Affordable Housing Still Out of Reach for Low-Wage Workers
The Average Vermont Renter Faces a Huge Affordability Gap

BURLINGTON, VT – In order to afford a modest two-bedroom apartment at the Fair Market Rent in Vermont, full-time workers need to earn $23.36 an hour, or $48,597 annually. This is Vermont’s 2020 Housing Wage, revealed in a national report released today. The report, Out of Reach, was released jointly by the National Low Income Housing Coalition (NLIHC), a research and advocacy organization dedicated solely to achieving affordable and decent homes for the lowest income people, and the Vermont Affordable Housing Coalition (VAHC).

Every year, Out of Reach reports on the Housing Wage, the hourly wage a full-time worker must earn to afford a modest, safe rental home without spending more than 30% of their income on housing costs. The report covers all states, counties, metropolitan areas, and ZIP codes in the country, highlighting the gap between what renters earn and what it costs to rent. There is no place in the country where minimum wage earners can afford a home at Fair Market Rent without spending more than 30% of their income on housing.

This year, we release the Out of Reach report during a time when the coronavirus has clearly illustrated that housing IS healthcare. The mandate to “stay at home” was echoed by top officials across the country, including Governor Scott of Vermont. Having an affordable place to stay was out of reach for millions of people even before the pandemic. Prior to the pandemic, more than 7.7 million extremely low-income renters nationally were spending more than half of their limited incomes on housing costs, sacrificing other necessities to do so. The compounding of high job losses and the lack of access to proper healthcare and resources during the pandemic considerably depleted already limited resources.

The average renter in Vermont earns $13.81 an hour, which is $9.55 less than the hourly wage needed to afford a safe, decent place to live. They can afford just $718 a month for their housing costs, while the average statewide Fair Market Rent for a two-bedroom apartment is $1,215 a month and $969 a month for a one-bedroom. Vermont’s one-bedroom Housing Wage is $18.64 an hour.

With over 76,000 renter households, Vermont has the 5th largest affordability gap for renters of any state in the nation.

Senator Patrick Leahy (D-VT.), Vice Chairman of the Senate Appropriations Committee, said: “Each year, the Out of Reach report is a painful reminder that too many Vermonters must struggle every day to afford a place to live. This year, the danger of losing one’s home is compounded by the dangers of a global pandemic. Low wage workers who already struggle to afford safe, decent and affordable housing are facing reduced hours, job loss, and eviction. I will continue to push for housing supports in the next emergency coronavirus package to help ensure that families in Vermont and across the country can have a safe home in which to weather this pandemic, and to take another step in rebuilding our nation.”

Senator Bernie Sanders (I-VT), Ranking Member of the Senate Budget Committee, commented: “The Out of Reach report illustrates the need to end the affordable housing crisis and ensure every American has a safe and affordable home”
Congressman Welch said: "I applaud Vermont's housing advocates for their leadership in putting a spotlight on the housing affordability gap in Vermont and the nation. One of the biggest challenges facing working Vermonters is a lack of affordable housing. This important report makes it clear that we have our work cut out for us. All of us need to do all we can to close the affordability gap. Earlier this month, the House acted and passed an infrastructure bill that includes $100 billion to ensure that every American has access to safe and affordable housing."

At Vermont’s current minimum wage of $10.96, a wage earner must have **2.1 full-time jobs** or **work 85 hours a week** to afford a two-bedroom apartment and have **1.7 full-time jobs** or **work 68 hours per week** to afford a modest **one-bedroom apartment**.

Cindy Reid, Steering Committee Chair of the Vermont Affordable Housing Coalition said: “The 2020 Out of Reach report illustrates what we already know to be true – that housing costs are too high for many Vermont households. The high cost of housing creates many challenges like food insecurity, inability to afford medical care or medicine, and difficulty affording utilities. We must continue to work on solutions to address Vermont’s housing affordability crisis.”

The struggle to afford modest apartments is not limited to minimum wage workers. Of the ten most common jobs in Vermont according to the Bureau of Labor Statistics, only Registered Nurses and Bookkeepers/Accountants/Auditing Clerks have average wages higher than the one-bedroom Housing Wage. Seniors and others living on fixed incomes can’t usually afford housing without a subsidy.

The Vermont Affordable Housing Coalition and its members applaud the work of the Legislature to appropriate more than $85 million dollars to housing through Coronavirus Relief Funds. However, the State must expand its investments in affordable housing creation, rental subsidies, and supportive services for our most vulnerable citizens, especially in these trying times.

“Housing is a basic human need, but millions of people in America can’t afford a safe, stable home.” said Diane Yentel, NLIHC president and CEO. “The harm and trauma of this enduring challenge is laid bare during COVID-19, when millions of people in America risk losing their homes during a pandemic. The lack of affordable homes for the lowest-income people is one of our country’s most urgent and solvable challenges, during and after COVID-19; we lack only the political courage to fund the solutions at the scale necessary. It’s time for Congress to act.”

The full report is available at [www.nlihc.org/oor](http://www.nlihc.org/oor). Additional findings from Out of Reach:

- The national Housing Wage is **$23.96** for a two-bedroom home and **$19.56** for a one-bedroom.
- Vermont is the **7th most expensive state** for rural (non-metro) areas.
- Vermont is the **16th most expensive state** in the nation for renters.
- The hourly Housing Wage in the greater metropolitan area of Burlington is **$30.25**, $6.89 an hour higher than the state average and over $30 an hour for the first time ever.
- **Someone with a disability** living on Supplemental Security Income (SSI) in VT **can only afford $250 a month**, leaving them $719 short for a two-bedroom and $698 short for a one-bedroom rental.

###

The National Low Income Housing Coalition is dedicated solely to achieving socially just public policy that ensures people with the lowest incomes in the United States have affordable and decent homes. [www.nlihc.org](http://www.nlihc.org)

The Vermont Affordable Housing Coalition (VAHC) is a statewide membership organization dedicated to ensuring that all Vermonters have safe, adequate, physically accessible and affordable housing, particularly the state’s low and moderate-income residents, people with disabilities, the homeless, elders, and families with children. [www.vtaffordablehousing.org](http://www.vtaffordablehousing.org)