

Housing

Homelessness, housing insecurity, and housing affordability are deeply interconnected, forming a cycle that exacerbates social and economic inequities. **Housing affordability** is the foundation of the issue. Individuals and families are pushed into housing insecurity when housing costs exceed what people can reasonably afford, whether for rent or home ownership. **Housing insecurity** refers to the instability caused by unaffordable housing and includes experiences such as frequent moves, difficulty paying rent or mortgage, overcrowding, and the threat of eviction. It affects both renters and homeowners. When housing affordability and insecurity reach a breaking point, **homelessness** is the consequence.

Homelessness

- On a single night in January 2023, about [20 of every 10,000](#) people in the U.S. experienced homelessness – the highest number of people counted and reported as experiencing homelessness on a single night since reporting began in 2007.
- Without housing solutions, the [rise of aged homelessness](#) could create a public health crisis – costing the nation \$5 billion, on average, in health and shelter use.

Housing Insecurity and Affordability

- Nationally, over 21 million renter households (nearly half of all renter households) and 18.8 million homeowners are [cost-burdened](#), spending more than 30% of their income on housing costs.
- The [average rent rose 20% in the South](#) between 2017 and 2022. The cost of all goods and services increased by 16% due to inflation.
- Housing affordability and insecurity in the South is marked by severe shortages of affordable housing, substandard living conditions, and limited access to critical resources, all of which are exacerbated by poverty, economic stagnation, and underfunded infrastructure.
- Climate change is exacerbating housing insecurity and affordability. Homeowners in vulnerable areas are facing [rising insurance rates](#). Insurance companies in low-lying beachfront communities in the South have begun to limit coverage for homebuyers or are declining to renew coverage for existing homeowners.

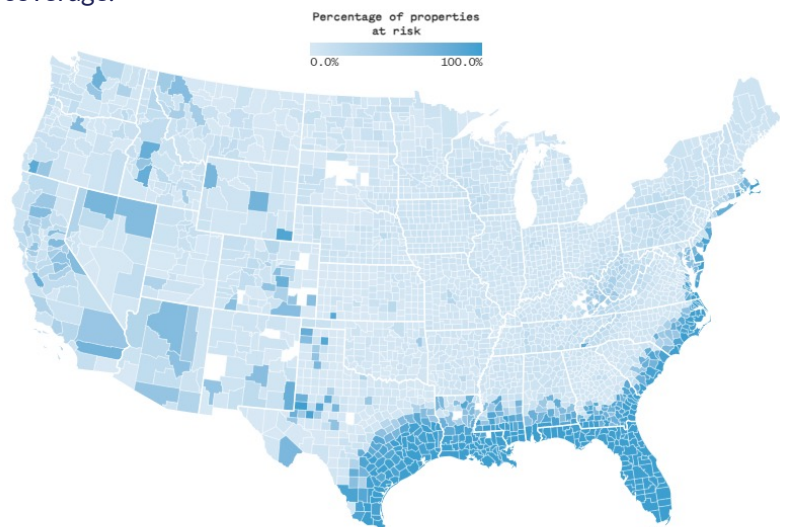
According to the United Nations, “the right to adequate housing” is a fundamental human right. Adequate housing should be seen as the “right to live somewhere in security, peace and dignity.”¹



Source: “[Homelessness Data & Trends](#).” U.S. Interagency Council on Homelessness. Accessed October 7, 2024.

The climate housing bubble

Sixty-six million Americans live in a county where at least half of the properties in it are vulnerable to dramatic changes in insurance coverage.



Source: [NBC News analysis of First Street Foundation data](#)
Graphic: Joe Murphy / NBC News

Rural Housing

Property taxes in the rural southern U.S. have seen notable increases recently. In 2023, there was an average [year-over-year property tax increase](#) of more than 7% nationwide. [Some Southern states, like Georgia, experienced significant hikes](#), with property taxes rising by 35.8%. These increases can be particularly challenging for rural landowners, including farmers, who may face higher costs without a corresponding increase in income.

On average, rural housing values are about **42% lower** than urban housing values. People living in [rural areas earn about 15% less than their urban counterparts](#), but rural communities often must apply higher tax rates to generate the same per capita revenue.

1 in 4

rural renters
spends more than
50 percent of their
income on housing²

- In some rural communities, economic growth is impeded by the [lack of housing for workers](#), not a lack of jobs.
- Rural renters, especially rural Indigenous and Hispanic/Latine people, [are more likely to live in overcrowded housing or housing without adequate plumbing](#) or complete kitchen facilities.
- Farmworker housing is [often overcrowded, unsanitary, and isolated](#), with poor access to transportation, fresh food, health clinics, and social services. Limited housing options and employer-provided accommodations increase the risk of being [overcharged](#) for unsafe conditions.

Housing Strategies for Southern Communities

Southern communities can improve housing affordability and reduce housing insecurity through a combination of policy interventions, community-driven approaches, and legal reforms.

Inclusionary Zoning: Inclusionary zoning policies ensure that a percentage of new housing developments include affordable units for low- and moderate-income residents. This can mitigate displacement caused by rising housing costs due to gentrification and increased demand from affluent newcomers. Although [currently illegal in some Southern states](#), legalizing and enforcing inclusionary zoning would create mixed-income communities and offer more affordable housing options. See [MDC Inclusionary Zoning Policy Brief](#) for details.

Community Land Trusts (CLTs): Promoting community land trusts is another strategy to improve housing affordability. CLTs enable low- and moderate-income families to purchase homes at subsidized rates, while the trust retains ownership of the land. This approach offers a pathway to homeownership and wealth-building for vulnerable populations. Additionally, introducing special property tax assessments for CLT homeowners can prevent property taxes from rising excessively, ensuring long-term affordability even as neighborhood property values increase. See [MDC Housing Land Trusts](#) for details.

Eviction Protections and Legal Support: Strengthening eviction protections is crucial for reducing housing insecurity. Many Southern cities face high eviction rates, exacerbating homelessness and housing instability. Providing tenants with access to legal representation during eviction proceedings can significantly reduce the number of forced evictions, as many tenants without legal help lose cases they might otherwise win. See [MDC Eviction Proceedings](#) for details.

Density Bonuses: A density bonus allows developers to build more housing units than normally permitted in exchange for including a certain percentage of affordable housing units in their projects. *This policy can have several positive effects:*

- 1 Incentivizes developers to include affordable units for low- and moderate-income residents.
- 2 Encourages the development of mixed-income communities, which can help reduce economic and racial segregation in Southern cities.
- 3 Increases investments in public infrastructure. [Developers can be required to contribute to the construction of parks, schools, or transportation systems, ensuring that growing urban areas have essential facilities and services.](#)

¹Office of the United Nations High Commissioner for Human Rights. *The right to adequate housing*. Available at: http://www.ohchr.org/Documents/Publications/FS21_rev_1_Housing_en.pdf. Accessed September 18, 2024.

²Scally, Corianne et al. "Rental Housing for a 21st Century Rural America," Urban Institute. October 2018. <https://www.urban.org/research/publication/rental-housing-21st-century-rural-america>