



## Addressing Housing Affordability

### Kaiser Permanente's approach

Safe, stable housing is essential to a person's health. Kaiser Permanente is supporting efforts to end homelessness, advance health equity, and expand access to affordable housing by making impact investments, catalyzing innovation through partnerships, and shaping public policy.

### Affordable Housing Investments

Kaiser Permanente has committed \$220 million in impact investments through its Thriving Communities Fund, including \$190 million in affordable housing preservation and development and \$30 million focused on inclusive economic development. Through four active investments, Kaiser Permanente has invested approximately \$41 million of capital to date. Our investments will preserve or develop 4,035 units of affordable and supportive housing in 47 properties across Kaiser Permanente markets.

- The **RxHome Fund** provides \$100 million in low-cost, long-term loans to create and preserve multifamily rental homes for low-income residents throughout Kaiser Permanente's service areas. Created in partnership with Enterprise Community Partners, a nonprofit affordable housing developer, Kaiser Permanente contributed \$50 million and Enterprise contributed \$50 million.
- The **Housing for Health Fund** seeks to raise at least \$85 million to provide equity capital for preserving affordable housing in the San Francisco Bay Area. As of April 2021, Kaiser Permanente is investing \$40 million and JP Morgan and Chase Bank is investing \$25 million. Kaiser Permanente will match a further \$10 million in co-investment. The fund purchases affordable multi-unit housing and protects residents from rent increases. Enterprise Community Partners will support a health action plan process to identify health priorities for these properties, based on data analysis and community engagement, and incorporate this into project design and implementation.
- Kaiser Permanente has joined other investors in two additional funds, committing \$40 million to the **Bay's**

**Future Fund** for affordable and supportive housing production and preservation, and committing \$50 million to the **SDS Supportive Housing Fund** for new permanent supportive housing production using an innovative financing model.

### Homelessness Response Systems

Kaiser Permanente is partnering with many national and local nonprofits to support affordable housing and end homelessness.

- Kaiser Permanente is contracting with the national nonprofit Community Solutions on the **Built for Zero Initiative** to accelerate the end of homelessness in 30 communities across all eight markets we serve. The initiative uses tools and technologies to help local leaders better understand local homelessness and collaborate on community-driven solutions.
- In partnership with city, county, and nonprofit leaders, Kaiser Permanente helped launch the **Portland Metro 300 Initiative**. This public-private partnership is quickly and permanently housing 300 unhoused seniors in the Portland metropolitan area through flexible, aligned funding.
- Kaiser Permanente contributed \$25M to California's **Project Homekey**. This public-private partnership is providing \$800 million in grant funding to local public entities to expand long-term housing for people experiencing homelessness through acquisition and rehab of hotels, motels, and vacant apartment buildings. To date, funding from Kaiser Permanente has supported 22 properties and over 1,000 units of supportive housing across the state of California. Overall, Homekey has funded 94 projects and almost 6,000 units.

### Public Policy

Kaiser Permanente is addressing affordable housing through public policy.

- As a founding member of the **Healthcare Anchor Network**, Kaiser Permanente has joined with other health system leaders to highlight the need for expanded federal support for affordable housing.

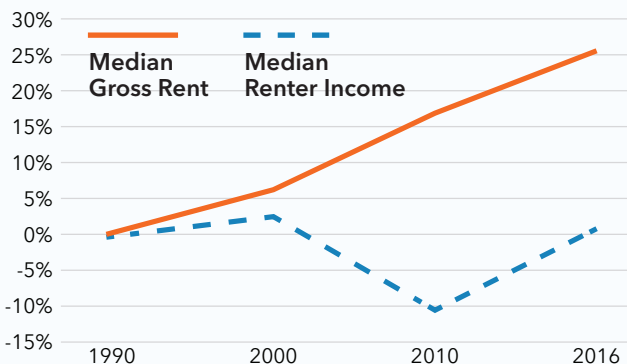
- As a member of **Mayors and CEOs for U.S. Housing Investment** – a project of the National League of Cities – Kaiser Permanente is promoting federal affordable housing reforms and opposing cuts to affordable housing.
- CityHealth**, an initiative of Kaiser Permanente and the de Beaumont Foundation, is promoting inclusionary zoning policies that require or provide incentives for developers to include a minimum amount of lower-income housing in new market-rate developments.
- In Maryland, as a new light rail corridor (the Purple Line) is developed, Kaiser Permanente is convening community development stakeholders to **catalyze affordable housing projects and prevent displacement** of existing residents.
- Kaiser Permanente supported a **\$4 billion California housing bond**, approved by voters in 2018, that is creating new affordable housing and is providing low-interest housing loans to veterans.

## Why Kaiser Permanente is taking action

Safe, stable housing is essential to a person’s health. Communities across the United States face a growing housing affordability crisis.

- Rental costs are rising faster than incomes.
- For every 100 extremely low-income renters, urban areas have only 42 available and affordable units, and rural areas have only 69 units.<sup>2</sup>
- As a result of inequitable and discriminatory policies and practices, historically and currently, people of color are at greater risk for housing

**Percent Change in Real Median Renter Income and Rents Since 1990<sup>1</sup>**



instability.<sup>3</sup> Half of Americans are “rent burdened,” paying more than 30% of household income for rent, and rent burdens are highest among Black and Latinx households.<sup>4</sup>

## Lack of affordable housing affects public and individual health



High housing costs can force people to cut back on food and medical care. A survey found that low-income families in unstable housing situations were more likely to cut back on meals and postpone needed medical care than low-income families in stable housing.<sup>5</sup>



Lack of affordable housing can force people to live in poor-quality housing. Lead exposure, poor ventilation, and other substandard housing conditions have been linked to health problems, and overcrowding can have detrimental health effects. High housing prices also may force people to relocate to areas requiring long commutes and areas with limited access to grocery stores, public parks, and other health-supporting amenities.<sup>6</sup>



Finding affordable housing sometimes requires multiple moves, as rental costs increase. Housing instability increases the risk of fair or poor health among caregivers and children, and the risks of teen pregnancy, early drug use, low school achievement, and depression in youth.<sup>7</sup>



Lack of affordable housing is linked to homelessness. A survey of city government officials found that a lack of affordable housing was the most frequently mentioned cause of homelessness.<sup>8</sup> Homeless people face more health challenges and are more frequently hospitalized.<sup>9</sup> Older homeless people, who make up an increasing proportion of the total homeless population, experience accelerated aging. They have disproportionately high rates of chronic illness and die at younger ages than the general population.<sup>10</sup>

## References

Full citations for this document can be found at: [kpihp.org/housing-refs](http://kpihp.org/housing-refs).