



HEALTHY AND AFFORDABLE HOUSING Fact Sheet


Public Housing: Law and Policy Changes Needed to Improve This Determinant of Health

Overview

Housing is an important determinant of health. Housing conditions, neighborhood, and community resources significantly influence a person's health, and housing availability and affordability play important roles.¹ Public housing is one of three forms of rental assistance programs used in the United States (with housing choice vouchers and project-based rental assistance, both discussed in the Network resource [Community-Based Measures to Promote Housing Stability](#)). Public housing in the U.S. has the potential to fill the need for quality affordable housing and improve public health but fails to do so for many families living in unhealthy public housing and many families qualified for but unable to access public housing due to scarcity.

Public housing refers to rental housing - from multi-unit apartment buildings to single-family homes - that is owned by the government, managed by a local public housing authority (PHA), and rented for a below-market price.² In the United States, about two million people live in just over one million public housing units.³ Eligibility for public housing varies by locality, but the U.S. Department of Housing and Urban Development (HUD), which distributes the funding for the program, sets the income limit for households at 80% of the median income for the county or metropolitan area where the housing is located, taking into consideration family size and age.⁴ HUD also requires PHAs to meet a threshold number of households that qualify as "extremely low income." At least 40% of households admitted into public housing must have incomes no more than 30% of the area median or of the federal poverty line, whichever is lower.⁵ Most PHAs have no problem satisfying this requirement. In 2016, 72% of households in public housing qualified as "extremely low-income" (91% of households earned less than 50% of their area median).⁶ Once families are placed into public housing units, they typically are only required to pay 30% of their income for rent and utilities: the amount determined by HUD to be "affordable" for housing.⁷ In some circumstances, households may be required to pay at least \$50 per month for rent, even if that exceeds 30% of their income, or they may be charged a flat rate based on market conditions regardless of their income.⁸

Public housing in the U.S. has been underfunded since its inception, and federal policies and lack of funding operate as significant but surmountable barriers to improvement. About half of all renters are housing cost-burdened, meaning their housing costs exceed 30% of their income, with deeper impacts among people of low income who likely qualify for public housing but are unable to access it.⁹ Contributing to high housing costs is low housing stock. Conservative estimates conclude that the U.S. is short between



5 and 6 million housing units generally¹⁰ and short 6.8 million affordable housing units for extremely low-income renters.¹¹


The housing stock for public housing is particularly old and disproportionately decrepit. Residents of public housing are too often exposed to lead hazards, faulty plumbing, poor indoor air quality, and lack of air conditioning in hot climates and ineffective heating systems in cold climates.¹² Most properties were constructed prior to 1975 and have not been significantly renovated. As a result, physical inspections of public housing units reveal that 8% fail inspection entirely and another 20% score poorly.¹³ The cost of capital improvements to make public housing safe and healthy is conservatively estimated at \$21 billion;¹⁴ advocates recommend allocation of \$77 million.¹⁵ Investing in new public housing developments across the country would both address the housing stock shortage and ease the financial burdens of low-income families.

In addition to a significant need for repairs, existing public housing tends to be located in low-income, racially segregated, high-density areas. In 2016, the poverty rate in census tracts that contained public housing was 33%, more than double the nationwide average of 12.7%.¹⁶ Public housing tends to be concentrated in racially segregated and under-resourced areas due to the country's history of discriminatory zoning and siting practices.¹⁷ Racially segregated neighborhoods can widen health disparities as historical institutionalized racism leads to underfunded community resources such as schools and healthcare.¹⁸ Thus, poverty and limited housing options continue to disproportionately affect people of color, with Black (44%) and Latine (27%) families making up more than two-thirds of public housing tenants.¹⁹

Supply has also been a major issue in the U.S. public housing scheme due to a 1998 amendment to federal law, which created a significant legal barrier to and overall disinvestment in public housing. The total number of public housing units peaked in the 1990s, but has been steadily declining ever since.²⁰ The 1998 federal amendment, called the Faircloth Amendment, capped the number of public housing units at the 1999 level and has likely had a significant influence on this decline.²¹ Although the current public housing stock is below that 1999 cap due to conversion and destruction by severe weather, replacement with legally permissible levels of new construction will not suffice to meet the extreme need.²² Several Democratic Congressmembers including Rep. Alexandria Ocasio-Cortez (NY) and Sen. Bernie Sanders (VT) introduced legislation in the 2021-2022 Congress that would have repealed the Faircloth Amendment, but none became law. While repealing the Faircloth Amendment would be an important first step, barriers such as exclusionary zoning and lack of funding would still persist.

Some of the same members of Congress trying to repeal the Faircloth Amendment are also working to increase investment in public housing. Rep. Ocasio-Cortez and Sen. Sanders introduced the "Green New Deal for Public Housing" in 2019 and 2024.²³ The 2024 iteration of the bill would invest \$234 billion over 10 years in updating current public housing, including upgrades for energy efficiency. The Biden administration has also included allocations for investment in public housing in multiple legislative plans and budgets, including \$7.5 billion to preserve 115,000 public housing units in the Fiscal Year 2025 budget.²⁴ President Biden was also involved in re-investment in public housing during the Obama administration as Vice President. In 2010, the Obama administration introduced a HUD program called "Choice Neighborhoods," which is one of the most significant re-investments in public housing in recent years.²⁵ The program gives grants to local organizations such as PHAs to revitalize distressed public housing.²⁶ However, communities can choose to use grant money in areas outside public housing to address other neighborhood issues such as struggling local businesses and schools, and the funding is only for revitalization – it is not used for building additional public housing units.

In addition to the Faircloth Amendment and inadequate investment in repairs and upkeep, conversion has also been causing a decline in public housing stock. In 2013, the Obama administration introduced another HUD program called the "Rental Assistance Demonstration" (RAD).²⁷ RAD allows PHAs and private owners to access new sources of funding for capital improvements to public housing but requires that they convert the public housing to long-term project-based contracts - incentivizing the creation of private units eligible for rental assistance or housing choice vouchers.²⁸



Although rental assistance and housing choice vouchers are beneficial, they do not have the same benefits of public housing. The number of units that can be converted under RAD is currently capped at 455,000.²⁹ As of 2020, 136,000 public housing units had already been converted, with 267,000 more scheduled.³⁰

Despite the poor and sometimes crowded conditions in public housing developments, residents experience improvements in mental and physical health when they succeed in securing scarce public housing. A study published in 2017 compared the mental and physical wellbeing of individuals waiting for housing assistance with individuals who had started receiving housing assistance within the last two years and found significant improvements for those in public housing.³¹ Current public housing residents reported less serious psychological distress (5.4 percentage points lower) than individuals waiting for placement in public housing as well as lower rates of “poor or fair health” (4.8 percentage points lower).³² The study did not find similar significant improvements in health for individuals receiving other forms of HUD housing assistance such as housing choice vouchers. Young adults living in public housing units also report increased feelings of safety relative to their previous situations.³³

Conclusion

Investment in public housing can address problems with affordability and availability of housing and improve public health by building stronger and safer communities, relieving financial strain on families with lower incomes, and reducing individuals’ psychological stress.³⁴ Without federal policy changes and increased investment in public housing, millions of residents will be left in dangerous and unhealthy conditions, or without affordable housing altogether.

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