

Local Affordable Housing Costs and Seniors

by Donna Clontz
Chair, Reno Senior Citizen Advisory Committee

This year, many Reno seniors are reporting that as their leases are renewed, their monthly rent is being raised so high that they are forced to consider moving to an apartment or condo that is less expensive. Then, when they start looking around, they find that there is nothing available in their price range or that the cost is even more than what they are currently paying. Some are choosing to move away to states where rent is within their budgets.

Even local seniors who are homeowners are facing problems. People who have retired or are about to retire and plan to down-size their homes to something smaller, less expensive and easier to maintain are finding that smaller homes, condos or apartments are in short supply in the Reno-Sparks area. Even if the house they own is worth more than what they paid for it, if they sold it, they would have to take those profits and move elsewhere to find the housing they need.

So what is going on to cause this situation? According to the *Reno Gazette Journal* in June of this year, since the end of 2015, rents have increased an average of 11% in the Reno-Sparks area. Here, as in the rest of the country, since the easing of the recession, housing costs have been rising while incomes are remaining relatively flat. Washoe County is experiencing growing employment and increased population, so there is increased demand for and less supply of housing, so costs go up even more. This hits especially hard for those who live on fixed incomes as many seniors do.

On September 21, 2016, the Reno City Council hosted an excellent public workshop on affordable housing and heard from experts on the topic. They explained that defining "affordable housing" in a particular area involves measuring the ability of households at various incomes to pay for housing and looking at the costs of available rentals and owner-occupied housing in the area. A household is defined as 2.2 persons and is deemed "cost burdened" if they must pay more than 30% of their income for housing.

Some of the takeaways from workshop presenter, economist and planner Matt Prosser, are that Reno's largest issue is the cost burden for renters earning less than 50% of the area median income (AMI), or \$27,200. This very low income group, representing 17% of Reno households, needs housing close to jobs, rental assistance, and help with home repair and maintenance. Low to average income households earning between \$43,500 and \$65,000 (80% to 120% of AMI and representing over one-third of Reno households) have the same needs as those described above, but also need increased housing options, access to higher quality housing and neighborhoods and home buyer assistance.

The Reimagine Reno report being developed to update Reno's Master Plan found that Reno has an oversupply of land and lots planned for single-family detached homes. Single family detached homes are increasingly not affordable for the average household or worker in Reno with an average new home sale price of \$420,000. But smaller and attached condos or townhomes are affordable for many households at average prices of \$250,000, but there are a lot less of them on the market.

Reno has a strong network of groups working on affordability issues, especially for extremely low income households earning less than \$18,250 (30% of AMI and representing 17% of Reno households). These households usually are living on fixed incomes, could be homeless or near homeless and need subsidized housing, wrap-around social services, homeless prevention, transitional housing and housing close to services and jobs. There is more housing coming on line to supply this group, but even more is needed.

Area policymakers at the city, county and state levels are now discussing ways to address these housing issues and want to hear your ideas about what should be done. More citizens should also voice their concerns about housing needs for low and moderate income residents as well.

If you would like to learn more about housing problems facing local seniors, please attend the upcoming joint meeting and workshop hosted by the Reno Senior Citizen Advisory Committee and the Washoe County Senior Services Advisory Board on Wednesday, October 5 from 3 to 5 PM at McKinley Arts and Culture Center at 925 Riverside Drive, Reno.

After the November election, please join us for several training sessions for seniors who want to learn the basic skills of how to most effectively give their personal input to their city councilmembers, county commissioners, state and federal legislators. For more information on this, please contact me at donnanorm1@yahoo.com.