

# The Future of Public Housing

## Public Housing Fact Sheet

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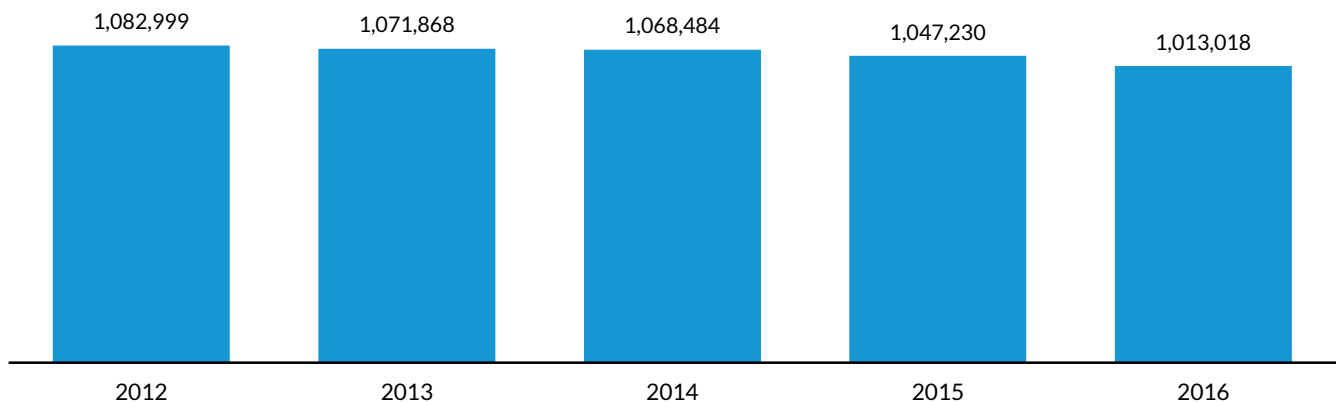
Public housing plays a crucial role in helping low-income people afford safe, stable housing. Originating in 1937, it is the nation’s oldest housing subsidy program. Public housing units are owned and managed by local public housing authorities (PHAs), which rent them to low-income residents. The public housing stock faces serious challenges. This fact sheet provides information about the nation’s public housing and the people it serves.

### Overview of the Nation’s Public Housing Stock

- In 2016, a total of 3,021 PHAs managed 1,067,387 public housing units in 6,923 properties, housing a total of 2,156,625 low-income people.
- The majority of these units (about 1,013,000) were occupied, with a vacancy rate of 5 percent.
- Between 2012 and 2016, the number of households living in public housing declined by 69,981 (6 percent). A large portion of the decline in public housing assistance reflects conversions through the Rental Assistance Demonstration (RAD) program, which transitions public housing units into Section 8 contracts (either project-based vouchers or project-based rental assistance). As of 2016, a total of 57,523 units had been converted through RAD.
- The majority of PHAs that provide public housing are small: 71 percent (more than 2,100 PHAs) manage fewer than 500 units, and they account for 20 percent of the total public housing stock.
- Public housing tends to be in neighborhoods with higher poverty rates and those with higher shares of nonwhite households. In 2016, the average poverty rate for census tracts that include public housing units was 33 percent. On average, the households in those tracts were 61 percent nonwhite.

FIGURE 1

### Number of Households in Public Housing



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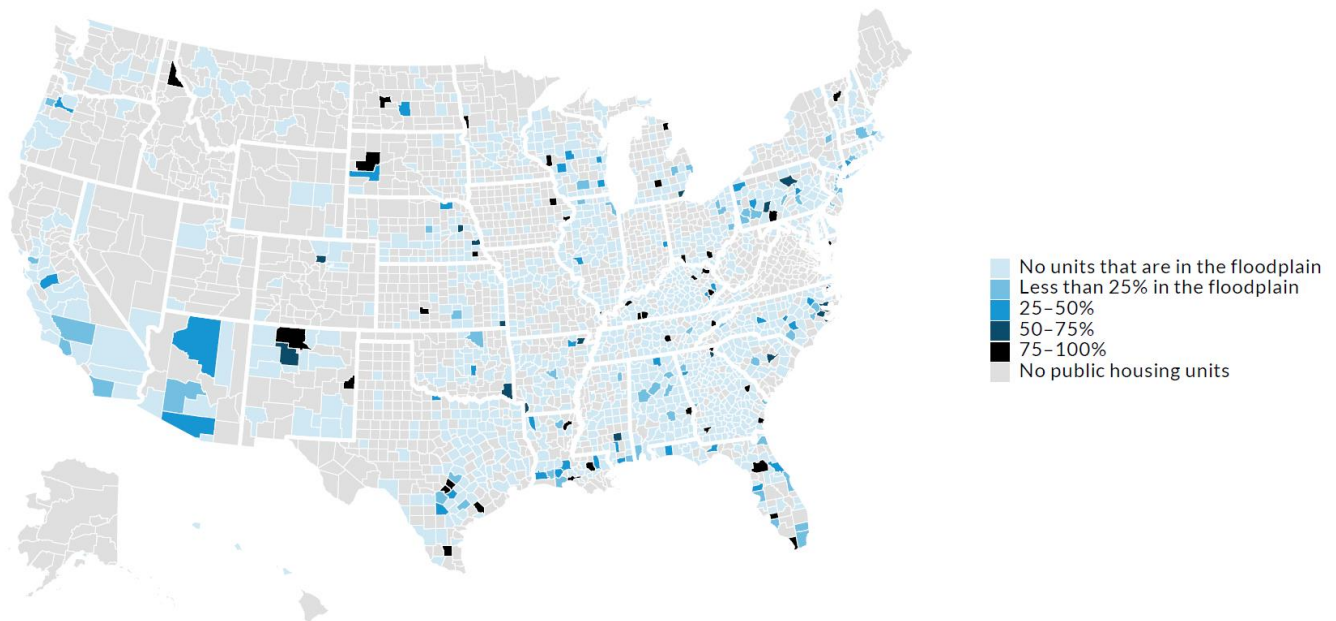
Source: Urban Institute analysis of data from the US Housing and Urban Development Department’s Public and Indian Housing Information Center.

## The Public Housing Stock Is Vulnerable

- It is aging. According to data updated in 2019, 42 percent of public housing properties finished their last construction before 1975. These older properties are larger than average, so they represent 51 percent of public housing units. Only 22 percent of public housing properties (representing 17 percent of units) have undergone construction since 1997.
- It is behind on maintenance. A 2010 HUD-sponsored assessment of the nation's public housing capital needs determined that approximately \$21 billion was needed for unmet maintenance and repairs. Real Estate Assessment Center (REAC) scores, which are assigned as part of HUD's physical inspection of public housing properties, suggest that many properties are in disrepair: more than 8 percent of 6,923 properties (583 properties, or 93,075 units) had failing scores (below 60) in 2018; an additional 20 percent (1,418 properties, 226,407 units) received scores between 60 and 80.
- It is susceptible to climate change. In 2016, roughly 9 percent of all public housing units (about 100,000 units) were in 100- or 500-year floodplains, as designated by the Federal Emergency Management Agency, suggesting that they were vulnerable to severe weather events. The risks are not evenly distributed across the country: compared with other regions, a larger proportion of units in the Northeast and South were in floodplains (17 and 16 percent, respectively).

FIGURE 2

### Share of Public Housing Units in 100-Year Floodplain, by County



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Source: NYU Furman Center, FloodzoneData.us dataset, 2016.

## Some of the Most Vulnerable Americans Live in Public Housing

Public housing is available to people who earn no more than 80 percent of area median income (AMI), and PHAs are required to target at least 40 percent of new admissions to households that meet HUD's definition of extremely low income (0 to 30 percent of AMI). Also, housing authorities often give preference to working families and households that are headed by seniors or people who are disabled. Most families pay 30 percent of their income in rent, or a minimum rent of up to \$50 per month.

- In 2016, 91 percent of US households that were living in public housing met HUD's definition of very low income (below 50 percent of AMI), and 72 percent met the extremely low income definition (below 30 percent of AMI).
- The average household living in public housing had a total annual income of just \$14,444.
- Over half of households in public housing were headed by a person who was 62 or older and/or was disabled, and 40 percent included children younger than 18.
- A total of 5,648 heads of households who entered public housing between 2016 and 2017 were homeless beforehand. They represent 6 percent of all new entries to public housing during that time.

*This fact sheet was corrected February 20, 2020. The total number of low-income people living in public housing units in 2016 was 2,156,625; a previous version said it was 2,311,181. Also, the definition of extremely low income is below 30 percent of AMI; a previous version said it was 50 percent.*

### ABOUT THE DATA

This fact sheet uses data from several sources:

- The total number of public housing units and vacancy rates are from HUD's "Picture of Subsidized Households" dataset (2016): <https://www.huduser.gov/portal/datasets/assthsg.html>.
- Public housing physical inspection scores are from HUD's Real Estate Assessment Center (2018): [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/reac](https://www.hud.gov/program_offices/public_indian_housing/reac).
- The number of public housing units within a floodplain is from NYU Furman Center's flood zone data (2016): <https://furmancenter.org/floodzonedata/data>.
- The age of public housing properties is from the National Housing Preservation Database (2018): <https://preservationdatabase.org>.
- Public housing resident counts and demographic information are from HUD's Public and Indian Housing Information Center: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/systems/pic/about](https://www.hud.gov/program_offices/public_indian_housing/systems/pic/about).
- Census tract characteristics are from the Census Bureau's American Community Survey (2016): <https://www.census.gov/programs-surveys/acs>.
- The estimate of unmet capital needs is from Abt Associates, *Capital Needs in Public Housing*, November 2010, [https://www.hud.gov/sites/documents/PH\\_CAPITAL\\_NEEDS.PDF](https://www.hud.gov/sites/documents/PH_CAPITAL_NEEDS.PDF).