



Economic conditions heighten urgency for affordable housing solutions

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The Kansas City Fed is engaging tenants, landlords and others to help improve access to safe, stable living arrangements in Tenth District communities.

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Research over the years by the Federal Reserve and other groups has shown that a person’s access to safe, stable and affordable living arrangements can be crucial for their overall quality of life—from financial security to general well-being.

Job losses and other hardships resulting from the coronavirus pandemic have increased concerns about affordable housing and made the topic more prominent in the national discourse on economics and equity. Although certain moratoriums have been implemented, many observers remain wary of a potential flood of evictions and foreclosures as the downturn continues.

The Federal Reserve, as part of its Community Development and Research missions, was tracking and studying national and regional housing issues before the pandemic. In another step toward finding solutions, the Kansas City Fed this spring is conducting an in-depth Tenth District survey aimed to gather a broad mix of perspectives, ranging from affordable housing funders and builders to groups that work with tenants and homeowners, and from elected officials to business leaders.

Among other feedback, the Bank wants to learn what respondents in various zones of the District see as their main challenges, top priorities and preferred policy outcomes. The survey’s results will help inform the Bank’s ongoing work on the subject of affordable housing, including community engagement activities facilitated by Community Development advisors.

“A lack of quality, affordable housing was a challenge before the pandemic and has only grown more severe since,” said Tammy Edwards, Kansas City Fed senior vice president of Community Engagement and Inclusion. “Specifically, pending evictions and foreclosures are threatening to disrupt the lives of millions of Americans. It is important that we partner with public and private stakeholders to address the current crisis as well as look long term to solve the broader issues of affordable housing.”

Trends raise concerns

Efforts to gather direct feedback are important—and timely, in part because of troubling economic conditions. Rents and home prices have risen steadily while incomes have stagnated. Before COVID-19, studies showed that the demand for desirable housing at fair prices outstripped supplies.

These concerns are not limited to urban areas. In some rural communities, while land might be relatively inexpensive, construction costs are often higher than in urban markets. With rents and mortgages out of step with wages, it bears watching how policy is developed to help assure that adequate, affordable housing is within reach of the workforce.

Further Resources

Go to [KansasCityFed.org/community](https://www.kansascityfed.org/community) to sign up for the Community Connections newsletter, see the latest Tenth District community research, and get updates on initiatives in workforce development, community development investments, small business development and bridging the digital divide.

Go to [KansasCityFed.org/research](https://www.kansascityfed.org/research) to read a recent study of unique dynamics in Oklahoma's housing sector.
