF WE DO NOTHING, THE HOUSING CRISIS
WILL WIDEN THE RACIAL WEALTH GAP

Black households will have just 22% of
the wealth of white households in 2031



Let's not doom future
generations to inequality!

#RacialWealthGap

ACLU

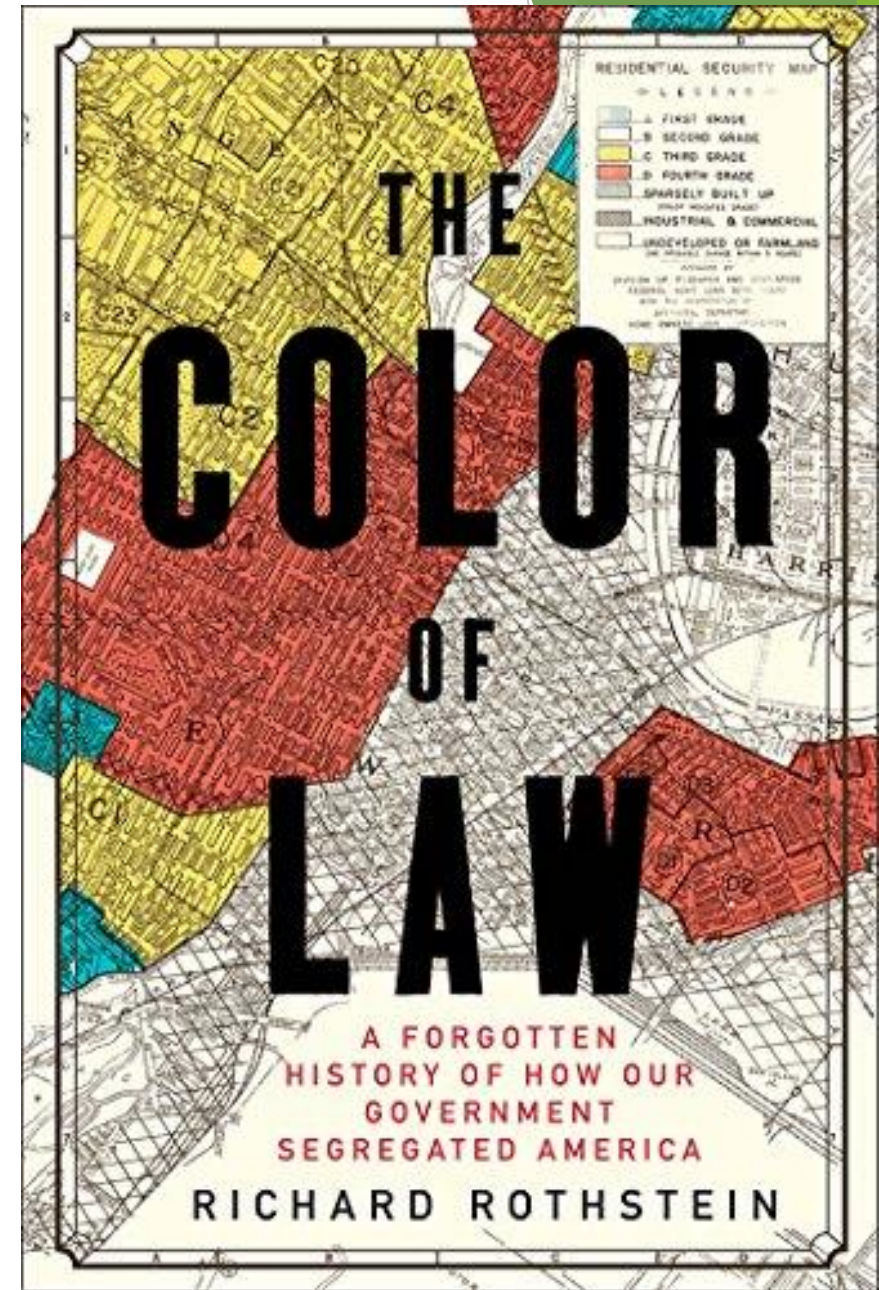
**Racial disparities
are not accidental,
they were planned**

Housing unaffordability is
inextricably linked to racial
discrimination and redlining.

Rothstein's book shows that the
government played a major role
in codifying racial discrimination
and segregation.

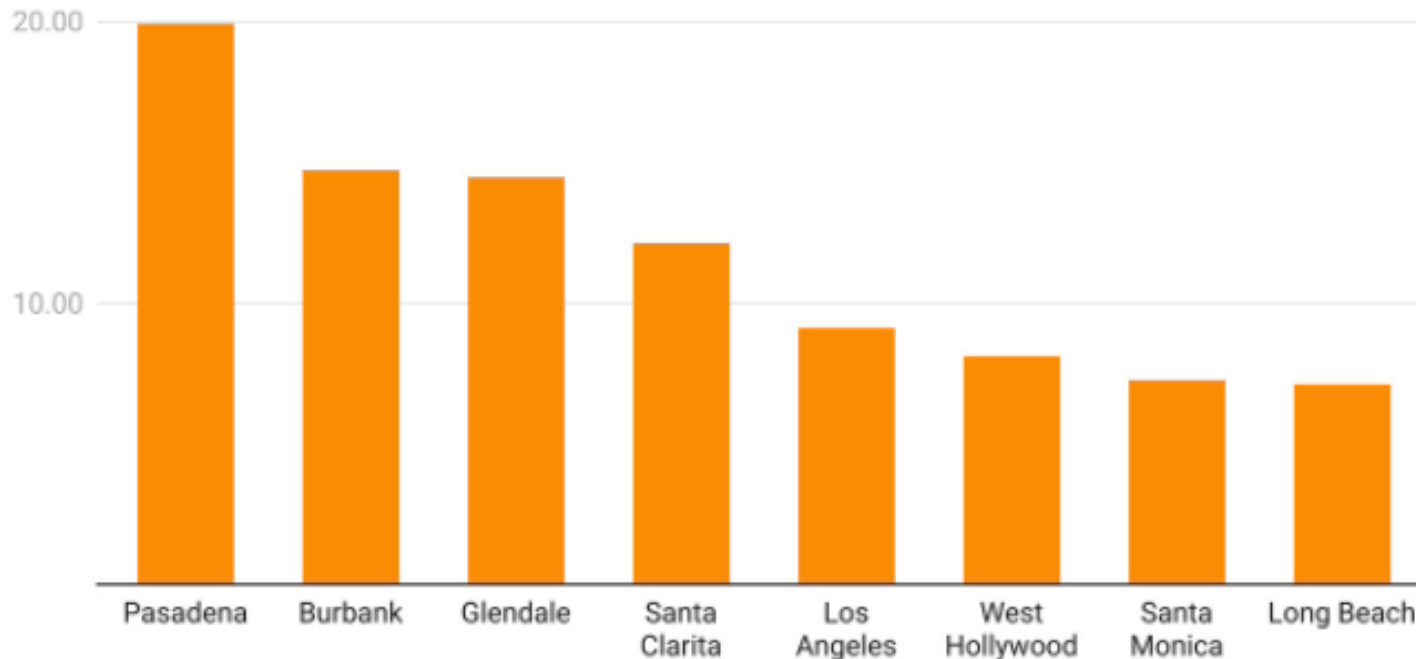
See

<https://www.segregatedbydesign.com/>



The Problem: Apartment rents in Pasadena have increased 50% over the past decade but incomes rose only .2%....

Percent change of average rent by city, Sept. 2020-Sept. 2021



Source: Apartment List

In 2018, Pasadena's median household income was approximately \$78,941, which is 15% higher than the \$68,400 median household income in 2010. After taking inflation into account, Pasadena's median income rose only .2%, or hardly at all.

Page A4 Pasadena's Housing Element.

Who Needs Affordable Housing?

Why folks become homeless in Pasadena:

Economic reasons.

Today 75% of homelessness in Pasadena is due to unaffordable housing. Typically, this is short-term homelessness.

Roughly 2 in 3 Unhoused Californians Experience Short-Term Homelessness

Total Number of Unhoused Individuals in January 2020 = 161,548



Note: Individuals are considered chronically homeless if they have a long-standing disability that significantly impedes their ability to live independently and have been unhoused for a consecutive year or on at least four occasions within a three-year period.
Source: US Department of Housing and Urban Development Point-in-Time Count



California Budget
& Policy Center

Who Needs Affordable Housing?

Chronically homeless, which comprise 20% of overall homeless population...

What Is Chronic Homelessness?

A person is chronically homeless if they...



Have a disability

and



are homeless for over a year *or* more than 4 times within 3 years



1 in 5

of people experiencing homelessness are chronically homeless

64%



of chronically homeless people are unsheltered

Unsheltered, chronic homelessness rose by

21% in one year

Note: "Unsheltered" refers to people whose primary nighttime location is a public or private place not meant as a regular sleeping accommodation, such as streets, vehicles, or parks. Data for one-year rise are for Jan. 2019-2020.

Source: HUD 2020 CoC Populations and Subpopulations Data

Who Needs Affordable Housing?

Seniors...

- ▶ Fastest growing unhoused population
- ▶ In Pasadena homelessness among seniors has increased by 65% in the past three years.



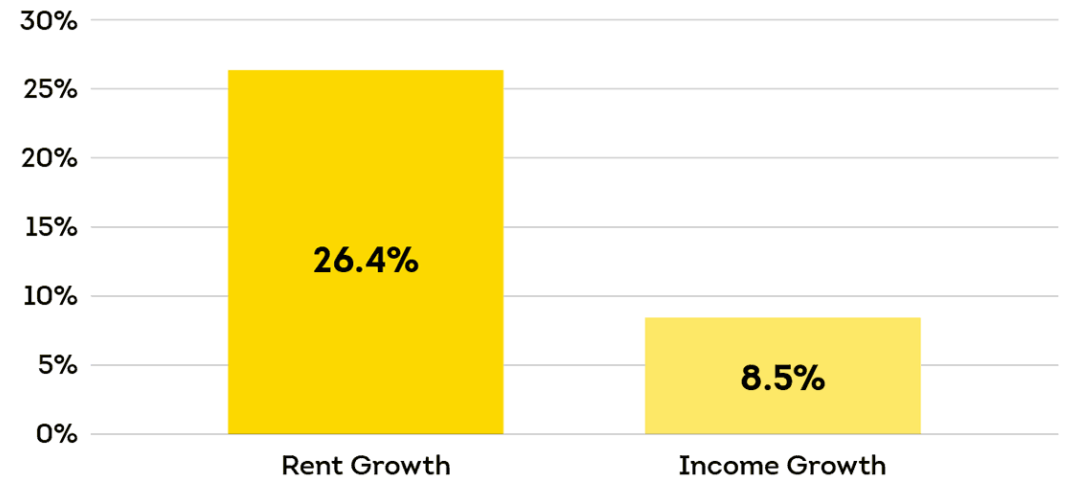
Who Needs Affordable Housing?

Renters, why?

- ▶ Rents keep increasing faster than income.
- ▶ Great Recession of 2006-2008 pushed folks of homes into a tight rental market,
- ▶ Households that are very-low, low & moderate income need help, as well as middle income or workforce

Growth in Rent and Income Since 2014

Based on SmarMove data from 2014–2017



Who Needs Affordable Housing?

First Time Homebuyers because:

- ▶ Median home prices of over a million dollars in Pasadena, up significantly in the past decade
- ▶ Tighter underwriting rules
- ▶ Student loan debt



Who Needs Affordable Housing?

Homeowners

- ▶ Need downpayment assistance
- ▶ Need help on maintenance if on fixed incomes
- ▶ Risk foreclosure if low-income.



Focus: Why focus on Affordable Housing?

Because no law requires affordable housing, it always happens as a result of advocacy.



Inclusionary housing, which requires 20% of new developments to be affordable, came about as a result of many advocates. The same is true of almost all housing policies.

Focus: Why focus on Affordable Housing?

- ▶ A healthy city provides an array of housing options at various income levels in close proximity to jobs.



Focus: Why focus on Affordable Housing?

Because affordable housing creates a healthy and sustainable city....

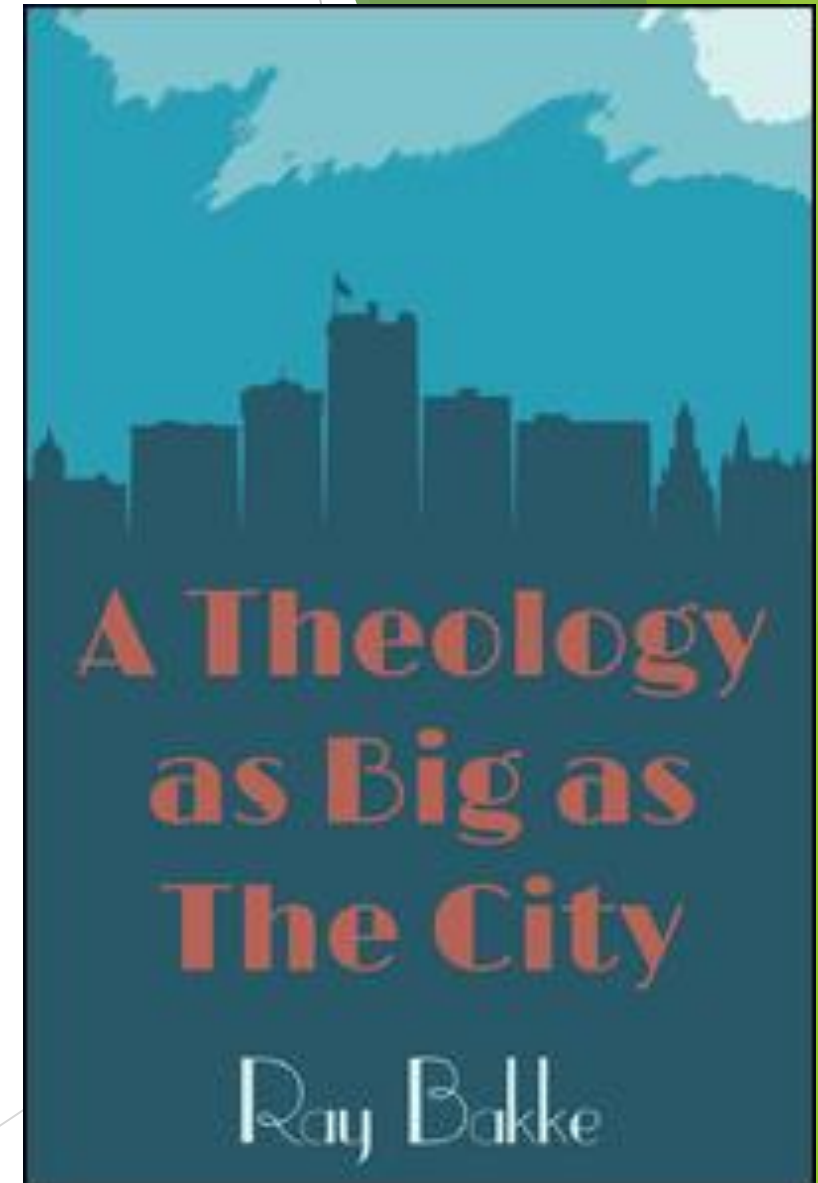
A city where all are welcome, and all are needed. Not just the elite, but gardeners, house cleaners, waiters, dishwashers, workers at dry cleaners and car washes, teachers, police, and on and on.



Focus: Why focus on Affordable Housing?

Because God cares about cities, where all have safe, secure and affordable homes.

“Everyone beneath their vine and fig tree will live at peace and unafraid.”—Micah 4.



Quiz

1. True or false:

- 1) You need to earn \$15 per hour to afford an apartment in Pasadena
- 2) 27.6% of renters in Pasadena are cost-burdened, paying more than 50% of their income on rent.
- 3) The fastest growing segment of the unhoused population is the mentally ill.

Quiz

2. Multiple choice:

Those who need affordable housing are:

- a) Employers for their employees because they don't pay enough
- b) The chronic and short-term homeless population
- c) The city staff and teachers
- d) All of the above