

2020 Greater Boston Housing Report Card WEBINAR SERIES



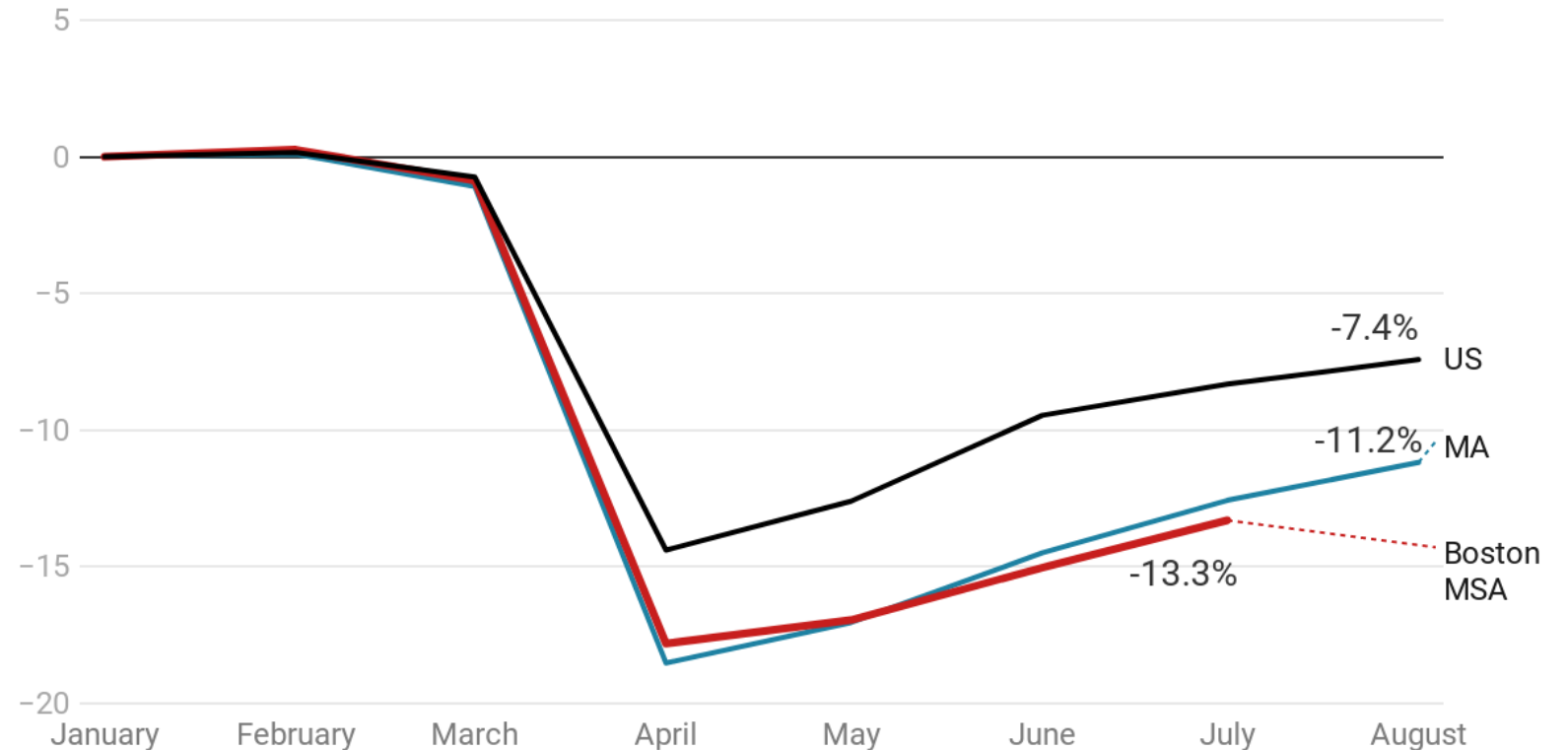
Back to Better: Housing Equity and Resilience in Greater Boston's Post-COVID Economy

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The labor market is recovering more slowly in Greater Boston due to the initial severity of the pandemic and the exposure of key industries like education, health care, hospitality and tourism.

As of August, employment was still 11.2% below pre-pandemic levels in the Commonwealth compared to only 7.4% nationwide.

Non-Agricultural Employment



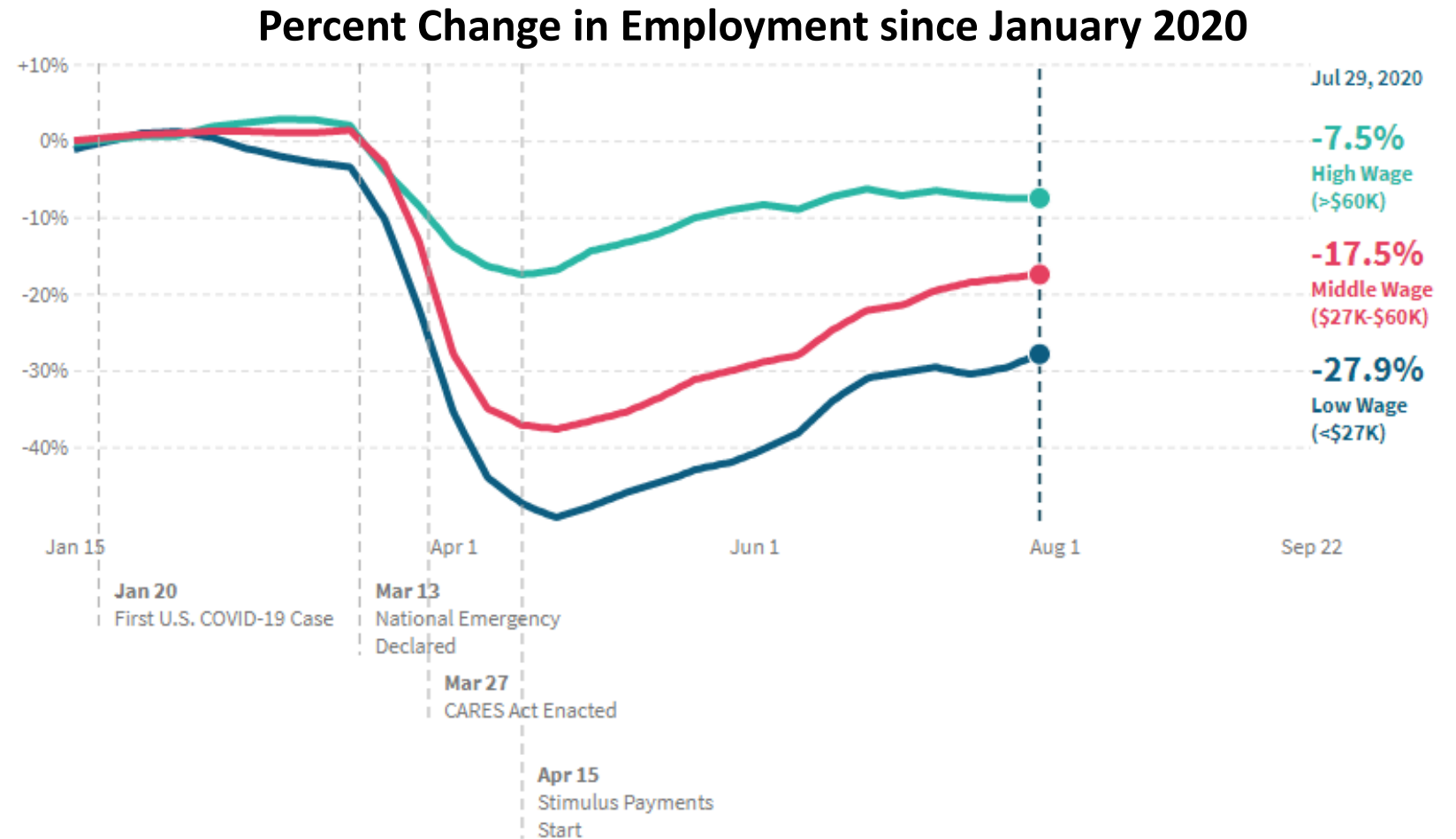
Boston is represented by the Boston-Cambridge-Newton, MA NECTA division.

Chart: Dukakis Center for Urban and Regional Policy •

Source: U.S. Bureau of Labor Statistics, State and Metro Area Employment • Created with Datawrapper

The job toll from the pandemic has been uneven. The rate of employment loss among low-wage workers in Boston is nearly four times that of high-wage workers.

As of July, employment among low-wage workers was 27.9% below pre-pandemic levels compared to a decline of only 7.5% for high-wage workers.



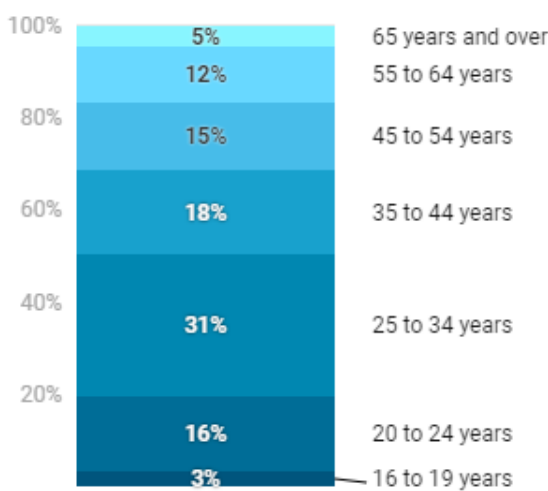
Source: Opportunity Insights <https://www.tracktherecovery.org/>

Note: Change in employment rates, indexed to January 4-31, 2020. This series is based on payroll data from Paychex, Eamin, and Intuit. Low-wage workers are defined as those in the bottom quartile of earnings (<\$27,000 per year) and high-wage earners are in the top quartile (>\$60,000 per year).

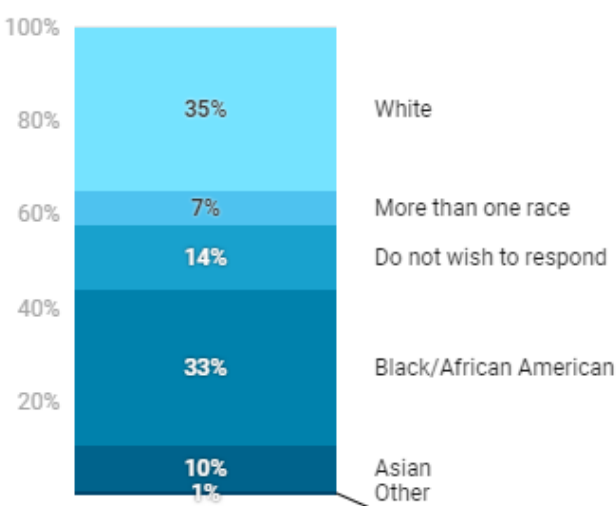
As with most recessions, more vulnerable populations have suffered the most job loss placing them at risk for greater housing instability.

Unemployment insurance claimants in Boston are more likely to be age 25-34, non-white, have a high school degree, and earn less than \$400/week.

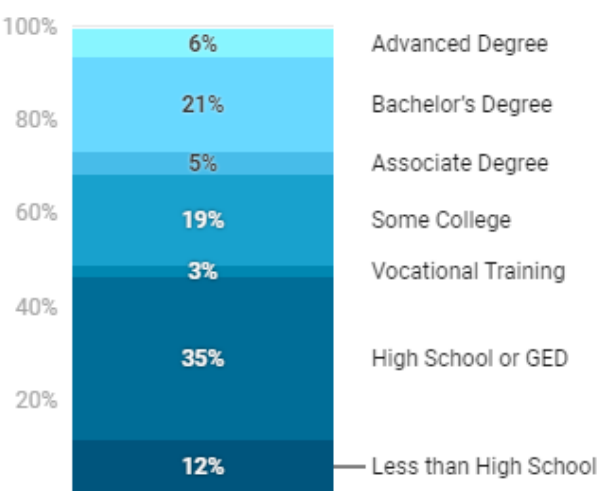
Age



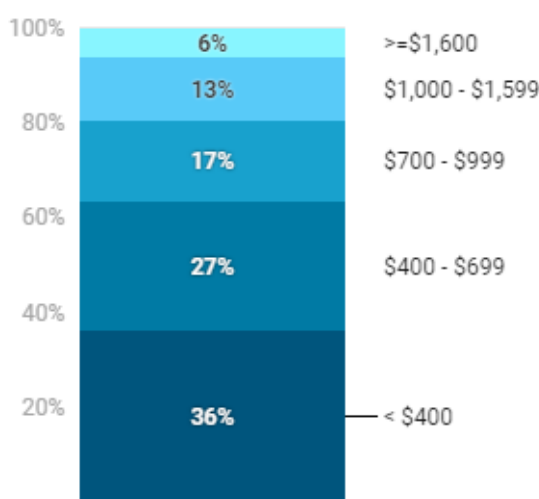
Race



Education



Income

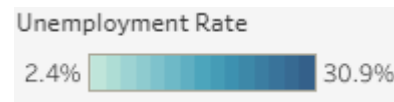
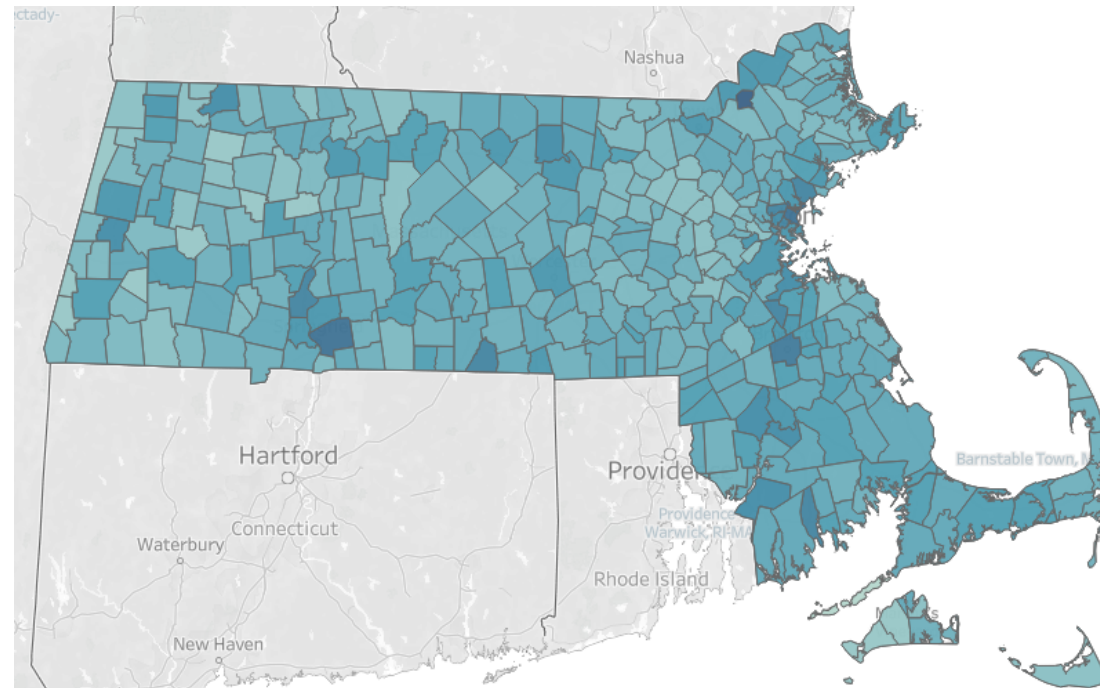


Note: UI claimants in the Boston WDA for the week of July 18, 2020.
Source: [Massachusetts Division of Unemployment Assistance](#) [Get the data](#) Created with [Datawrapper](#)

As of August, the unemployment rate was significantly higher in the Commonwealth (11.3%) compared to the nation (8.4%).

As of July, cities and towns with large communities of color suffered even greater rates of unemployment along with higher COVID-19 caseloads.

Unemployment Rate, July 2020

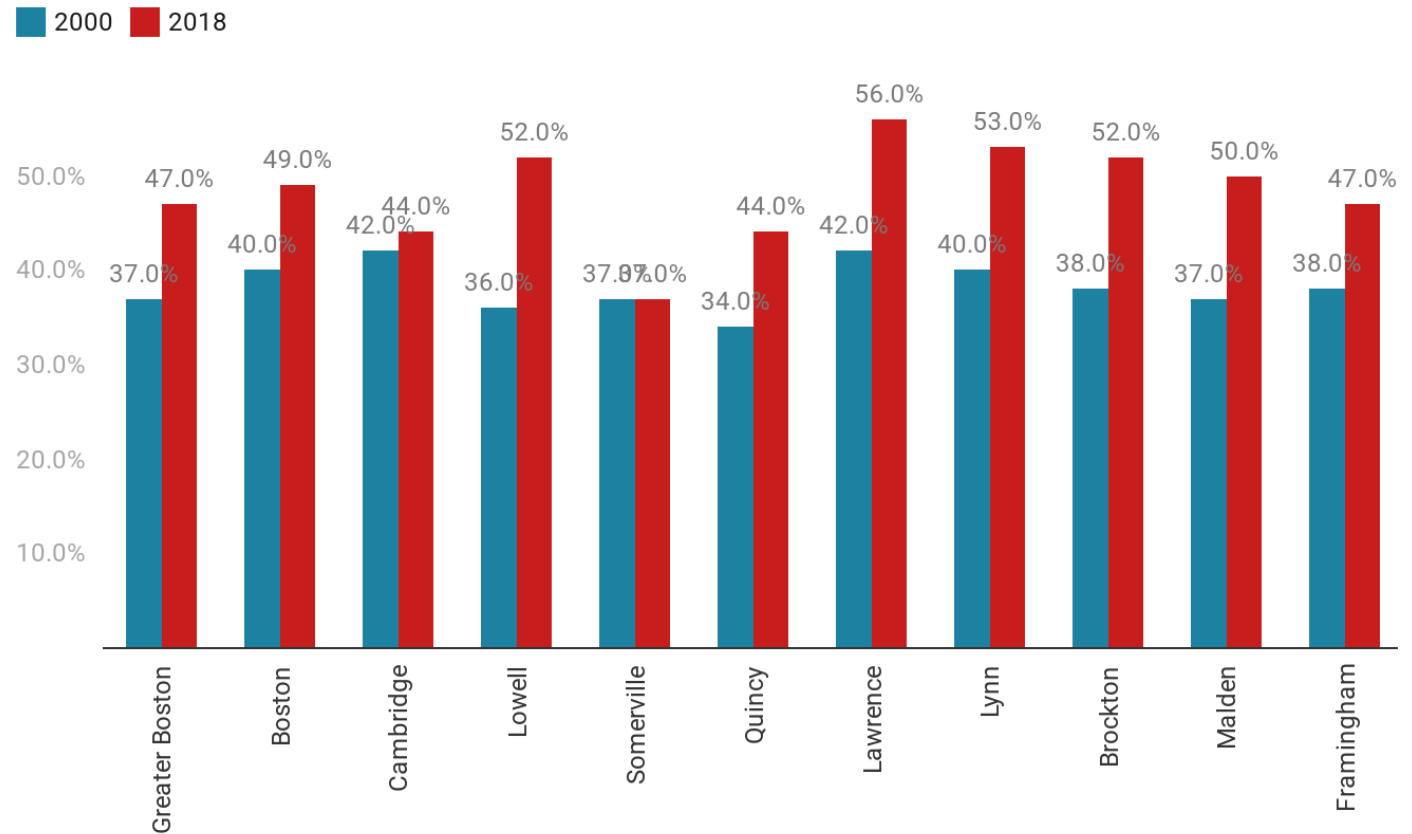


Area	Unemployment Rate
Lawrence	30.90%
Revere	25.40%
Springfield	25.20%
Brockton	24.00%
Lynn	23.10%
Holyoke	23.00%
Chelsea	22.90%
Randolph	22.60%
New Bedford	22.10%
Malden	22.00%
Boston	18.10%
Massachusetts	16.30%
U.S.	10.20%

In Greater Boston, pre-pandemic high housing cost burdens and convergent needs for income, food, and housing assistance leave households with hard choices about which bills to pay.

As of 2018, nearly half (47%) of renter households in Greater Boston were cost-burdened, spending 30 percent or more of their incomes on housing.

Percent of Renter Households Spending 30% or More of Income on Housing



The communities listed are among the top 10 in terms of the total number of renter-occupied units in 2018.

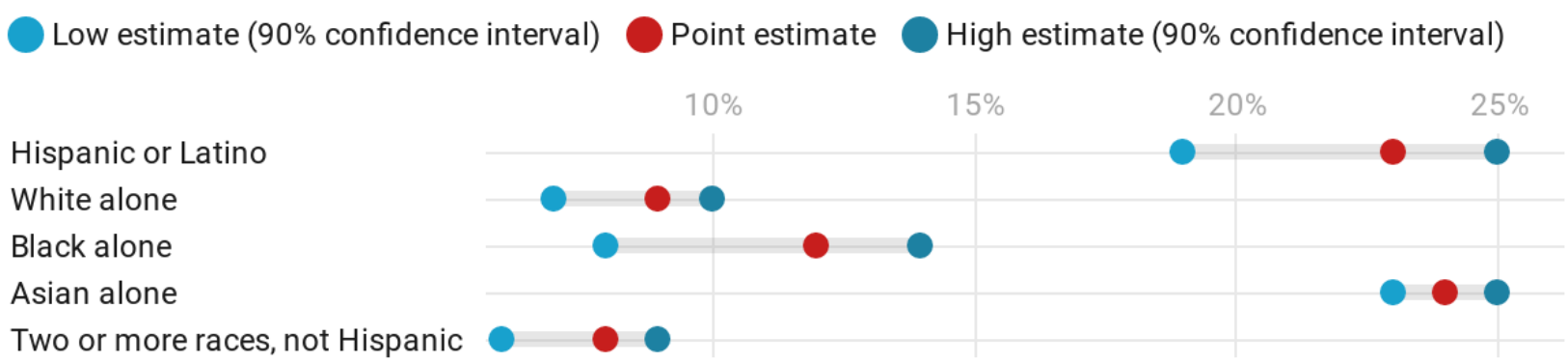
Chart: Dukakis Center for Urban and Regional Policy •

Source: U.S. Census Bureau, 2000 and 2010 Decennial Censuses, 2018 ACS 5-Year Estimates • Created with Datawrapper

Since the start of the pandemic, the ability of Boston area households to pay their rent on time has fallen more among non-White households than White households.

As of August, only 9% of White households were not caught up on rent payments compared to 12% of Black households, 23% of Hispanic or Latino households, and 24% of Asian households.

Household Not Currently Caught Up on Rent Payments, August 19-31, 2020



Boston is represented by the Boston-Cambridge-Newton, MA NECTA division. Ranges represent 90% confidence interval based on standard errors.

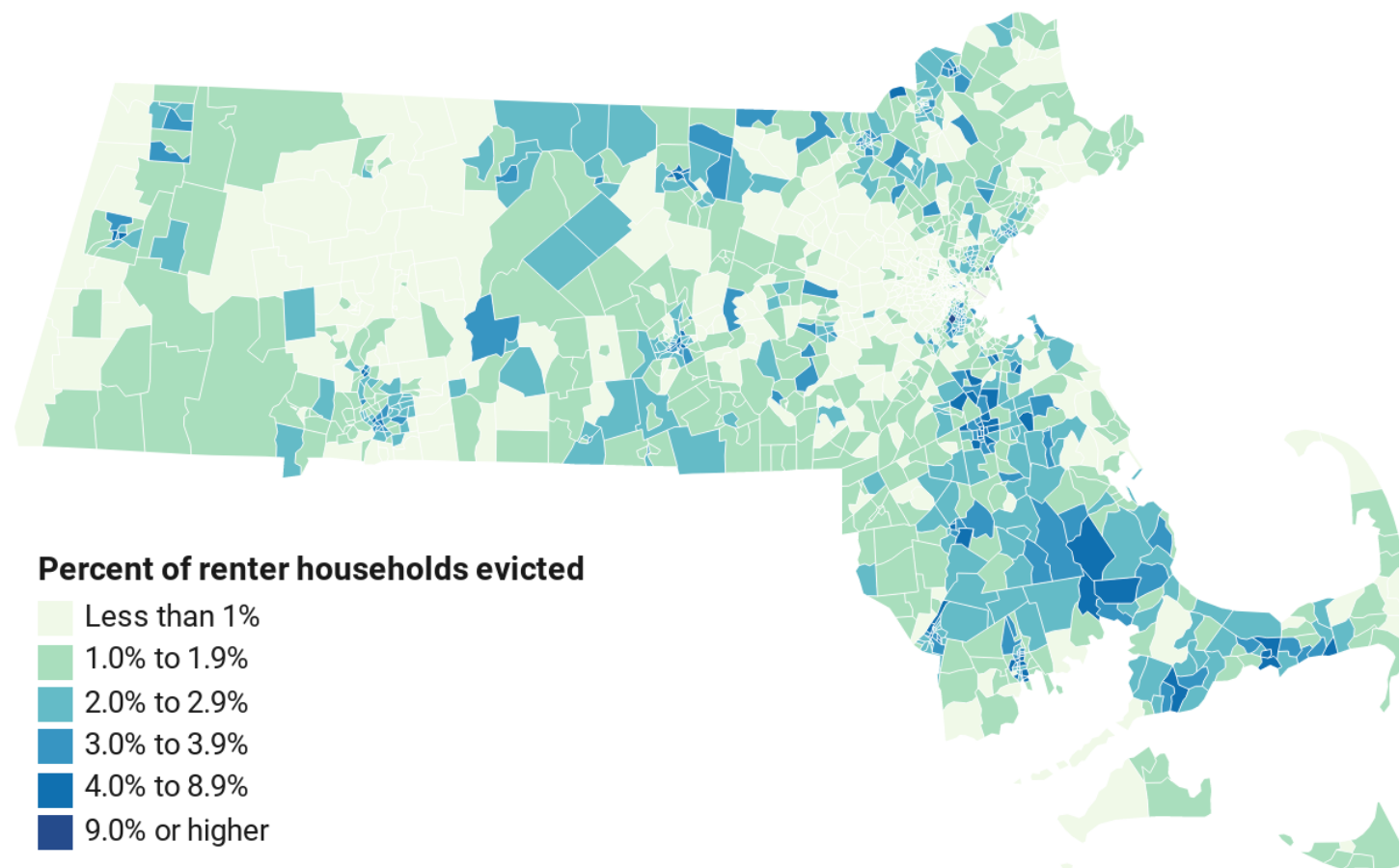
Chart: Dukakis Center for Urban and Regional Policy • Source: U.S. Census Bureau, Household Pulse Survey, Wave 2 • Created with Datawrapper

Overall, the share of households in the Boston MSA that were able to make their rental payment on time has fallen from 91% in May to 85% in July.

Although the eviction moratorium has been extended, the lack of rental forgiveness means that any failure to pay rent will simply accumulate over time, creating an ever-growing eviction crisis on the horizon.

Even before the pandemic, communities of color such as Brockton (5.5%) and Lawrence (3.4%) and Boston neighborhoods such as Roxbury, Dorchester, and Mattapan experienced higher rates of eviction.

Average Annual Eviction Rate



Source: The Eviction Lab (2016), Princeton University • Created with Datawrapper

Failure to pay rent can have dire consequences for Greater Boston’s housing ecosystem if smaller landlords are replaced by institutional investors who have a higher propensity to evict tenants once the moratorium expires.

Small landlords account for 68% of rental properties in Boston but only 34% of evictions. In contrast, large landlords account for a disproportionate share of evictions due to higher rates of eviction.

Eviction Rate by Number of Properties Owned, Boston

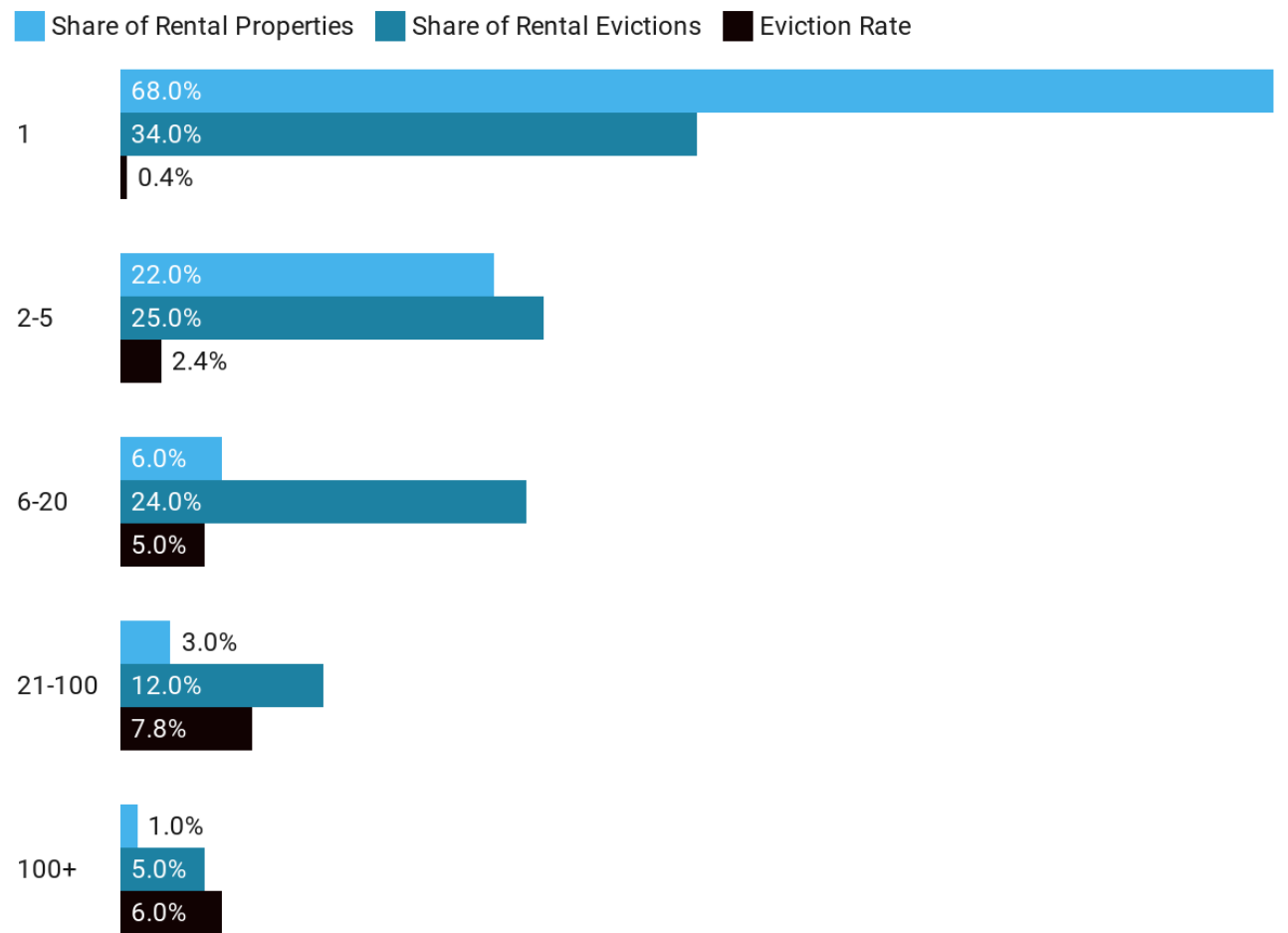
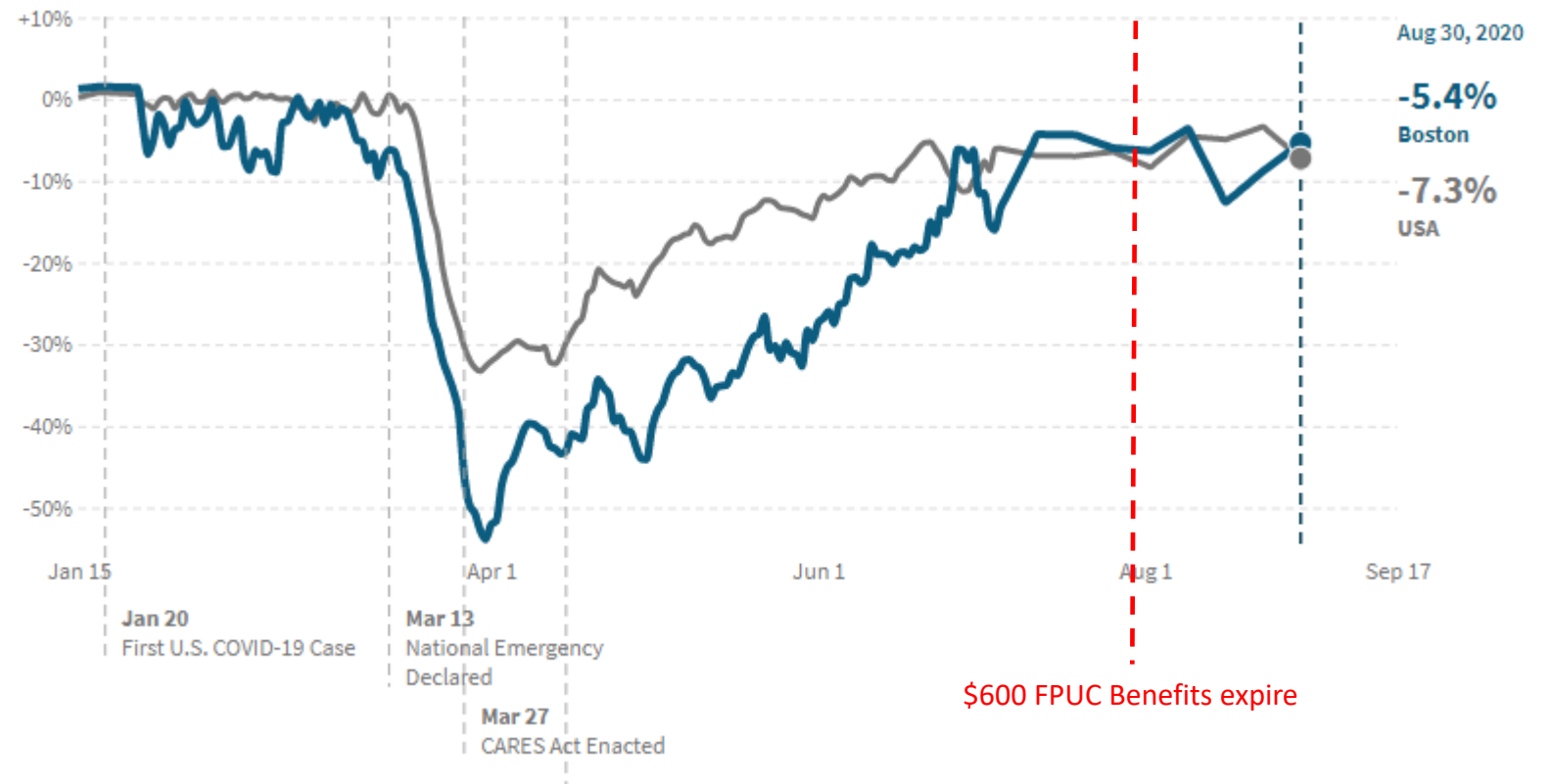


Chart: Dukakis Center for Urban and Regional Policy •
Source: Calculations from Forrest Hangen, Boston Area Research Initiative, Residential Property Database •
Created with Datawrapper

As of August 30 2020, consumer spending was still 5.4% below pre-pandemic levels in Boston compared to 7.3% nationwide.

With the expiration of the additional \$600 per week in unemployment insurance benefits, consumer spending is expected to grow more slowly or even decline in September.

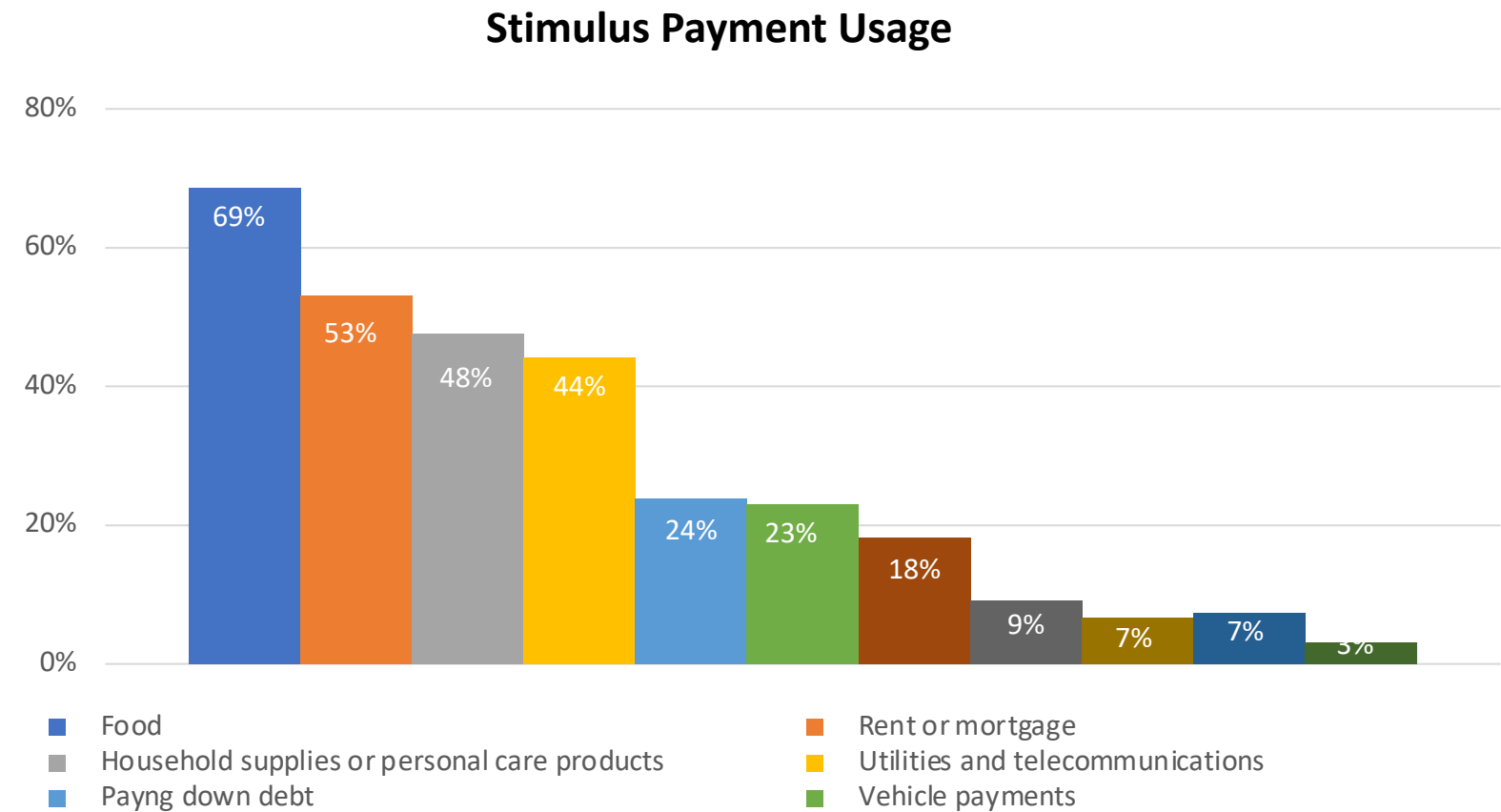
Percent Change in Consumer Credit and Debit Card Spending



Source: Opportunity Insights, <https://tracktherecovery.org/>.

With continued high levels of unemployment among low-income households who typically live paycheck to paycheck, the ability to pay rent is expected to deteriorate in the coming months.

Among Boston area households that received a \$1200 stimulus check, just over half spent some portion on housing—second only to the share who spent their check on food.



Source: U.S. Census Bureau, Household Pulse Survey, week 12 July 16-21, 2020 <https://www.census.gov/data/tables/2020/demo/hhp/hhp12.html#tables>
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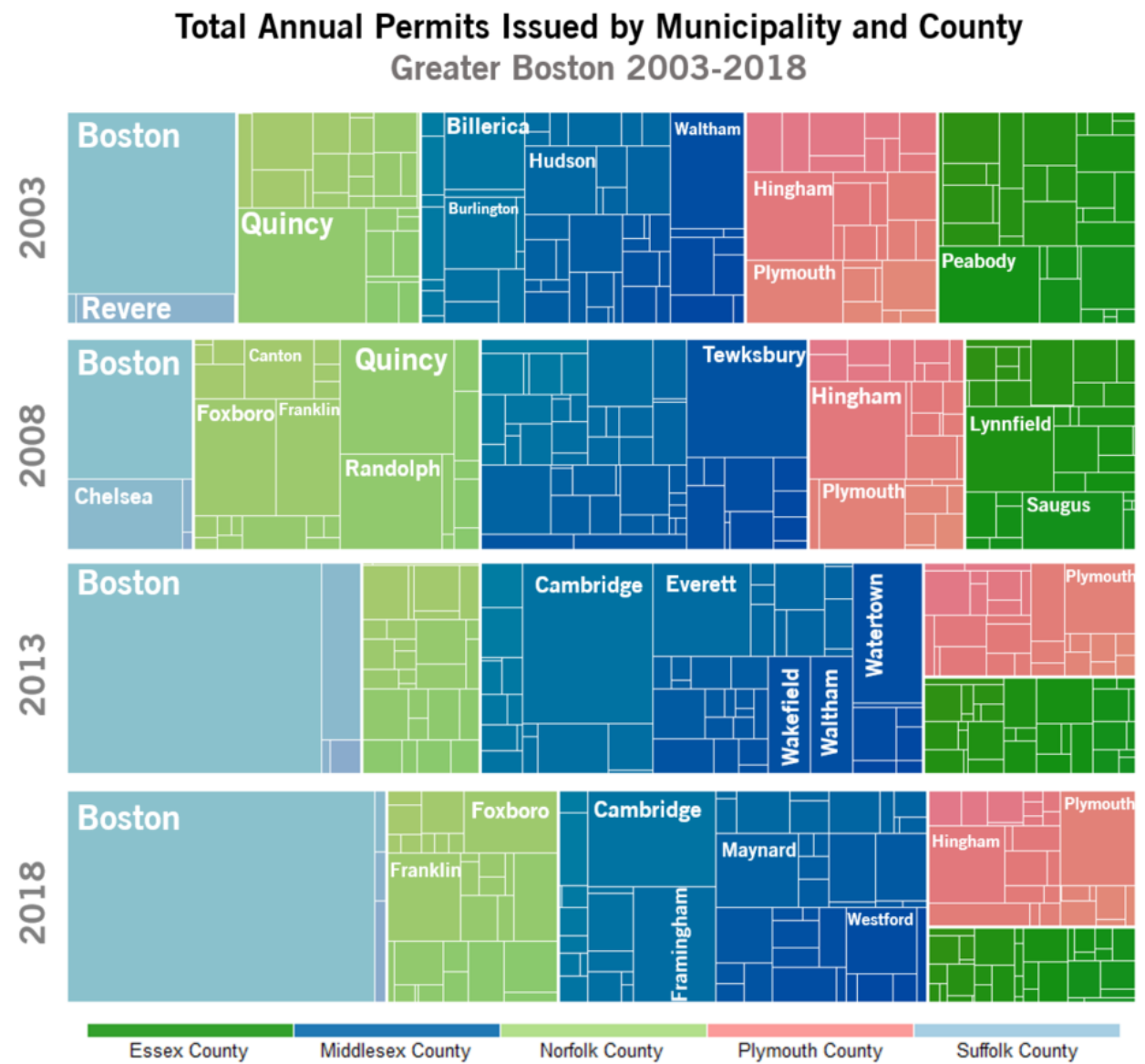
There are tangible steps that state and local policymakers can take to both ease the financial burden on renters right now while also setting the stage for a stronger housing ecosystem in the coming years.

Piecemeal efforts that focus on only one area of vulnerability will be inadequate to address the long-standing inequities in the housing market.

- **Protect the most vulnerable renters from housing disruption**
 - Target eviction moratorium towards those who need it most.
 - Expand mediation programs to level the playing field.
 - Encourage landlords to accept partial payment solutions.
- **Support low-income households before they miss a payment**
 - Expand funding for emergency rental relief programs.
 - Find other sources of broad income supports (e.g., EITC).
- **Make housing more affordable and accessible**
 - Increase production to meet goals set by state and metro mayors.
 - Expand inclusionary zoning to require a given share of new construction be affordable to low and moderate income people.
 - Create pathways for ownership that transfer private housing into permanent affordability through community land trusts.
 - Pass economic development bill with Housing Choice provisions to approve zoning changes with only a simple majority vote.

In addition to producing enough units to reduce the upward pressure on prices, we also need to build a mix of housing types to ensure that all communities are open to people from both low- and moderate-income households.

Housing production has been uneven across Greater Boston with suburban communities failing to produce their fair share of new units.



Source: Massachusetts Housing Partnership calculations using Census Building Permit Survey 2003, 2008, 2013, and 2018

We have a unique opportunity to use the disruption caused by the pandemic to move “back to better” rather than “back to normal” and build a more equitable and resilient housing ecosystem.



Protesters gather at a rally in support of bills and legislation to block evictions in Massachusetts for up to a year. (Photo by Matthew J. Lee/The Boston Globe via Getty Images) Boston Globe | Boston Globe | Getty Images

Until we commit the resources necessary to ensure that safe and affordable housing is a basic human right, we will fail to move towards a more just and equal society.