



COVID-19 Is Pushing Housing Security Over the Edge

Affordable housing was a critical issue before the pandemic. What America, including Nebraskans, will be facing in the next few weeks is a housing crisis of biblical proportions. In May, after the novel coronavirus struck the United States, one-third of all Americans were unable to pay for housing.

Before COVID-19 found its way here, full-time minimum wage workers could not afford a two-bedroom rental anywhere in the U.S. and cannot afford a one-bedroom rental in 95 percent of U.S. counties, according to the National Low Income Housing Coalition's (NLIHC) annual "Out of Reach" report.

In fact, the average minimum wage worker in the U.S. would need to work almost 97 hours per week to afford a fair market rate two-bedroom and 79 hours per week to afford a one-bedroom, NLIHC calculates. That's well over two full-time jobs just to be able to afford a two-bedroom rental. In Nebraska, a two-bedroom rental unit requires wages of more than \$16 per hour. Minimum wage in Nebraska is \$9 per hour. Median income in Nebraska has been dropping in recent years, while rental and real estate prices rise.

Couple the chronic and serious lack of affordable housing with the fact that only 20 to 25 percent of Americans who are eligible for some kind of federal rental assistance actually receive it. And an announcement by the Trump administration that he is revoking an Obama-era fair housing rule, gutting another anti-discrimination rule in the midst of social justice protests nationwide.

In addition, the floods that affected large swaths of the state last year have had a long-term effect on housing availability and housing stability.

In Nebraska, there is no law that assures recipients of Social Security or any kind of federal assistance equality in fair housing. Sen. Tony Vargas has introduced LB1020 to change the language of the Nebraska Fair Housing Act to ensure that people's sources of legal income cannot be used to discriminate against them, among other changes. But that bill seems unlikely to reach the floor. The Unicameral on Monday voted down an eviction moratorium and so far refused consideration of LB866 to provide incentives for rural and urban affordable housing.

In addition, Sen. Kamala Harris (CA) has proposed the RELIEF Act in Congress, which would ban evictions, foreclosures, utility shutoffs, rent increases, and negative credit reporting during this historic health and economic crisis, but the GOP-controlled Senate has so far indicated no interest in working on this issue. (We encourage our friends to stay in touch with your state and federal representatives to urge their support of such measures as LB1020 in the Unicameral and Sen. Harris's RELIEF Act in the Senate and House, as well as the HEROES Act already approved by the House.) Meanwhile, in other Trump directives, the Consumer Financial Protection Bureau is now refusing to track discrimination in the mortgage market, and Housing and Urban Development (HUD) has made it easier for mortgage lenders and landlords to discriminate.

Compounding the Toxic Stew

Now add to this already toxic mixture these elements:

- Flooding and the COVID-19 virus have disproportionately affected lower-income citizens, both renters and homeowners;
- More than 7% unemployment in Nebraska, a figure that may increase over the next few months;
- Most unemployed are low-wage workers;
- The official unemployment number excludes thousands who do not qualify for unemployment benefits because they work one or more part-time jobs, are caregivers, or exist at the fringes of the gig economy, so the actual numbers of unemployed may be between 10 and 20 percent higher than the official numbers;
- Economists at the University of Chicago and Federal Reserve believe around 40 percent of jobs lost due to the COVID-19 pandemic may be lost permanently;
- Those who have been receiving a \$600 "enhance-



ment" with unemployment will no longer receive that bonus after the end of July, and unemployment benefits for thousands will expire altogether in the coming weeks;

- At the exact same time, eviction and foreclosure moratoriums will expire at the end of this month across the country. In Nebraska, there was no eviction moratorium; Gov. Rickett's "order" that expired in June was not a mandate, and many counties ignored it. Indicators show substantial increases in evictions and foreclosures now;
- Facilities for homeless populations, stretched before the pandemic, have emergencies on their hands now;
- Because of the disastrously-executed patchwork of pandemic responses across the state and the country, the COVID-19 pandemic is predicted to spread and worsen as we move into fall and winter, perhaps exponentially;
- Economists at NYU, Harvard, Chicago, and Princeton predict a serious economic contraction, with as many as 42 percent of all businesses closing permanently.

Each of these elements has both a multiplying effect and ripple effects throughout the state and nation. Recovery from this state of affairs will take months, IF we finally get a nationally-executed, science-based and viable strategy, or years, if we do not.

Never Let a Crisis Go to Waste

When Nebraskans cannot access affordable housing, fair wages, healthcare, equal education, healthy foods, all of us are affected negatively. We grow more and better economically, socially, creatively, and health-wise when the least fortunate of us do better.

We do better—become communities and a state of greater vitality—when we find collective ways of bringing our assets to bear in new ways to address tough issues. The double disasters of flooding and COVID-19, coupled with ongoing insecurities in housing, education, food, energy, and jobs, provide us with a great opportunity to not only fix the structural/endemic problems that have led to these inequities, but to envision a more vibrant, sustainable future through creative visioning, rethinking public policies, including housing, planning and zoning, and food, education and energy.

We've been noting on our social media pages some creative approaches to homelessness, housing instability, lack of broadband, climate change (which feeds pandemics), equitable access to food and education, energy, and school health and safety around the world. Some innovative ideas include using empty hotels and motels to house homeless; some suggest mandating every empty apartment be occupied by a newly-evicted family; some suggest newly empty retail or office space be converted to and zoned for housing. Some cities are buying empty properties, converting them to use for housing, classrooms, or food supply chain links.

Every place is different, and each state, city, village will have its own set of needs when it comes to housing security. But we can do a lot to not just mitigate these fundamental insecurities in housing, food, education and healthcare, while we create a better future for next generations if we work together with these goals in mind.

— Diane Wanek
Joslyn Institute



Further Reading

A Few Recent Articles Raising the Alarm on the Evictions/COVID-19 Crisis

<https://www.npr.org/2020/07/24/894996949/concern-over-evictions-rise-as-covid-19-unemployment-benefits-expire>

<https://news.trust.org/item/20200715191031-t84w2/>

<https://www.theatlantic.com/ideas/archive/2020/07/americas-health-crisis-is-becoming-a-housing-crisis/614149/>

<https://www.pbs.org/newshour/show/american-skyscrapers-face-an-uncertain-future-amid-coronavirus>

<https://www.nytimes.com/2020/06/05/business/economy/coronavirus-commercial-real-estate.html>

<https://www.bloomberg.com/news/articles/2020-05-13/what-causes-homelessness-start-with-capitalism>

<https://www.ketv.com/article/residents-told-hud-cuts-housing-assistance-contracts-after-two-year-battle-with-apartment-owners/32421413#>

<https://www.ketv.com/article/theyre-survivors-youth-emergency-services-searches-for-omahas-homeless-teens/32307455>

https://www.omaha.com/sarpy/bellevue/financial-fallout-update-in-sarpy-county/article_bdd9bec3-ad59-5ba2-8680-e8e5648225b9.html

Some Possible Approaches, Including Some Novel Ones

<https://www.urban.org/urban-wire/four-ways-keep-renters-falling-eviction-cliff>

<https://www.facilitiesnet.com/facilitiesmanagement/tip/COVID19-and-Potential-Benefits-of-Unused-Facilities--46584>

<https://www.bloomberg.com/news/articles/2020-07-16/to-fill-vacant-units-barcelona-seizes-apartments>

<https://www.bloomberg.com/news/articles/2020-07-20/how-to-pursue-a-ballot-initiative-during-covid-19>

<https://www.fastcompany.com/90528263/coronavirus-has-emptied-out-office-buildings-could-they-help-solve-americas-housing-crisis>

<https://www.fastcompany.com/90507053/inside-the-new-homeless-shelter-at-amazons-headquarters>

<https://www.marketplace.org/2020/05/11/fighting-housing-insecurity-one-video-conference-at-a-time/>

Deep Background on the Perilous Effects of Eviction

<https://www.wnycstudios.org/podcasts/otm/scarlet-e-unmasking-americas-eviction-crisis>