



APARTMENT LEADERSHIP RESIDES HERE™

Opening Doors of Opportunity:
A Guide for Advancing Housing Equity in the Multifamily Industry

What is Housing Equity: Definitions, Frameworks, Applications

About this Resource

This Guide is for NMHC members and other stakeholders that seek to leverage housing as a primary vehicle for more equitable and just communities. NMHC contracted Enterprise Community Partners to support the creation of this Guide. Enterprise conducted interviews and focus groups with NMHC members and staff, reviewed relevant literature, developed case studies and drafted select content for the Guide. NMHC staff worked closely with Enterprise throughout the development process and edited the final version of the Guide.

Learn more about NMHC's Diversity, Equity and Inclusion commitment at www.NMHC.org/DEI.



About NMHC

Based in Washington, D.C., the National Multifamily Housing Council (NMHC) is a national association representing the interests of the largest and most prominent apartment firms in the United States. The NMHC's members are the principal officers of firms engaged in all aspects of the apartment industry, including ownership, development, management and financing. The NMHC advocates on behalf of rental housing, conducts apartment-related research, encourages the exchange of strategic business information and promotes the desirability of apartment living. Nearly one-third of Americans rent their housing, and almost 15 percent live in apartments (defined here as buildings with five or more units). For more information, contact the NMHC at 202/974-2300, email the NMHC at info@nmhc.org or visit the NMHC's website at www.nmhc.org.



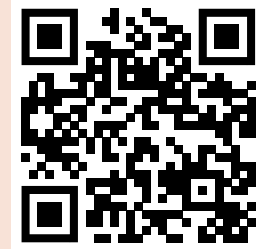
About Enterprise Community Partners

Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$64 billion and created 951,000 homes across all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands – all to make home and community places of pride, power and belonging. Join us at www.enterprisecommunity.org.

What is Housing Equity: Definitions, Frameworks, Applications

Section Overview:

This section provides an overview of key terms and concepts that create a foundation for understanding what we mean when we talk about equity and how it relates to housing and the apartment industry. This includes thinking about housing equity as both an outcome (something we are working toward) and as a process (something we use to think about how we do our work).



Scan this QR code to access the full contents of this section of the Guide.

Opportunity, equity, equality. Equality, equity, opportunity. Equity, opportunity, equality.

These three terms are frequently offered as ways of thinking about and addressing patterns of racial and economic outcomes. How do these terms relate to each other?

When we consider **equity**, we acknowledge the effect of structural and systemic factors on present-day disparate outcomes. To achieve fairness, equity asks the question: Given the impact of historical, and sometimes present, policies and practices, what actions should we take to ensure that all people, regardless of race, have equal chances of achieving desired outcomes? Equity acknowledges distinctions in needs when considering resources relative to achieving desired outcomes.

By contrast, **equality** assumes “the state of being equal, especially in status, rights and opportunities”² and then seeks to provide the same resources to all people without regard to any distinctions in their respective needs. Equality, as a practice, assumes a common starting point.

Finally, **opportunity** is meaningful when structural and historical barriers are acknowledged and intentionally addressed such that everyone has comparable awareness, and comparable ability, to access the resources.

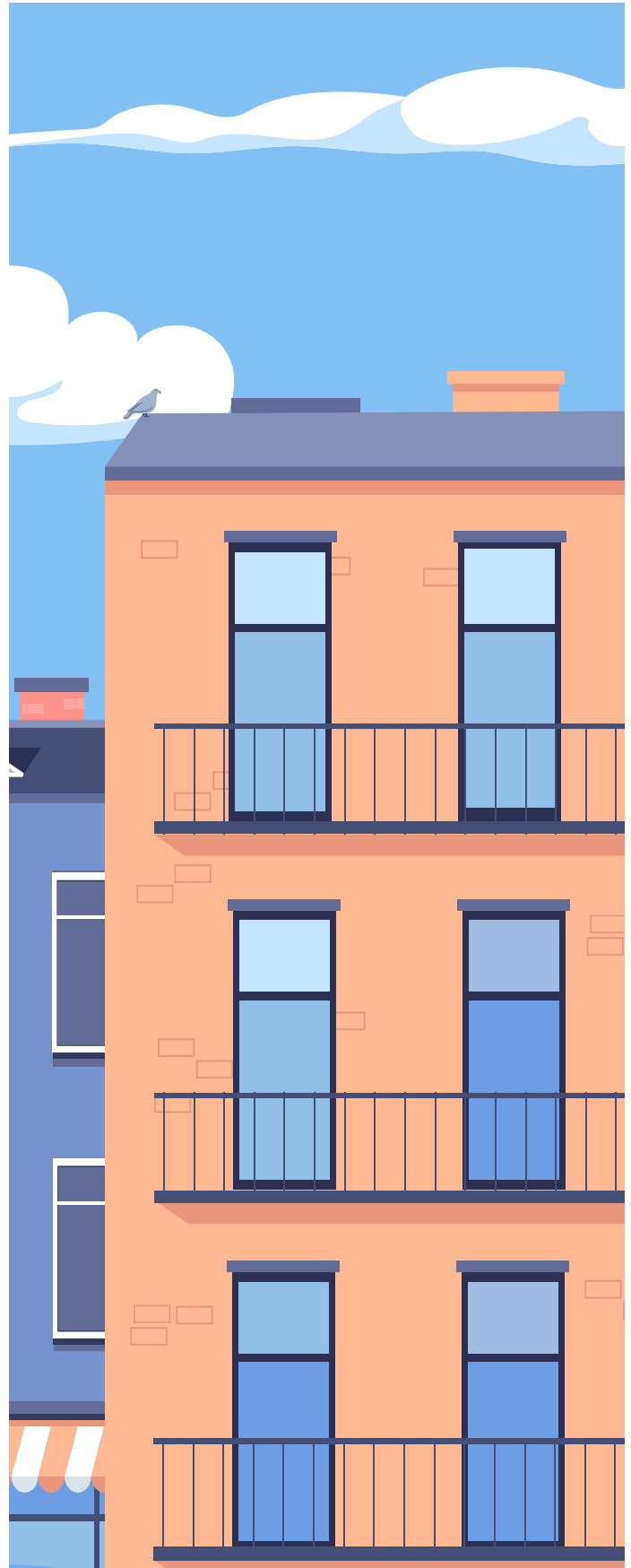
How Do These Terms Relate to the Apartment Industry?

Race and household income have long been among the greatest predictors of life outcomes in American society.³ Despite this, most industries, including the apartment industry, have been structured to be race blind and to apply the equality approach. Therefore, when apartments are financed, sited, designed, developed, rented or managed, apartment actors often strive to be race neutral in the execution of policies in the hopes of achieving comparable outcomes across racial and economic lines. However, a color-blind approach is not always effective in changing outcomes. The apartment industry, policymakers and communities should consider solutions to align practices, processes and policies related to housing development in a way that can also contribute to the resolution of racial and economic disparities. Within the context of this Guide, this race conscious approach is what we refer to as “housing equity.”

Specifically, housing equity can be defined as identifying, acknowledging and engaging in tactics that will help resolve systemic disparities in the housing realm. Housing equity can happen when housing outcomes (e.g., housing affordability, housing quality, housing stability, neighborhood safety, residential segregation, people experiencing homelessness, etc.) cannot be predicted by individual characteristics. Housing equity alone will not necessarily achieve racial and economic equity, but it is an important contributing factor.

Applying the Housing Equity Lens

Understanding the current status of racial and economic disparities in housing is helpful in developing strategies for advancing housing equity. There is an opportunity for actors in the apartment industry, policymakers and communities to focus on outcomes to address the historical and structural challenges BIPOC households face. By targeting actions with an eye toward reducing differences in outcomes, opportunities for greater equity can be created. Finally, though race and income are correlated, data shows that disproportionate negative outcomes occur for Americans of color at all income strata, meaning solutions for housing equity should not simply be tailored towards low-income populations.



Step 1:

Consider Background Resources Regarding Current Outcome Disparities for BIPOC Communities

Historians have written from different perspectives about the impacts of slavery and legally sanctioned racial discrimination on all aspects of American society, especially people of color. There are many recent research papers and other resources arguing that racial inequities in housing in the United States is structural and built into the fabric of policies and practices which can help provide context for considering more equitable housing strategies.

Step 2:

Explore Potential Frameworks That Address Outcomes

The apartment industry has the opportunity to positively influence upward mobility outcomes for BIPOC families. There are three dimensions of upward mobility that affect housing stability—economic success, being valued in a community, and power and autonomy.

Addressing resident outcomes is less about providing programs, and more about considering the ecosystem within which funding, development and operations decisions are made.

This pivot towards housing-based equitable outcomes focuses on the relationship between housing characteristics and upward mobility.

Enterprise Community Partners, in partnership with the Urban Institute, has identified five key housing characteristics that affect these three dimensions of mobility from poverty.⁴

The five housing characteristics are housing quality, housing affordability, housing stability, housing that helps build assets and wealth, and neighborhood context. Enterprise frames these housing outcomes as the “Housing Bundle” because they are interconnected and must work together for housing to act as a pathway to economic mobility.

BIPOC-led families are disproportionately negatively impacted in each of the five outcomes of the Housing Bundle—a consequence of the race-based policies and practices mentioned above. These present-day disparities demonstrate how the housing system is currently forcing lower-income, BIPOC residents to make trade-offs between the five housing outcomes at the expense of their own upward mobility. To address racial equity and mobility goals, research suggests that the apartment industry, policymakers and the general public should consider the interconnectedness

of these housing characteristics in the design of policies and housing programs. Practitioners frequently focus on one housing characteristic that advances upward mobility but can have mixed or negative effects on others.

Step 3:

Consider Race at all Levels of Income

There is a tendency to talk about the intersection of race, income and housing by focusing on the provision of subsidized housing that is affordable for renters earning up to a certain level of area median income (AMI). While BIPOC families may have disproportionately lower income than white families, racial and housing equity are not solely about providing housing for residents in a particular income range.

There is an opportunity for actors in the apartment industry, policymakers and communities to focus on outcomes to address the historical and structural challenges BIPOC households face.

² (Equality, n.1., 2023)

³ (Chetty, et al., 2016)

⁴ (Ramakrishnan, Champion, Gallagher, & Fudge, 2021)

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