



Regional Housing Framework

Urban Institute and the Greater Washington Partnership

June 12, 2019

Our goals:

Provide the foundation of **facts and analysis** necessary for the region's jurisdictions, businesses, philanthropy, and advocates to come together around a shared vision and actionable strategies.

- Rigorously assess **current and future housing needs**
- Identify regionwide **targets** for meeting needs
- Provide a **menu of evidence-based tools** and strategies
- Assess the **potential contribution** of specific tools and strategies

REGIONAL MARKET TRENDS AND CONDITIONS

- Housing production has fallen short of past performance, leading to tighter markets and higher costs
- Too few housing units are affordable for the lowest and low income households
- Many of the housing units affordable to low income households are occupied by households who could afford to pay more
- The arrival of new businesses, jobs, and residents could intensify today's housing challenges

Many households pay unaffordable housing costs

Households in the Washington Region by Income Level, 2015

Household Income	Occupations with average annual wages meeting income level	Number of Households	Pct. with Housing Cost Burden
Less than \$32,600	Nursing assistants, parking attendants, food preparation	307,000	84
\$32,600 to 54,300	Substance abuse counselors, postal service clerks, paramedics	248,000	68
\$54,300 to 70,150	Firefighters, crane operators, graphic designers	183,000	47
\$70,150 to 130,320	Registered nurses, teachers, software developers	577,000	19
\$130,320 to 217,200	Human resource managers, aerospace engineers, lawyers	425,000	5
More than \$217,200	Chief executive officers, surgeons, psychiatrists	272,000	1
Total		2,012,000	32

LOOKING AHEAD: PREPARING FOR REGIONAL GROWTH

The region expects to add 363,000 households between 2015 - 2030

- Urban projects growth of households at every income level, with faster growth of lower income households

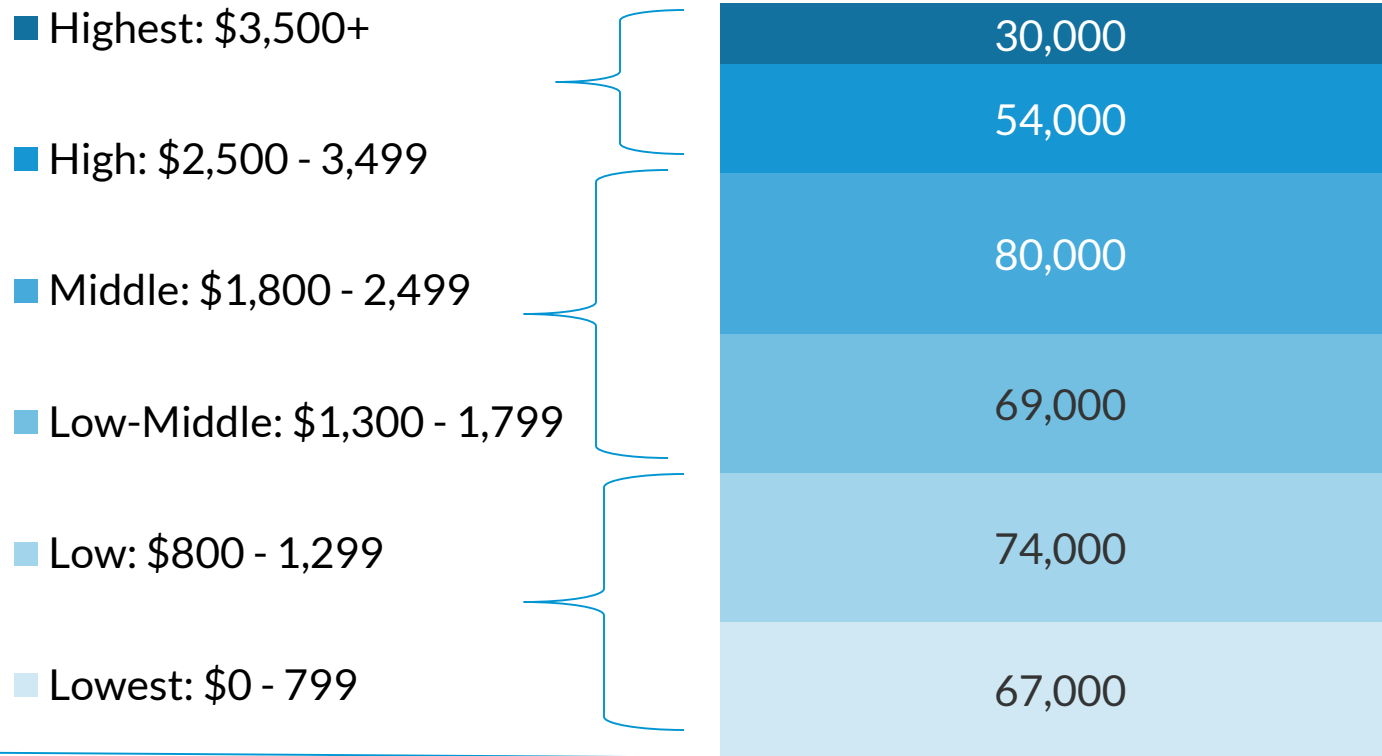
The mix of housing across cost bands would need to shift to align with future needs

Faster growth would intensify this challenge further

Many more housing units will be needed from lowest to middle cost bands

Additional Housing Units Needed by Cost to Accommodate Household Growth from 2015 to 2030 (Urban projections based on MWCOCG baseline forecast)

Monthly Housing Costs (\$ 2016)



REGIONAL SOLUTIONS: PROMISING POLICY TOOLS

To achieve a balanced mix of housing affordable up and down the income spectrum:

- **Preserve** existing affordable housing, including in opportunity-rich and revitalizing areas.
- **Produce** more housing across the income spectrum and in communities throughout the region so that all jurisdictions contribute to and benefit from meeting everyone's housing needs.
- **Protect** both renters and homebuyers from discrimination and displacement.

Local Powers

- Local policymakers have three types of power
 - Regulatory authority
 - Funding
 - Voice and convening capacity
- Urban analyzed the potential impact of available policy tools to meet the regional housing challenges

Criteria Used to Select Top 12 Local Policy Tools

How much will it contribute to regional needs?

- Estimated scope or impact
- Alignment with a critical, time-sensitive issue

Of the stronger contributors, which reach the top 12?

- Examples and experience available
- Reach the lowest, low, and/or low-middle income bands
- Legal and political feasibility

Top 12 policy tools to implement, expand or strengthen

Preserve

1. Loans for repairs and rehabilitation
2. Preservation network and inventory
3. Public housing rehab
4. Financing for acquisition and rehab

Produce

5. Land value taxation
6. Up-zoning
7. Reduced parking requirements
8. Equitable transit-oriented development funds

Protect

9. Home purchase assistance
10. Land trusts, co-ops, and shared equity ownership
11. Emergency rental assistance
12. Local housing vouchers

Recommended Actions

The **region's leaders** join together to establish 10-year targets –

- Shrink the current affordability gap
- Increase the pace of new housing production
- Align additional housing units with expected household needs and resources

Local governments contribute to the achievement of regional targets –

- Adopt or strengthen evidence-based policy tools tailored to local needs and capacities

State governments strengthen local capacity local governments to achieve targets –

- Authorize increased public funding and regulatory authority

Business and philanthropy deploy their influence and convening power to build and sustain the regional commitment

- Monitor progress toward targets
- Contribute to public-private partnerships with greatest potential