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## A housing crisis for the working poor

By **JIM SPENCER**, Star Tribune

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In Minnesota's recession-racked economy, it took Teresa Jackson months to find a \$10-an-hour part-time job parking cars at Twins games. She earns \$1,000 to \$1,200 a month. Her two-bedroom duplex in north Minneapolis rents for \$750 a month. Jackson's rent is well over half of her income.

She lives in a perfect storm that housing advocates say besets more than 100,000 Minnesota households and millions nationwide: Unemployment, stagnant wages and growing rents have made it harder for the working poor to rent decent, affordable housing.

Jackson was willing to work wherever she could and pay whatever rent it took to get out of the homeless shelter where she and her two children landed after she lost her job at Hennepin County Medical Center. Among low-income renters, Jackson is lucky. For the next several months she'll get a temporary subsidy of \$200 a month arranged by an advocacy group. But when the subsidy ends, roughly two-thirds of her income will go to rent.

To have a shot at making ends meet, the National Low Income Housing Coalition says people should not pay more than 30 percent of their income for rent. But as the coalition issued its annual "Out of Reach" report Wednesday, Jackson and millions like her separated theory from practice.

Given Twin Cities rent levels, a person needs to earn \$17.29 an hour to spend 30 percent of income on a "modest two-bedroom" apartment, the report said. The mean renter's wage in the Twin Cities is \$14.54 an hour, according to the coalition. Statewide, the income needed for a two-bedroom apartment is \$15.50 an hour while the mean renter's hourly wage is \$12.66.

Sara Wenzel of St. Stephen Human Services helped Jackson and her kids get out of the homeless shelter and into the rental duplex. Wenzel said working poor families and individuals she places in housing routinely spend 50 to 60 percent of what they earn to rent basic, safe property.

Chip Halbach, the **Minnesota Housing Partnership's** director, says this situation is not sustainable. "If you're in that lowest wage range of \$10 an hour, you're not going to be able to find any decent apartment," Halbach said.

'Water, water everywhere'

Without rent subsidies like Jackson's, low-income workers usually end up in rundown housing, jumping from residence to residence, bunking with friends and sometimes ending up homeless anyway.

Paradoxically, this housing crisis for the working poor blossoms as the nation and state face high, recession-driven residential vacancy rates. Sheila Crowley, president of the National Low Income Housing Coalition, called it "water, water everywhere with not a drop to drink."

Low-income workers' thirst for affordable housing won't be quenched soon, experts predict. In the past year, "wages failed to keep pace with inflation," said Dean Baker, a housing coalition researcher. "It's hard to see how that turns around, with unemployment remaining so high."

Martha Eaves of the St. Paul housing program Project Hope blames job losses for the working poor's housing woes. "Rent hasn't gone up that much," she said. "We've negotiated landlords down a hundred dollars a month. It's not so much high rent as no jobs."

Housing advocates are united on solutions. Crowley said her organization hopes for 2 million additional federally funded rent vouchers over the next decade. Halbach said Minnesota housing advocates will ask state legislators to designate future increases in mortgage and deed taxes to pay for affordable rental properties.

Until then, willing but low-paid workers like Jackson will spend huge percentages of their pay on rent. Where they will find money for food, electricity, gas and other necessities is anybody's guess.

"It is," said Halbach, "an impossible juggling act."

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