

Housing Investments *Impacting Health Outcomes*

Stability, quality, safety and affordability of housing all affect health outcomes. The North Carolina Housing Finance Agency’s (the Agency) statewide investments save public health care dollars by providing healthier homes with better access to care, reducing expensive ER visits, increasing positive medical outcomes and enabling people to age in place rather than in costly institutions.

North Carolina Housing Finance Agency’s Housing Prescription



Rehab and Repair



Rental Assistance



Supportive Housing

Affordability

The Agency works with local government and nonprofit partners to deliver home repair programs for low-income homeowners with disabilities or supportive service needs. The Essential Single-Family Rehabilitation Loan Pool (ESFRLP) finances critical repairs that can improve health, such as mold removal. The Urgent Repair Program (URP) finances emergency repairs and accessibility modifications to address threats to life or safety.

The Agency and NC Department of Health and Human Services (DHHS) partner on supportive housing. Key Rental Assistance (Key) pays rent subsidies for apartments set aside through the Targeting Program for low-income people with disabilities. The Transitions to Community Living Voucher (TCLV) helps people with disabilities move from congregate settings to independent market-rate housing in their communities.

The Agency creates permanent supportive housing (PSH) through the Targeting Program, Supportive Housing Development Program (SHDP) and Integrated Supportive Housing Program (ISHP). With SHDP and ISHP, the Agency finances community-based supportive housing through loans to developers and investors who collaborate with local partners to identify community supportive housing needs.

Quality

Research shows that well-constructed and maintained affordable housing reduces asthma, pest-borne illnesses, lead poisoning, accidental injury and other health risks.¹ Rehab preserves and boosts the value of existing homes and the surrounding community.

Rental assistance provides affordable entry to quality apartments. This creates a better living environment for families and leaves more money for other basic needs, which is linked to improved child health, cognitive development and educational outcomes.¹

Many individuals and families who could benefit from PSH are currently in substandard housing or experiencing homelessness. Investing in supportive housing helps households afford safe, healthy housing with access to services.

Accessibility

The Agency vets and awards funding to qualified local governments and nonprofits through an annual NOFA process. These Agency partners work directly with applicants and oversee repair work. Investments in our programs could expand our partner network, making help available for more homeowners in need.

Key creates housing access in concert with the Targeting Program, which sets aside 10–20% of units developed with federal Low-Income Housing Tax Credits for people with disabilities. More than 5,600 apartments in 675 properties across the state are Targeted Units, with 400–500 more added each year.

Supportive housing programs integrated into the community increase housing choice and inclusion for low-income people with disabilities or supportive service needs, improving health outcomes and saving health care dollars.

Stability

Housing insecurity harms mental and emotional health.¹ Home repair helps homeowners remain in their homes, saving public and private dollars by keeping them out of expensive care facilities.

Rental assistance keeps housing affordable long-term. Unstable housing can lead to cognitive, behavioral and mental health issues, as well as physical illnesses like asthma.¹

PSH helps vulnerable North Carolinians stay in stable housing with access to health care, reducing ER visits and hospital stays among people experiencing homelessness and with disabilities.⁵

Impact

Agency investments have preserved 34,550 homes and apartments in 720 communities, saving health care dollars by keeping recipients in their homes. A cost/benefit analysis found that every dollar invested in the Urgent Repair Program could save up to \$19 in Medicaid.²

An Enterprise survey found 54% of renters postponed medical care due to financial strain.³ Rental assistance can ease this strain and has been linked to lower health care, emergency housing and other service costs.⁴ Key has helped more than 5,000 households and TCLV has assisted another 1,700 individuals.

Through the Targeting program, SHDP and ISHP, the Agency has financed more than 7,600 supportive housing units. A recent study found that supportive housing for tenants who are elderly or have disabilities decreased Medicaid expenses by \$1,000–\$6,000 per person per year.⁶

1 Cohen, R. (2007). The positive impacts of affordable housing on health: A research summary. Center for Housing Policy and Enterprise Community Partners. Available at <https://www.enterprisecommunity.org/resources/positive-impacts-affordable-housing-health-research-summary-13889>.

2 North Carolina Housing Finance Agency. (2017, November). Urgent home repair: Quality of life and cost impacts. Available at <https://www.nchfa.com/about-us/research-reporting-and-policy/agency-investment-impacts>.

3 Enterprise Community Partners. (2019, April). Survey: When housing costs undermine health and peace of mind. Available at <https://www.enterprisecommunity.org/blog/health-survey-renters>.

4 Pfeiffer, D. (2017). Rental housing assistance and health: Evidence from the Survey of Income and Program Participation. *Housing Policy Debate*, 28(4): 515-533. doi: 10.1080/10511482.2017.1404480.

5 Culhane, D. P., Metraux, S. & Hadley, T. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debate*, 13(1): 107-163. Available at https://shnny.org/uploads/The_Culhane_Report.pdf.

6 Basu, A., Kee, R., Buchanan, D. & Sadowski, L. S. (2012). Comparative cost analysis of housing and case management program for chronically ill homeless adults compared to usual care. *Health Services Research*, 47(1): 523-543. doi: 10.1111/j.1475-6773.2011.01350.x.



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What Does “Affordable Housing” Mean?

“Affordable housing” can mean anything from apartments for seniors on a fixed income to a five-bedroom single-family house.



From a policy standpoint, “housing affordability” means a household pays no more than 30% of their income for housing expenses.



In this context, “affordable housing” most commonly refers to homes that are affordable to households earning between 30%–80% of the median income for their area (called “Area Median Income” or “AMI”).



Here’s a snapshot of annual incomes earned in 2018 by households making 60% of the AMI in several North Carolina counties.

County	1-Person Household (60% AMI)	Family of 4 (60% AMI)
Cleveland	\$22,020	\$31,380
Wake	\$35,460	\$50,580
Rockingham	\$25,440	\$36,300
Robeson	\$22,020	\$31,380
Watauga	\$26,820	\$38,280



Source: US Department of Housing and Urban Development, 2018 HOME Income Limits



There is a housing shortage across all market segments in North Carolina, but the shortage is felt most acutely by lower-income families. For every **8 North Carolina families** in need of affordable housing, only **1 home** is available.

