

AARP Bulletin today

Some struggle to find housing Affordable homes not within reach of many Alabama residents

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MONTGOMERY -- Some of Alabama's most vulnerable people knew there was a
housing crisis long before the housing bubble burst late this summer.

The need for a decent place to live affects grandmothers, the disabled and
single parents trying to dig their way out of poverty.

The need becomes particularly acute when they realize that rent for even modest apartments or houses in safe neighborhoods is beyond their reach.

Marcie Porter, an affordable housing advocate from Huntsville, said it is odd to hear about a housing crisis as a new situation.

"There already was a housing crisis in Alabama for a long time for people who don't have much money," said Porter, president of the Low Income Housing Coalition of Alabama.

The group of more than 70 organizations working on the issue hopes for effective local as well as statewide solutions.

Porter also serves on the Interim Alabama Housing Trust Fund Task Force the Legislature formed earlier this year to help develop the framework for a state affordable housing trust fund.

The current housing crisis makes things worse for the most vulnerable people, Porter said. In times when state budgets are tight, existing programs funded by year-to-year appropriations are often the first programs to get cut, she said.

"The population that really pulls at my heartstrings are the elderly and disabled who really want to be independent but cannot afford much," Porter said.

In some places, public housing is not appropriate, even if it is available, she said.

Now, more foreclosures and job instability drive more people to search for less

expensive housing. Porter said the current climate makes it harder for the most vulnerable people to find a place to go, especially renters.

30 states have funds

More than 30 states now have affordable housing trust funds to help deal with such issues. Legislative task force chairman Rep. Laura Hall, D-Huntsville, said effective trust funds in other states help expand the base of affordable housing. The task force expects to have draft legislation to recommend to the Legislature in February, she said.

One goal is to set up a consistent source of funding the state can use to pull in other funds for more affordable housing, Hall said. Like Porter, Hall said she is concerned about vulnerable people and about gaps in the system's slow response that could help them before it is too late

Porter tells the story of a young mother living in marginally safe public housing with her 6-year-old son as an example of the people a trust fund could help. She calls them people who fall through the cracks of the public system now and often end up deeper in poverty.

"She worked full time at a college and went to school, too," Porter said.

Originally the young mother had a child care subsidy that allowed her to pay for safe after-school care for her son while she worked and went to school, Porter said. The subsidy ended with tight state finances and she could not afford to pay for day care.

The mother was afraid to leave her son with people she did not know well in

the public housing complex where she lives. The college job she had with flexible hours ended and she got behind on her bills.

Porter said she worked with multiple groups to find a way to help the young mother pay her rent, utilities and phone bill. The search took a while but she finally found help and called the woman.

"The last time I tried to contact her, her phone was disconnected. We lost contact. I don't know what happened," Porter said.

One lost service led to a snowball effect for the young mother, she said. She also thought about the child.

"If you have a safe, decent roof over your head, you can learn so much better," said Porter. "You can look for work so much more effectively if people have a way to contact you."

The situation for poor elderly people may be different, but it is one that puts them equally at risk, Porter said.

"A lot of elderly people are housed, but not well. They have a roof over their heads but they can't afford the repairs to keep the roof from falling in," she said.

Ron Gilbert is senior policy analyst at Alabama Arise, a nonprofit organization that advocates for the poor.

Gilbert said there are no easy answers to the housing plight of the state's "poor and moderate income" people. But he said a better way to address

housing issues is a big part of the puzzle.

He also said there is another wrinkle in finding affordable housing for disabled people.

"Housing for them tends to be more costly," Gilbert said.

Even if disabled people have jobs, Gilbert said, they earn about 70 percent of what other people earn.

They wind up bearing the brunt of the costs by paying a larger percentage of their income on housing.

Locked out in Alabama

--Federal government considers housing affordable when it takes up no more than 30 percent of a family or individual's income.

--In today's market, less than 60 percent of Alabama renters can find housing in that range.

--48 percent of Alabama renters lack income for a modest two-bedroom apartment.

--Alabama has 1.3 million owner-occupied and 500,000 renter-occupied housing units.

--In 2006, an Alabama household needed \$33,500 to purchase a median-priced home costing less than \$135,000. 49.5 percent of Alabamians had annual income less than \$35,000.

--Average rent for a modest two-bedroom apartment in Alabama reached \$595 in 2008. Renters needed earnings of \$11.44 per hour to pay rent.

--About 68,000 Alabamians had hourly earnings of \$5.85 or less in 2007.

--More than 93,000 Alabamians are on Supplemental Social Security Income and could afford only \$191 per month rent. They include elderly and disabled.

--The average Fair Market Rate on a two-bedroom apartment in state is \$512 per month.

--Working Alabamians with disabilities earn 70 percent of the amount of non-disabled workers. Their median income averages less than \$18,000 per year.

--41 percent of Alabama renters spend more than 30 percent of income on housing in 2007.

SOURCE: Alabama Arise Citizen's Policy Project,

Ron Gilbert

Housing in the Valley

Percentage of renters unable to afford two-bedroom housing in 2007-08.

--Decatur Metropolitan Statistical Area -- 43 percent

--Lawrence County -- 49 percent

--Limestone County -- 47 percent

--Morgan County -- 42 percent

SOURCE: National Low Income Housing Coalition publication "Out of Reach 2007-2008"

How affordable housing trust funds work

--Establish dedicated revenue source exclusively for use to meet trust fund objectives.

--Set up framework in Alabama to establish local as well as state trust funds.

--Traditionally support range of activities. Could include construction, rehabilitation, preservation of low-cost housing, adaptive and supportive housing for disabled, emergency rental assistance, weatherization.

--Have defined income limits for eligibility for public funds.

--Enable the state to tap federal dollars for low-income housing that require state match.

SOURCES: Legislature's Affordable Housing Trust Fund Task Force; Rep. Laura Hall, D-Huntsville;

Rep. Patricia Todd, D-Birmingham; Alabama Arise

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