

Housing challenges & opportunities in the post-COVID environment

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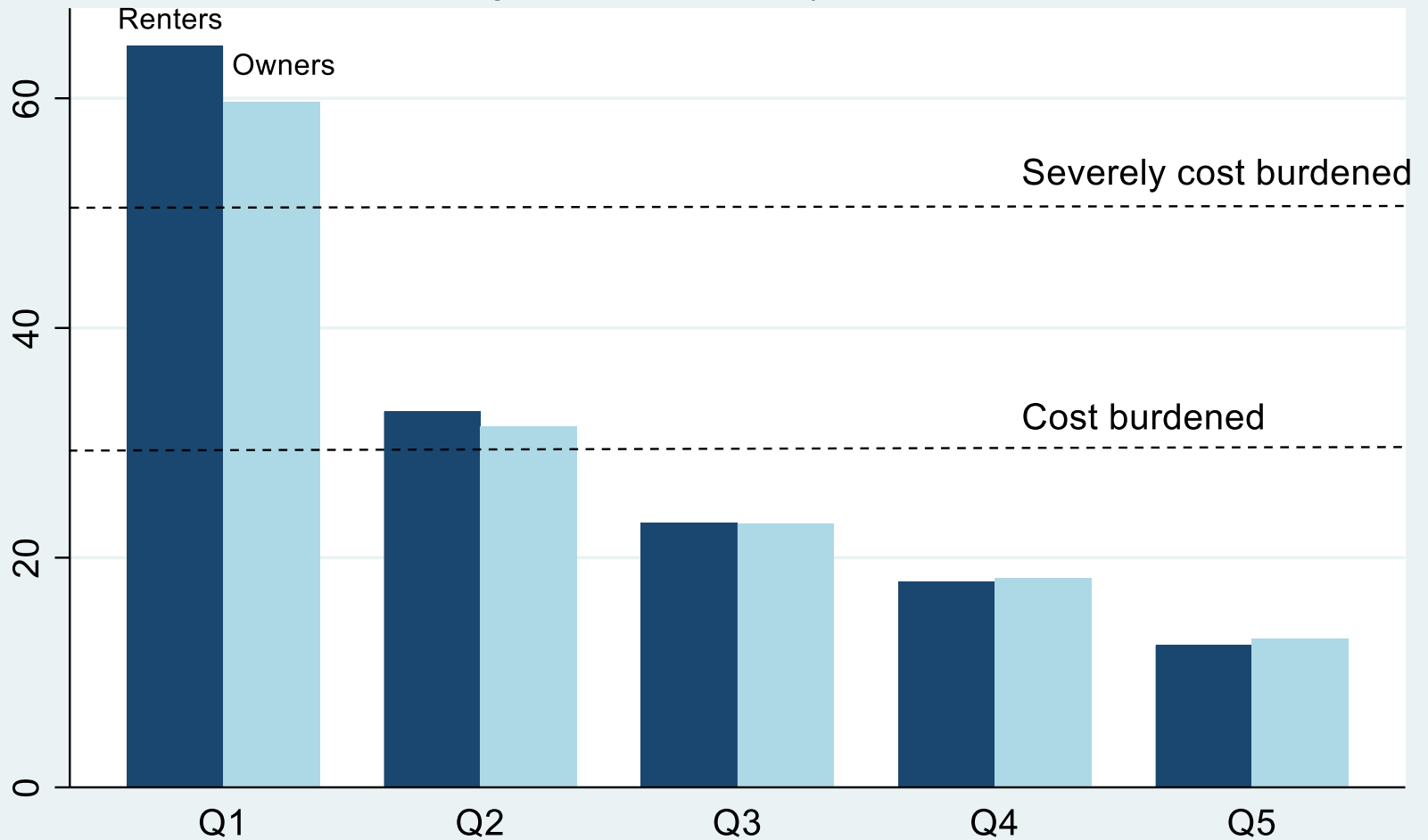
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Presentation outline

- Pre-COVID housing challenges
 - Affordability, location, quality, & climate exposure
- Uncertainties in the COVID era
 - Housing implications of k-shaped recovery
 - Demand for cities, suburbs, & rural areas
- Federal, state, & local policy activity
 - Housing funds in recovery & infrastructure bills
 - State & local zoning reforms

Low-income DMV households have higher cost burdens

Housing costs/income, by income quintile

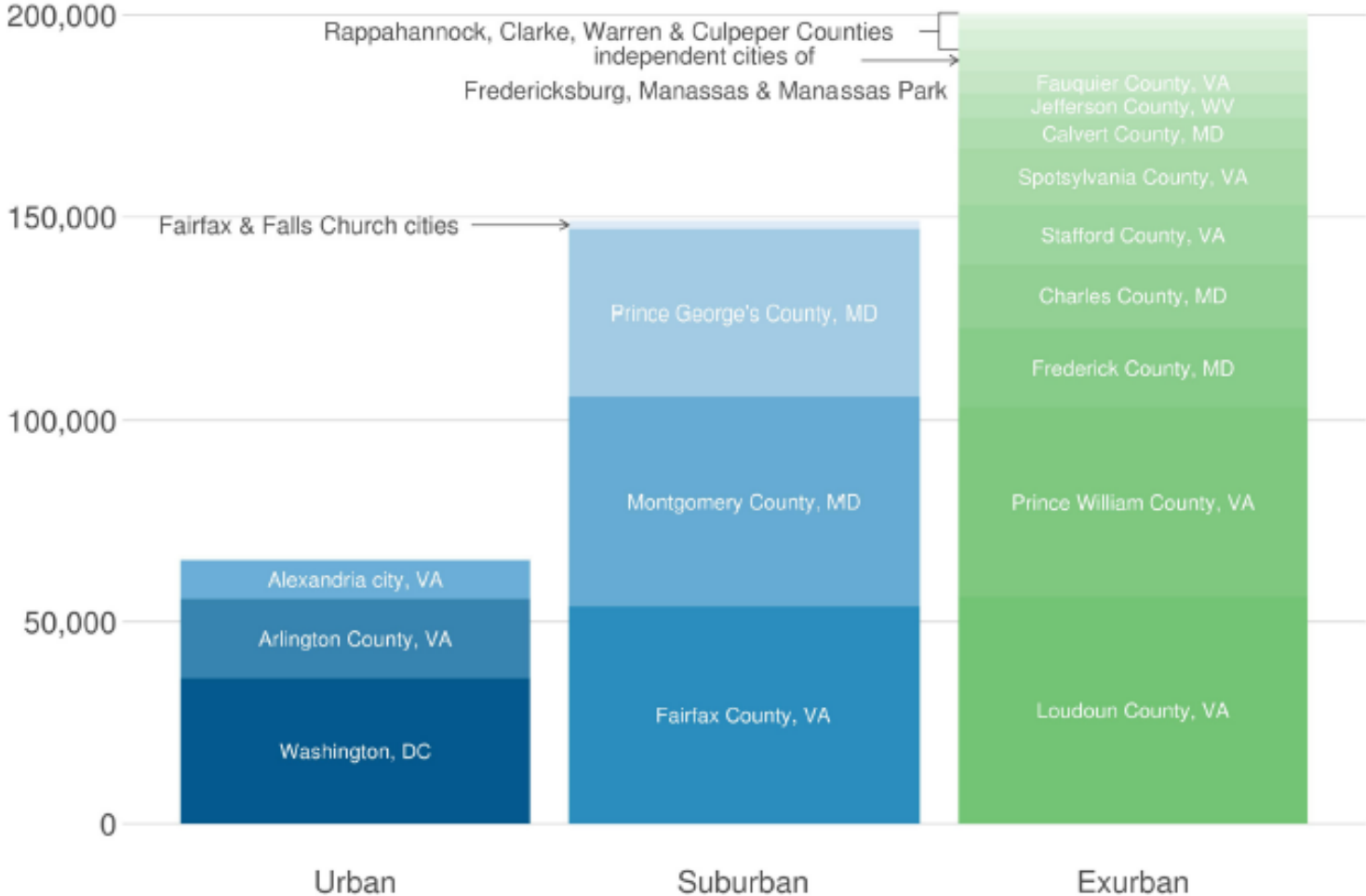


Source: ACS 2014-2018



Figure 1.2: Most Housing Growth is Concentrated in a Few Jurisdictions

Housing Units Built After 2000 by Jurisdiction Type and Name



Source: American Community Survey 2013-2017. Includes all counties and independent cities in the Washington-Arlington-Alexandria metropolitan area.



Barriers to housing affordability

- Local governments have made it hard to build moderately-priced housing.
 - [Zoning](#) limits land where townhouses, 2-4 family homes, and [apartments](#) can be built
 - Lengthy, complex, expensive [development process](#)
 - Discretionary approval process favors existing homeowners
 - But there are hopeful signs for more flexibility.
- Housing quality & crowding are concerns in urban & suburban neighborhoods
- Increasing exposure to climate risk

COVID-related uncertainties

- Low-income workers have suffered greatest job and income losses during pandemic
 - Nationally, 9 million renters have fallen behind
 - Average rent debt around \$5400/household
- Divergence of rental & owner-occupied markets
 - Prices are soaring & inventory low
 - Rents temporarily dipped, now rebounding
- Will permanent work-from-home kill cities, while boosting suburbs & rural areas?
 - Yes
 - No

Current policy challenges

- Pandemic interventions & economic recovery
 - Additional financial support to households (UI, CTC)
 - Emergency rent relief programs faced snags
 - Uncertainty about end of eviction moratorium
- How can local govts use ARP, AJP funds to meet longer-term challenges?
 - Bolster affordable housing inventory
 - Better integrate housing, jobs, & transportation
- State & local governments are moving on pro-housing reforms
 - DC, VA, and MD all considering zoning changes to allow more flexible housing supply

Comments & questions welcome!

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