



Building Self-Sufficient Families: Housing in the District of Columbia

The Washington, D.C. Metropolitan Area Self-Sufficiency Standard¹ measures how much income working adults in the District of Columbia and its surrounding suburbs need to meet their basic needs and those of their families. The Standard is calculated without subsidies of any kind and includes the costs of housing, food, transportation, child care, health care and taxes. The District of Columbia can utilize this information in strategies that create pathways to self-sufficiency for our families.

The D.C. Metro Area Self-Sufficiency Standard clearly demonstrates that housing alone is only one of the major costs a family must bear, but without stable affordable housing, families, communities and our economy suffer.

Key Findings of the 2005 D.C. Metro Area Self-Sufficiency Standard

What it takes for families to live in Washington, D.C.

<i>Self-Sufficiency Wage</i>	One Adult	One Adult, One Preschooler	One Adult, One Preschooler, One Schoolage	Two Adults, One Preschooler, One Schoolage
Hourly	\$10.05	\$19.44	\$22.35	\$12.72 per adult
Annual	\$21,224	\$41,063	\$47,213	\$53,727 combined

Housing Costs Rise for the District and Suburbs

- **The primary increase in the cost of living in all parts of the D.C. Metro Area has been driven by rising housing costs.**
- **Between 1999 and 2005, the overall cost of living has increased between 21% and 27% for these four families in the District of Columbia,** from 32% to 51% in Montgomery County, Prince George’s County, Arlington County, and Alexandria City, and from 43% to 68% for these same families in Fairfax County.
- **Since 1999, housing costs have risen in the District of Columbia —21% for single adults and 18% for the other sample families with children.** In surrounding counties, housing for families has increased 53% in Arlington County, 59% in Prince George’s County, 61% in Montgomery County, and 86% in Fairfax County.
- **The proportions spent on housing for the single adult ranges from 47% in the District of Columbia to 53% in Fairfax and Montgomery County, Virginia. For single-parent families with one child, across the D.C. Metro Area, housing costs range from 28% to 35% of basic needs budgets.**
- **Housing and child care comprise 55% of the total budget for families in the District of Columbia with two children (when one is a preschooler or younger).**

¹ Pearce, Diana. *The Self-Sufficiency Standard for Washington, D.C. Metropolitan Area 2005.*

D.C. Families Face Housing Challenges

High housing costs create serious barriers for low-income households, affecting their ability to find and keep employment and affecting the health, education, and safety of their children. A lack of affordable housing limits job opportunities, forces families to move frequently further disrupting employment, and squeezes already limited budgets.

- D.C. has lost 15% of its affordable housing supply in the past three years.
- Low-income families, in particular, pay unaffordable housing costs – the share of District households with unaffordable housing burdens (they pay 30 percent or more of their income on housing) grew from 30 percent in 1990 to 37 percent in 2003. District households with severe housing cost burdens (they pay 50 percent or more of their income for housing costs) also increased sharply, from 13 percent of households in 1990 to 19 percent in 2003.
- Low-income families live in overcrowded conditions, and experience periods of homelessness.
- The D.C. Housing Authority serves 10,000 households with vouchers, but there are 40,000 households on the waiting list.
- The majority (two-thirds) of low-income households that are struggling to pay housing costs each month had at least one working adult in 2003.
- Limited housing options for moderate or low-income homebuyers. The District has lost more than 20,000 affordable homeowner properties since 2000, while the number of high-value homes has more than doubled.²

Housing assistance bridges the gap for struggling families

Assisting families temporarily with work supports until they are able to earn Self-Sufficiency wages enables them to meet their needs as they enter or re-enter the workforce. Meeting basic needs means that they are more likely to achieve stability in housing, child care, diet, and health care, which in turn helps support the ability to achieve stable employment. Thus, carefully targeted programs can play an important role in helping families become self-sufficient.

- Housing assistance generally reduces the cost of housing to 30% of income.
- In Washington, D.C., for a single parent with one infant and one preschooler, housing assistance reduces housing costs for a family of from \$949 to \$315 per month. This reduction in housing costs offers a substantial support for families, especially when combined with additional available assistance.
- Overall, with housing, child care assistance, Food Stamps, WIC, and health care assistance for the children (DC Healthy Families), this parent can meet her family's basic needs by earning \$5.90 per hour. Housing assistance alone, when added to a work supports package, reduces the wage needed to meet basic costs by \$4.00, from \$9.90 to \$5.90.

Building Blocks to Housing Self-Sufficiency for DC Area Residents

- **Educate the community** about the true costs of living in D.C. and the relationship among these costs for families to make ends meet.
- **Value, support, and strengthen affordable housing** in the District of Columbia by:
 - Ensuring the housing needs of working families are included in the Mayor's Housing Task Force recommendations to D.C. Council
 - Mandating an inclusionary zoning policy that requires developments to include housing units affordable
 - Targeting neighborhoods with coordinated housing and non-housing initiatives for "pilot" projects
 - Creating a local rent subsidy program that addresses the unmet need of rental housing assistance
 - Assuming a regional leadership role on affordable housing issues. The Self-Sufficiency Standard for the Metropolitan Area 2005 provides that avenue for coordination and vision.

² Rodgers, Angie. *Squeezed out, The Worsening Shortage of Affordable Housing for Low-Income D.C. Households*, D.C. Fiscal Policy Institute, January 2005.