



Immediate Release

Wednesday, June 14, 2023

Alexis Whitham

Director of Communications, Colorado Coalition for the Homeless

303-312-9642, awhitham@coloradocoalition.org

Cathy Alderman

Chief Communications and Public Policy Officer, Colorado Coalition for the Homeless

303-319-9155, calderman@coloradocoalition.org

IN 2023, AFFORDABLE HOUSING BECOMES EVEN MORE OUT OF REACH FOR COLORADO'S LOW-WAGE WORKERS: COLORADO IS THE 8TH LEAST AFFODABLE STATE IN THE NATION:

DENVER, CO-- To afford a modest, two-bedroom apartment at fair market rent in Colorado, full-time workers need to earn \$32.13 per hour or work 94 hours a week at the current Colorado minimum wage. This amounts to 2.4 full-time jobs to afford modest housing. This is Colorado's 2023 Housing Wage, revealed in the [Out of Reach national report](#) released today 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 households.

According to NLIHC, in no state, metropolitan area, or county in the U.S. can a worker earning the federal or prevailing state or local minimum wage afford a modest two-bedroom rental home at fair market rent by working a standard 40-hour work week. This statistic is particularly significant in Colorado, the 8th least affordable state in the country. While the Denver area is well-known for rising rents and decreasing affordability, Eagle, Boulder, Pitkin, and Summit counties [top the list of the most expensive areas in Colorado](#), particularly impacting service workers in the mountain region who often commute in from miles and hours away because they cannot afford to live where they work.

The typical renter in Colorado earns \$25.47, which is \$6.66 less than the hourly wage needed to afford a modest unit. This wage of \$25.47 represents a significant 8% increase from 2022—but still cannot keep up with the rising cost of housing, where rents are increasing at rates of 10%, 15%, and even 20% in some areas of the state. The amount affordable for a renter with a full-time job paying the State's minimum wage is just \$710.

And as consumer prices continue to rise for common goods and COVID supplemental benefits run out, families in 2023 have less money for rent, not more. Over the 12-month period that ended in May of 2023, the Consumer Price Index for all urban consumers increased by 4% according to the U.S. Bureau of Labor Statistics. While not as high as the 2022 change — which was the largest 12-month increase in 40 years for household necessity items such as food, energy, motor vehicle costs, and more—the story remains the same: The average renter household, of which there are 754,483 in Colorado, cannot keep up with skyrocketing rent and consumer costs, despite increased wages.

This crisis does not impact all communities equally. Nationally, people of color are disproportionately impacted by the lack of affordable rental housing because they are more likely than white people to be renters and are also more likely to have extremely low incomes. These disparities are due to historical barriers to wealth accumulation and ongoing housing and labor market discrimination. Extremely low-income renters account for 19% of Black households, 17% of American Indian or Alaska Native

households, and 14% of Latino households, but only 6% of white households. Regardless of their race and ethnicity, women earn less than their male counterparts and face more difficulty affording rental housing, but this is especially the case for Black and Latina women. Coloradans subsisting on social security income, such as those living with disabilities and seniors, can only afford \$286 per month in rent—a number entirely out of reach based on Colorado's rental prices.

The runaway costs of housing are, however, combatable, with structural change at the state and local levels.

During the pandemic, the Treasury Emergency Rental Assistance (ERA) program helped low-income renters remain housed by funding more than 514 state, local, territory, and tribal programs which by the end of 2022 had disbursed approximately 11 million payments of emergency rental assistance across the country. By May 2023, however, the depletion of funds had led more than three-quarters of these programs to close to new applicants. Several others had temporarily stopped accepting new applications, depriving low-income renters of a vital lifeline which ensured their housing stability and prevented them from entering the cycle of homelessness. Restarting these impactful programs could help to prevent homelessness throughout Colorado.

The allocation of ARPA funding, Proposition 123 funding, and other recent affordable housing policies also provide a glimmer of hope for 2024 and beyond. According to Cathy Alderman, Colorado Coalition for the Homeless' Chief Communications and Public Policy Officer, "The data in the report released today continues to make the case for investments in deeply affordable housing for those households with the greatest need as we advocated for in our recent report, [Colorado's Housing Crisis: It's Time for Strategic Investments.](#)" She continued, "Strategic investments and housing policies that help to control costs to keep low-income households housed are the only way that Colorado can become a state affordable for all who work and live here and combat the historic inequities that created this crisis."

For additional information, visit: reports.nlihc.org/oor

About the Colorado Coalition for the Homeless

The mission of the Colorado Coalition for the Homeless is to work collaboratively toward the prevention of homelessness and the creation of lasting solutions for people experiencing and at-risk of homelessness throughout Colorado. The Coalition advocates for and provides a continuum of housing and a variety of services to improve the health, well-being and stability of those it serves. Since its founding, the organization has earned state and national recognition for its integrated healthcare, housing and service programs. The Coalition's comprehensive approach addresses the causes of homelessness, as well as the consequences, offering critical assistance to over 22,000 individuals and families each year. Learn more at www.coloradocoalition.org.

###