

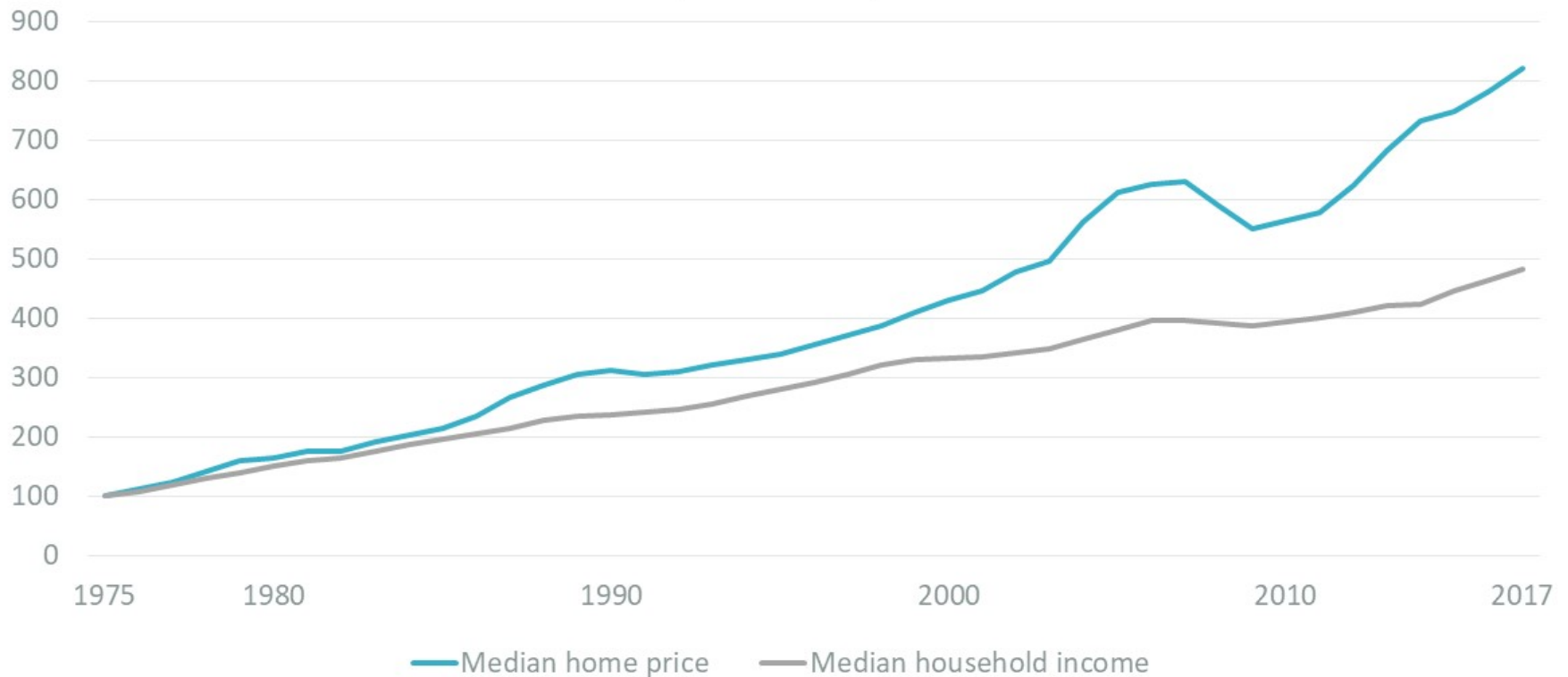
Housing Affordability in the US: Trends & Solutions

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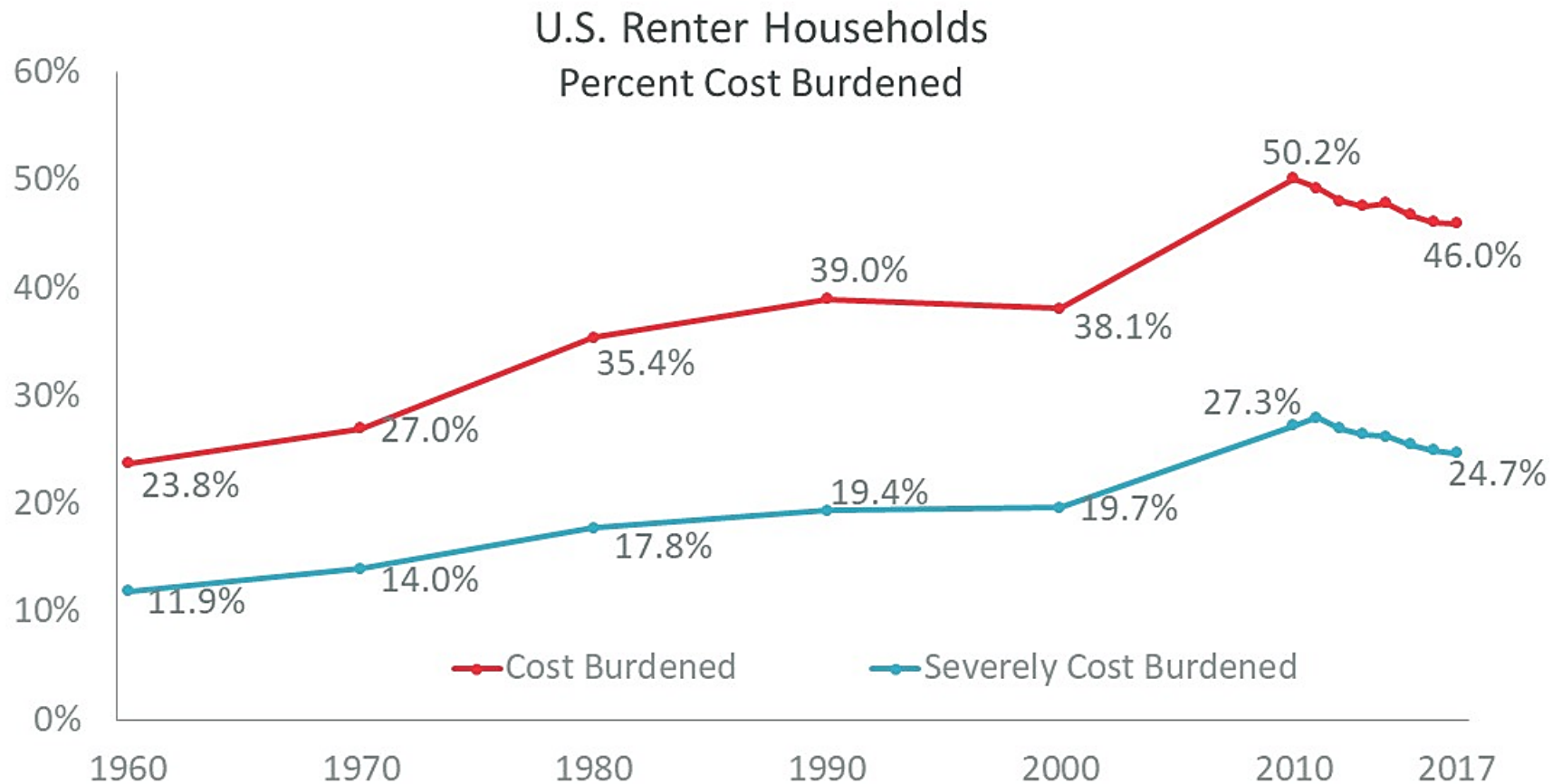


Home prices have increased faster than incomes

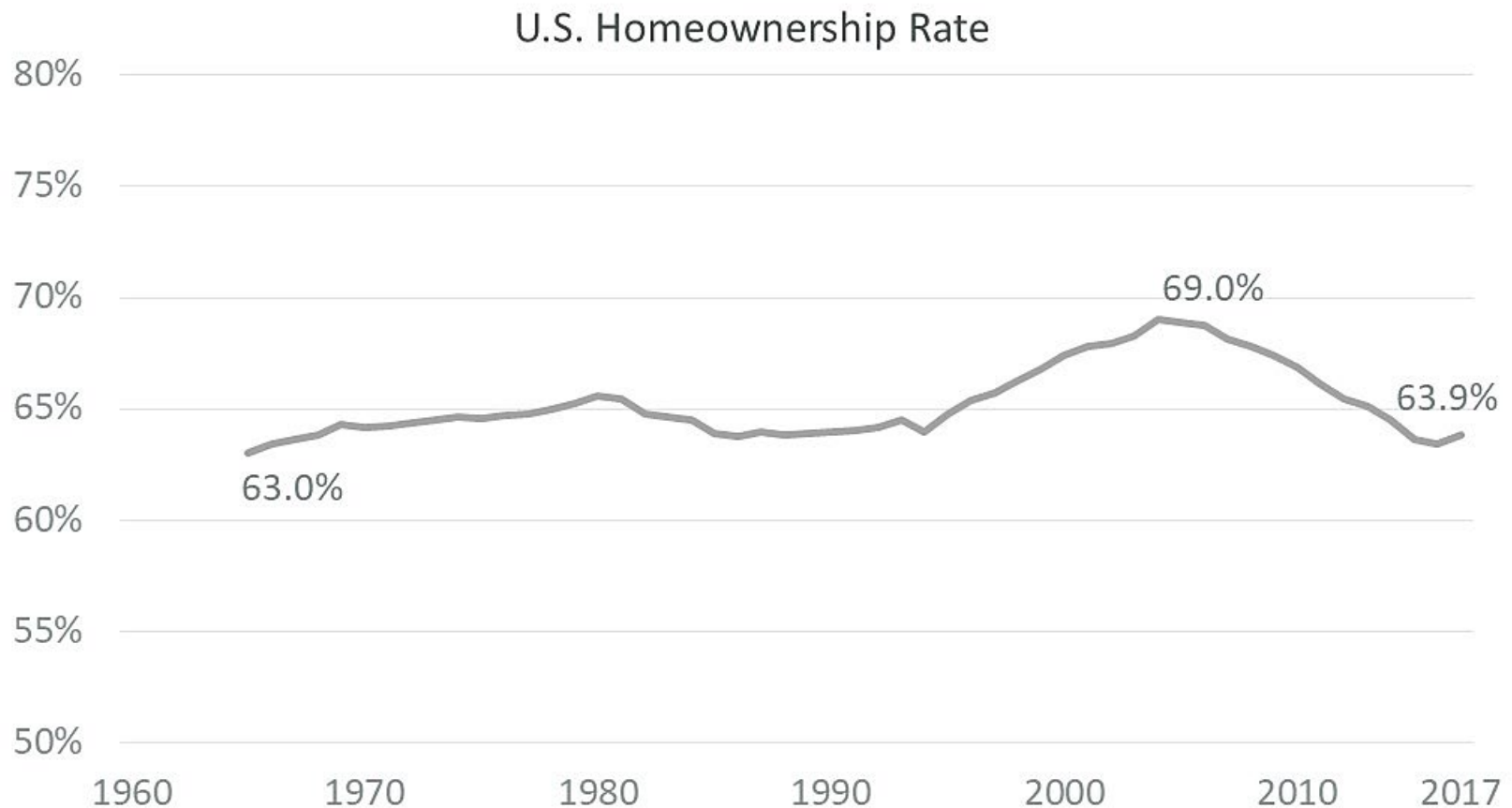
Median Home Price and Median Household Income
(1975 = 100)



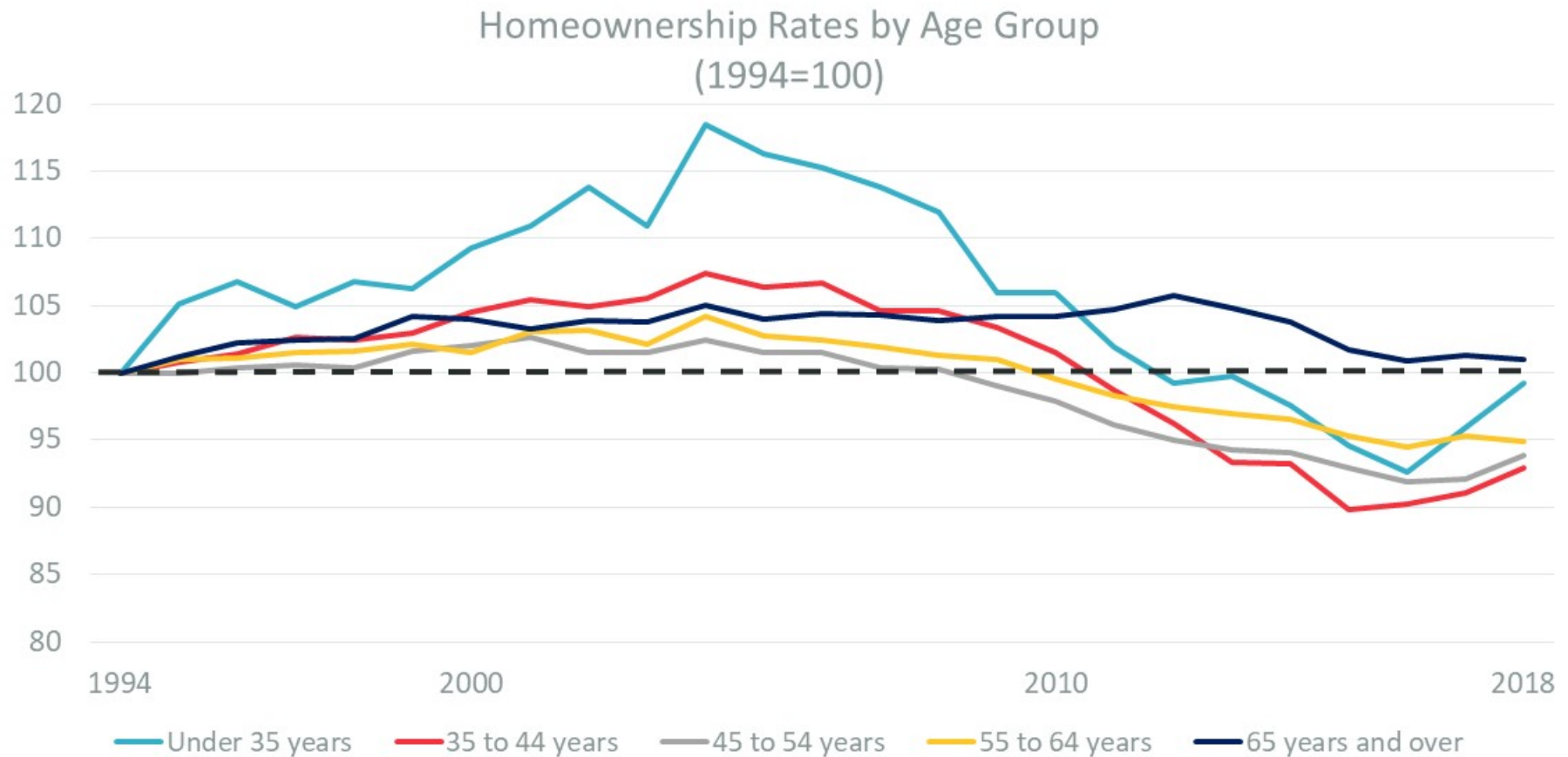
Affordability is still a challenge for many renters



Homeownership rates may be settling to historic norms



But homeownership has not recovered for all age groups



High housing costs continue to be an obstacle

Metro Area	2017 Median Home Price (\$)	2017 Median Rent (\$)
Boston	452,900	1,397
Washington DC	406,700	1,629
Boulder	566,100	1,483
Austin	295,800	1,223
Seattle	465,800	1,443
San Jose	1,180,000	2,213

Why affordable and stable housing matters

Individual and Family Well-Being

Better physical & mental health

Improved school performance

Greater opportunities for economic self-sufficiency



Why affordable and stable housing matters

Communities

Equitable access to services and opportunity

Ability for all to prosper, regardless of socioeconomic background

Improved racial and economic integration



Why affordable and stable housing matters

Local Economy

Better able to attract and retain workers

Shorter commutes, less traffic for all

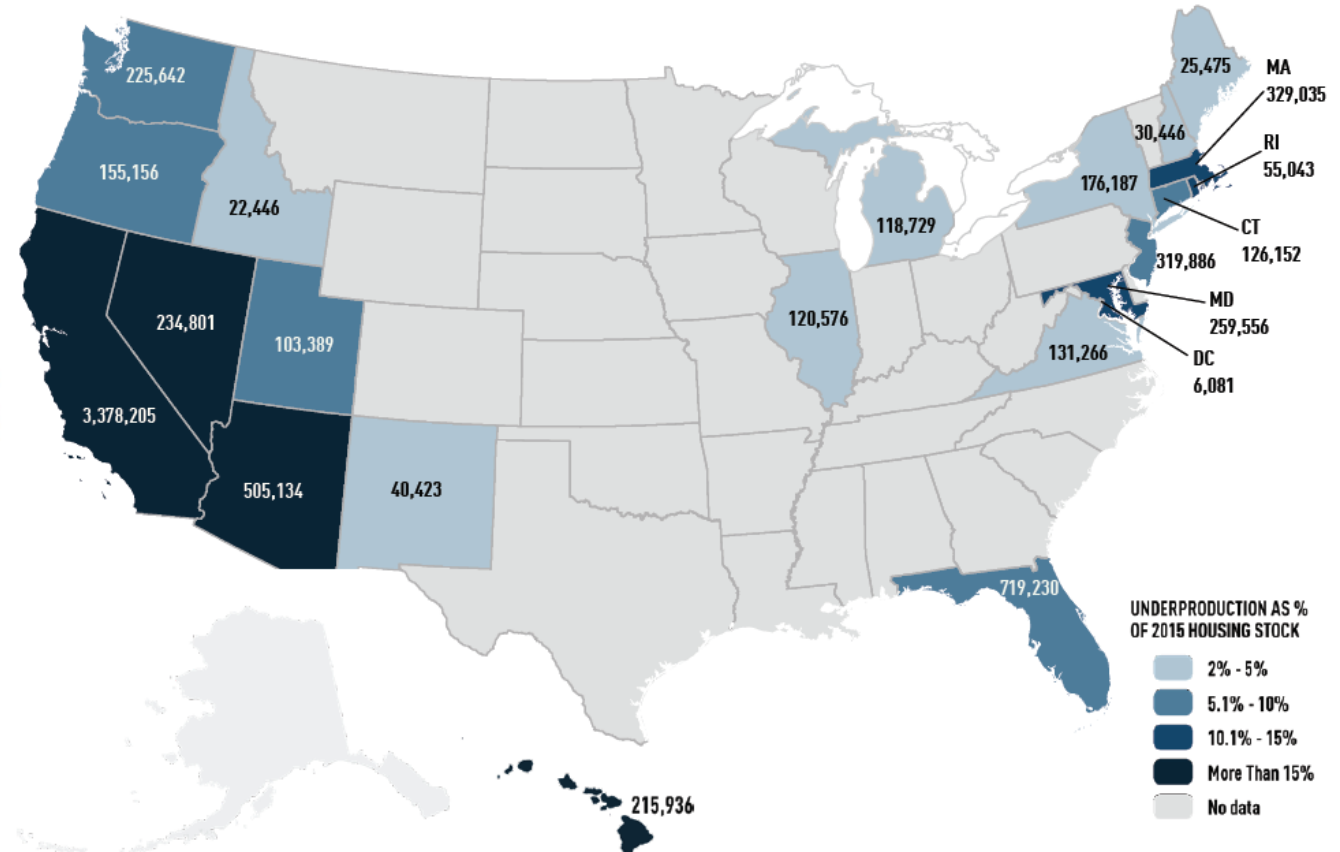
Support diverse businesses and sustainable economic growth



We are not building enough housing to meet demand

NUMBER OF HOUSING UNITS UNDERPRODUCED FROM 2000-2015

7.3 MILLION UNITS IN 23 STATES



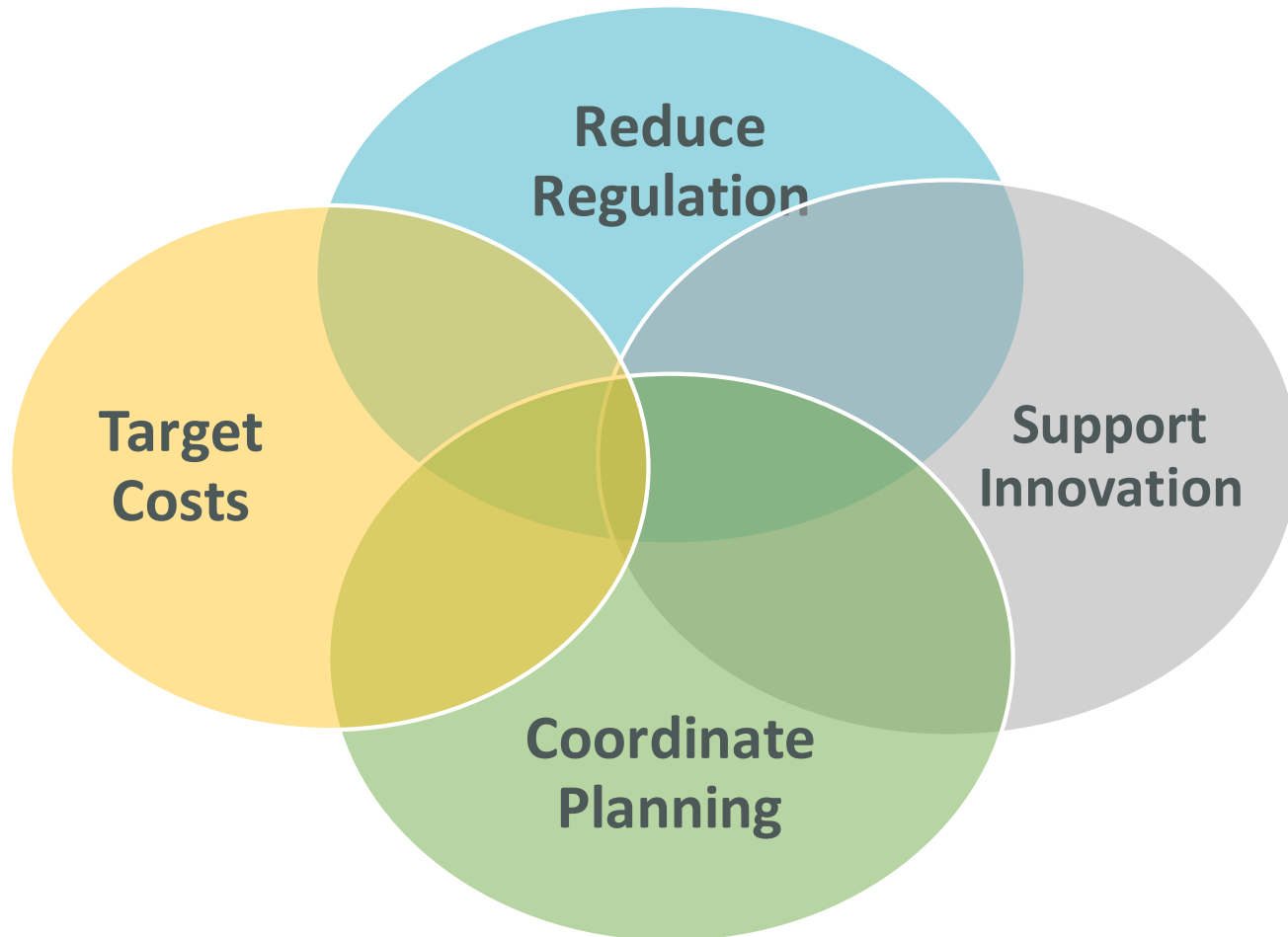
What are the economic implications of an insufficient supply of housing?

**Nationally,
\$1.6 trillion a year in
lost wages and
productivity**

Why aren't we building enough housing?

- Expensive **land** and/or a lack of developable land
- Rising **material and labor costs**
- Few incentives or opportunities for building **innovation**
- State and local **regulations**, including zoning that limits the construction of smaller homes, material and building specs, etc.
- **Community opposition** to new housing

How to increase housing supply and promote housing opportunity



Reduce Regulation

By-Right Approval. Establish "by-right" higher-density residential development near transit and in other types of neighborhoods.

Parking Reductions. Study parking standards and lower parking requirements.

Greentaping. Streamline and reduce inefficiencies in the development review and approval process.

Support Innovation

Diverse Housing Types. Change zoning to allow for a more diverse set of housing types, including accessory dwelling units and “missing middle” housing.

Building Standards. Review building and materials requirements and modify to allow modular and manufactured homes.

Adaptive Re-Use. Create opportunities to reposition commercial properties as housing.

Coordinate Planning

Public Land. Make publicly-controlled land available to developers of mixed-income or affordable housing.

Co-Location of Housing. Establish a priority in Capital Improvement Programs to co-locate housing with new or redeveloped public facilities.

Integrated Planning. Work across public agencies to coordinate housing, land use, transportation, schools and economic development planning.

Target Costs

Impact Fee Modifications. Examine and revise impact fees to reflect actual costs of infrastructure service for higher-density development.

Property Tax Abatement. Use property tax abatement as a gap-financing tool to support more compact and affordable housing communities.

Construction Workforce. Work to expand interest and opportunities in construction trades.



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