Forecasts indicate housing instability for the vulnerable

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Vulnerable households face other challenges. Statewide in 2019 only 11.6% of the jobs had a median wage that supported the median price home and they overwhelmingly required a college degree. As housing costs become more burdensome, households are increasingly doubling up, perhaps masking demand for the limited supply that is available. In 2019, 690,000 households statewide were doubled up. This is up from 415,000 in 2006 and 560,000 in 2017. And finally, with the improving economy, interest rates are forecast to normalize and homeowners and renters both are poised to feel the impact of the elimination of the Gallagher protections. For many of these workers, this puts the carrying cost of a home further out of reach. And, everyone should care about cost-burdened households. The additional spending these households dedicate to housing is costing the state approximately $2 billion that could otherwise support local governments and tax bases.

The economy will recover. Optimism is emerging already. But as the adage says – it is possible to drown in a pool of water averaging 6 inches. Macroeconomic metrics of recovery obscure distributional effects. While the reorganization of economic activity may be inevitable, we do not have to accept adverse impacts on vulnerable workers. A vibrant economy requires that we do not.