When Renters Rise, Cities Thrive

The United States is increasingly a renter nation, especially since the foreclosure crisis. Today, 107 million people live in renter households, and renters are contributing ever more to the economic, social, and cultural vitality of neighborhoods and cities. They could be contributing even more if it were not for skyrocketing rents and stagnant wages. When the rent is too high, little is left over for basics like food, transportation, health care, and education. Millions of families are increasingly at risk of eviction and homelessness.

Renters are the majority in the largest 100 cities...

...but renters nationwide are burdened by rising rents and low wages.

51% pay too much for housing*

• Renters already contribute about $1.5 trillion each year to the national economy.**
• If rents were more affordable, renters and the nation would be much better off.

If all renters paid only what they could afford on housing...

...they would have an extra $124 billion to spend in the community each year, or

Everyone would be better off, and racial inequities would shrink.

$6,200 per household***

This would cover the basics for a three-person household, like:
• 90% of an entire food budget,
• 63% of the cost of child care,
• nearly all transportation costs, or
• 66% of the cost of tuition at a public four-year university.

Increase in yearly disposable income by race:
As incomes drop, cost burdens rise. Since 2000, renters have seen:

**11%**

decline in median income

**57%**

increase in cost-burdened households

Women of color continue to face the steepest burdens.

<table>
<thead>
<tr>
<th>Share of renters paying more than 30% of income on housing by race and gender</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Women of color</strong></td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2015</td>
</tr>
</tbody>
</table>

**The nation thrives when its renters thrive. #RentersWeekofAction calls for:**

1) **Renter rights** including just cause eviction, stronger code enforcement, rent control, and anti-displacement protections—with real enforcement infrastructure.

2) **Tenants’ right to organize** and bargain collectively.

3) **Community control over land and housing** through land trusts, cooperatives, and non-market solutions for affordable homes.

4) **End Wall Street giveaways** because home is a human right, not a commodity for the wealthy.

5) **Full funding for HUD** so that every income-eligible family in the nation has a home.

Data analysis from the National Equity Atlas, a partnership between PolicyLink and the USC Program for Environmental and Regional Equity (PERE). **Sources:** 2015 5-Year American Community Survey and 2000 Decennial Census microdata from the Integrated Public Use Microdata Series (IPUMS), USDA, Care.Com, BLS, and the College Board.

**Notes:** Unless otherwise noted, “renters” refers to renter-occupied households. All data by race and gender are determined by the race and gender of the household head and are only reported if the sample size is sufficient. All racial/ethnic groups are non-Latino (except for Latinos) and women/men of color include all persons who do not identify as non-Hispanic White. All dollar values in 2015 dollars. “Disposable income” is defined as household income minus housing costs (rent and utilities).

*We use the common standard of spending no more than 30 percent of income on housing costs to measure affordability at the household level, also called housing burden. **Renter contributions to the economy are defined as income minus housing costs (disposable income), ***Potential increase in disposable income per rent-burdened household. Data on food expenses are based on the USDA "low-cost" food plan for a household of one female and two children in 2015 ($6,906). Child care expenses are based on the Care.com Cost of Care survey for center-based care for one child for 50 weeks in 2015 ($9,800). Transportation costs are based on the 2015 Bureau of Labor Statistics (BLS) Consumer Expenditure Survey average for renter households ($6,474). Data for education expenses at public four-year colleges are drawn from the College Board and are for the 2015-2016 school year ($9,420). ****Real, inflation-adjusted decrease in median renter household income.

For more information:

www.homesforall.org/rentersweekofaction

©2017 PolicyLink. All rights reserved.