

To: the Federal Housing Finance Administration
Re: Tenant Protections
Date: July 31, 2023

To Whom it May Concern,

We, the undersigned organizations that work on ensuring that people have high quality, affordable and accessible health care, write in response to the Federal Housing Finance Agency (“FHFA”) Request for Information titled “Tenant Protections”. The lack of access to safe, stable and affordable housing has very harmful health implications for poor and working people. We write in strong support of FHFA attaching limits to egregious rent hikes and tenant protections to federally backed mortgages.

Housing justice and racial justice are inextricably linked, with Black and brown people experiencing disproportionate harm from rent inflation and a dearth of safe, stable and affordable housing. As a result of decades of discrimination and disinvestment, most deeply poor renters who pay more than half of their income for rent and utilities are people of color. Poor people, low-income people and Black and brown people are often relegated to housing with no or inadequate access to public transportation, grocery stores, parks and green spaces, and financial institutions. Low-income and Black and brown people are more likely to live in areas near industrial sites or other emitters of toxic pollution. These social determinants of health are shown to contribute to adverse health outcomes and poor quality of life.

Quality of housing is a key social determinant of health. After 5 years in decline, the U.S. poverty rate increased to 11.4% in 2020, for a total of 37.2 million people living in poverty.¹ Across all ages, these millions of residents in impoverished communities are at increased risk for mental illness, chronic disease, higher mortality, and lower life expectancy.² Often they have reduced access to much-needed resources to support a healthy quality of life, such as healthy foods and safe neighborhoods, as well as educational and employment opportunities.

Already suffering worse health outcomes than the rest of the population, the expected health outcomes of people in impoverished communities further diminish when factoring in the additional housing challenges they face.

¹ “Poverty - Health People 2030,” Office of Disease Prevention and Health Promotion,” accessed July 19, 2023, <https://health.gov/healthypeople/priority-areas/social-determinants-health/literature-summaries/poverty#:~:text=In%20addition%20to%20lasting%20effects,substance%20use%2C%20and%20chronic%20stress.&text=Finally%2C%20older%20adults%20with%20lower,rates%20of%20disability%20and%20mortality.>

² One study found that men and women in the top 1% of income were expected to live 14.6 and 10.1 years longer respectively than men and women in the bottom 1%; see Raj Chetty, Michael Stepner, Sarah Abraham, et al., “The Association Between Income and Life Expectancy in the United States, 2001-2014,” JAMA Network, April 26, 2016, <https://doi.org/10.1001/jama.2016.4226>.

Rent is usually most low-income people's largest expense. Housing in the U.S. has become increasingly unaffordable, with soaring rents and home values. In 2018, over 50% of low-income households were spending more than half of their income on housing.³ In 2019, 20.7 million renters (around 46.3 million people) paid more than 30% of their income for rent. Of these, 11 million households (around 26.3 million people) were severely cost-burdened, spending over 50% of their income on rent. The majority of these severely cost-burdened renters are extremely low-income, with incomes below the poverty line or less than 30% of the local median income. Over 40% of households worried about housing costs sacrifice medical care and over 30% worried about housing costs have two or more chronic conditions.⁴

Since 2019, rent inflation has soared. In 2021, the number of tenants with unaffordable rents reached an all-time high, with 49% of US renters paying more than a third of their income on the rent. In February 2022, year-over-year growth in rental prices reached a record peak of 17.2% across the U.S.⁵ As of October 2022, rents were 22.8% higher in the 50 largest cities than they were in 2020, with some hikes far exceeding what is reported in the CPI. Chicago and Boston experienced over 20% rent increases year-over-year during the same period.⁶ Rochester, NY and Tampa, FL both saw rents rise 43%.⁷

Over the last few years, corporate landlords raked in record-breaking profits—even using algorithms to set high rents and evict tenants.⁸ In 2021, the 10 largest publicly traded apartment companies saw their profits soar by 57% to nearly \$5 billion in 2021.⁹ This has led median rents across the U.S. to surpass \$2,000 for the first time, and there is no longer a single state or county where a worker earning a full-time minimum wage salary can afford a modest two-bedroom apartment. In fact, to afford a two-bedroom apartment, a minimum wage worker would need to work four jobs or have three roommates.¹⁰ Now we are seeing eviction rates rise across the country with the worst cities seeing eviction filings increase by more than 60%.¹¹

³ Carolyn Swope and Diana Hernández, "Housing as a determinant of health equity: A conceptual model," *Social Science & Medicine* Vol. 243, December 2019, <https://www.sciencedirect.com/science/article/abs/pii/S0277953619305659?via%3DiHub>.

⁴ "Chart Book: Housing and Health Problems Are Intertwined. So Are Their Solutions.," Center on Budget and Policy Priorities, June 29, 2022, <https://www.cbpp.org/research/health/housing-and-health-problems-are-intertwined-so-are-their-solutions>.

⁵ Zillow Research, "Two-year Rent Growth Streak Ends in Small Step Toward Normalcy," Zillow, November 15, 2022, <https://www.zillow.com/research/zillow-rent-report-october-2022-31676/>.

⁶ Jiayi Xu and Danielle Hale, "August Rental Report: Affordability Continues to Worsen," *realtor.com*, September 22, 2022, <https://www.realtor.com/research/august-2022-rent/>.

⁷ Apartment List Research Team, "Apartment List National Rent Report," Apartment List, June 28, 2023, <https://www.apartmentlist.com/research/national-rent-data>.

⁸ Heather Vogell, "Rent Going Up? One Company's Algorithm Could be Why," *ProPublica*, October 15, 2022, <https://www.propublica.org/article/yieldstar-rent-increase-realtor-rent>.

⁹ Irina Ivanova, "CBS News: 'Corporate landlords' profits have surged despite eviction ban fears," *Accountable.US*, June 8, 2022, <https://accountable.us/cbs-news-corporate-landlords-profits-have-surged-despite-eviction-ban-fears/>.

¹⁰ National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Rental Homes," March 2023, <https://nlihc.org/gap>.

¹¹ Claire Thornton, "'A lot of fear': Rent hikes across the country mean eviction notices for many Americans," *USA Today*, July 5, 2023,

Many American households struggling to afford rent are left with little options outside of substandard housing. At last nationwide count in 2017, the American Housing Survey estimated almost 1.35 million households lived in severely inadequate homes and another 4.65 million lived in moderately inadequate homes. Together about 5.2% of the U.S.' households are substandard.¹² Such problems range from asthma-inducing allergens and mold to water damage.

Exposure to substandard housing with health dangers is not equal across households, with more than 9% of low-income renters living in inadequate housing. Further, 7.2% of Black and 8.6% of American Indian and Alaska Native households live in inadequate housing. Households that have a family member with a disability are almost twice as likely to live in substandard housing, with a rate of 7.9% compared to 4% for those that do not.¹³

In addition to the housing crisis, the U.S. faces a health crisis of rising out of pocket costs, medical debt and declining mortality rates. In 2022, the U.S. mortality rate continues to decrease, with an estimated drop of 5.3% compared to 2021.¹⁴ Americans in higher income brackets experienced a longer life-expectancy at each age than their low-income counterparts. This gap has widened in recent decades.¹⁵

Poor quality housing negatively affects the health and wellbeing of those facing the consequences of the associated toxins, damp and mold, cold indoor temperatures, overcrowding, and safety factors of substandard housing. According to the World Health Organization in 2018, 5.2% of housing stock in the U.S. was classified as inadequate, having either severe or moderate physical problems that increase the risk for negative health outcomes for residents.¹⁶ Such properties include multi-family units with Fannie Mae or Freddie Mac mortgages. For example, according to a database created by Children's National Hospital, Azeeze Bates Courts in Washington, D.C., was found to have 35 total patients with asthma, 3

<https://www.usatoday.com/story/news/nation/2023/07/05/rising-rents-eviction-notice-across-us/70349779007/>.

¹² "2017 American Housing Survey Data," U.S. Census Bureau, September 6, 2018,

<https://www.census.gov/newsroom/press-releases/2018/ahs.html>.

¹³ Carlos Martín, "What Do 'Stay-at-Home' Orders Mean for Families in Unsafe or Unrepaired Homes?," Urban Institute, April 8, 2020,

<https://www.urban.org/urban-wire/what-do-stay-at-home-orders-mean-families-unsafe-or-unrepaired-homes#:~:text=Together%2C%20these%20account%20for%20about,renters%20live%20in%20inadequate%20housing>.

¹⁴ Farida Ahmad, Jodi Ciseqski, Jiaquan Xu, and Robert Anderson, "Provisional Mortality Data - United States, 2022," Centers for Disease Control and Prevention, May 5, 2023,

<https://www.cdc.gov/mmwr/volumes/72/wr/mm7218a3.htm>

¹⁵ A 2006 study showed that between 1980 and 2000, the life expectancy gap widened for those in higher income brackets than their counterparts with lower-incomes. From 1980-1982, overall life expectancy was 2.8 years longer for those in the highest-income bracket but by 1998-2000, the life expectancy difference increased to 4.5 years; see Gopal Singh and Mohammad Siahpush, "Widening socioeconomic inequalities in US life expectancy, 1980-2000," Oxford Academic International Journal of Epidemiology, May 9, 2006, <https://academic.oup.com/ije/article/35/4/969/686385>.

¹⁶ "WHO Housing and Health Guidelines," World Health Organization, 2018, <https://apps.who.int/iris/bitstream/handle/10665/276001/9789241550376-eng.pdf>.

counts of HVAC hazards reported, 10 plumbing hazards, and 21 asthma triggers found.¹⁷ Another property backed by a Fannie Mae loan, the Parkways in Chicago, IL, is widely noted to have health hazards including mold and plumbing leaks.¹⁸ In Springfield, MA, residents of Springfield Gardens, also backed by Fannie Mae, face mold, brown water, and pest infestations in addition to rising rents.¹⁹

Residents living in housing that is challenging or too expensive to heat are subject to increased risk of poor respiratory and cardiovascular outcomes, while those in housing that is too hot face heat related illnesses and increased cardiovascular mortality. Crowded housing, often correlated with substandard housing, increases exposure to infectious diseases and is also associated with gastroenteritis and diarrhoeal diseases, mental health stress, and sleep disturbance. Housing with inadequate water supply and sanitation facilities affect both food safety and personal hygiene, also contributing to the development of communicable diseases.²⁰

Further, housing with indoor air pollution or a high presence of allergens is connected to a wide range of noncommunicable diseases, harms respiratory and cardiovascular health, and may trigger allergic and irritant reactions such as asthma. More than 5 million children in the U.S. have asthma and by one estimate, eliminating all identified residential risk factors for asthma would result in a 39% decrease in asthma in the U.S.²¹ Underlying this estimate is that 10.4% of those with asthma live 100% below the poverty threshold, 8.2% fall within or below 100-250% of the poverty threshold, 7.1% live within 250-450% of the poverty threshold, and 6.8% with asthma live 450% or more below the poverty threshold.²² Likely to live in substandard housing, those below the poverty line are at increased risk of developing asthma due to physical problems with their homes.

¹⁷ "IMPACT DC's Healthy Housing Map," Children's National, accessed July 19, 2023, <https://childrensnational.org/departments/impact-dc-asthma-clinic/resources-for-providers/healthy-housing-map>; FHFA Announces Tools to Help Renters Find Out if They are Protected from Eviction," Federal Housing Finance Agency, May 4, 2020, <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Announces-Tools-to-Help-Renters-Find-Out-if-They-are-Protected-from-Eviction.aspx>.

¹⁸ Julia Walker, "It's 'raining mold' and making people sick in area apartments," The Day, September 26, 2022, <https://www.theday.com/housing-solutions-lab/20220925/its-%CA%BDraining-mold-and-making-people-sick-in-area-apartments/>.

¹⁹ Lateshia Beachum, Katie Shepherd, and John D. Harden, "Bladensburg tenants strike against rising rents, sewage backups, pests," Washington Post, December 11, 2022, <https://www.washingtonpost.com/dc-md-va/2022/12/11/bladensburg-rent-strike-pg-county/>; Melissa Torres, "Tenants hold protest to shed light on subpar living conditions," WWLP, October 9, 2022, <https://www.wwlp.com/news/local-news/hampden-county/tenants-hold-protest-to-shed-light-on-subpar-living-conditions/>.

²⁰ "WHO Housing and Health Guidelines," World Health Organization, 2018.

²¹ "Most Recent National Asthma Data," Centers for Disease Prevention and Control, accessed July 19, 2023, https://www.cdc.gov/asthma/most_recent_national_asthma_data.htm; Tim Reponen, James Lockey, David Bernstein, et al., "Infant Origins of Childhood Asthma Associated with Specific Molds," National Library of Medicine, September 1, 2013, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3432137/>.

²² "Most Recent National Asthma Data," CDC, accessed July 19, 2023.

The risk of developing asthma is not felt equally, as previously mentioned, Black and low-income people being 1.7 times and 2.2 times more likely, respectively, to occupy homes with severe physical problems compared to the general population.²³ In fact, non-Hispanic Black children are twice as likely to have an asthma diagnosis and five times likelier to be hospitalized for asthma than their non-Hispanic White peers.²⁴

Outside of being more likely to live in housing with physical problems affecting health, low-income households may also face another obstacle in eliminating problems such as allergens that induce asthma - cost. The cost burden of home improvements may be too much for low-income households and sometimes renters may not be able to control the repairs needed, with landlords unaware of the negative health-impacts of the current housing conditions.²⁵ Housing is undoubtedly a matter of human health, and with low-income residents being most susceptible to the negative health outcomes from their housing, tenants must be protected from rent inflation and empowered to assert their rights to safe and quality housing without fear of eviction.

We propose the following tenant protections:

- **Rent regulations:** The FHFA should limit annual rent hikes to 1.5 times the Consumer Price Index or 3%, whichever is lower, in Enterprise-backed properties. These rent increase limits should be applied universally and as a requirement.
- **Good cause eviction:** Prohibit evictions without good cause, ensuring every tenant has the right to a lease renewal. Good cause is defined as serious and repeated lease violations provable in a court of law.
- **Ban source of income discrimination:** Prohibit landlords from discriminating against tenants based on their source of income including federal housing assistance (i.e., vouchers).
- **Freedom from discrimination:** Enforce existing laws that prohibit landlords from denying a tenant rental housing based on race, physical or mental ability, and family make-up, and expand protections to prohibit discrimination based on sexual orientation, gender expression or identity, immigration status, conviction and/or arrest history, bankruptcy history, eviction history, or credit score.
- **Safe, quality, accessible housing standards:** Require all landlords to keep their properties in good condition, and to ensure homes are accessible for people with disabilities. No renter should have to live in an inaccessible home or in housing conditions that put their health and safety at risk.
- **Landlord registry:** Tenants should have access to information about their landlord including their name and phone number.

²³ James Krieger and Donna Higgins, "Housing and Health: Time Again for Public Action," National Library of Medicine, May 2002, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1447157/>.

²⁴ "Asthma and African Americans," U.S. Department of Health and Human Services Office of Minority Health, accessed July 19, 2023, <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=4&lvlid=15>.

²⁵ Tyra Bryant-Stephens, Douglas Strane, Elizabeth Robinson, et al., "Housing and Asthma Disparities," National Library of Medicine, January 3, 2023, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9809049/>.

- **Tenant right to organize:** Tenants have the right to form tenants' unions or resident councils free from fear of retaliation from the landlord or managing agent. Ownership and management representatives must not interfere with the creation or actions of tenant organizations.
- **Fair leases:** Landlords must use standardized and clearly defined leases free of abusive terms.
- **Office of Tenant Protections:** A team charged with protecting tenants and enforcing their rights in properties with federally backed mortgages.

We are fighting for a future where the zip code someone was born into no longer determines their health, career pathway, or opportunities to thrive and prosper. We believe this rule will help create healthier neighborhoods where families can thrive and have access to valuable resources and opportunities.

Sincerely,

Care Over Cost Campaign, People's Action
Center for Health Progress (CO)
Center for Popular Democracy
Citizen Action of Wisconsin
Health Care for the Homeless - Baltimore and Maryland
National Health Care for the Homeless Council
Progressive Maryland
Public Citizen
West Virginia Citizen Action Group