

Draft Summary of Housing Literature

Filtering of Apartment Housing between 1980 and 2018

Population Dynamics Research Group, Sol Price School of Public Policy, University of Southern California, 2020

<https://www.nmhc.org/globalassets/research--insight/research-reports/filtering-data/nmhc-research-foundation-filtering-2020-final.pdf>

A continued stream of new construction, even at higher price brackets, is important to the success of filtering to provide low-income shelter. The reversal of filtering after 2011 corresponded to slow increases in housing supply despite resurgent job growth in metropolitan areas. Filtering helps produce housing opportunity for low-income households in apartments (observed across 100 metro areas).

Research Roundup: The Effect of Market-Rate Development on Neighborhood Rents

UCLA Lewis Center for Regional Policy Studies, 2021

<https://escholarship.org/uc/item/5d00z61m>

Researchers in the past two years have released six working papers on the impact of new market-rate development on neighborhood rents. Five find that market-rate housing makes nearby housing more affordable across the income distribution of rental units, and one finds mixed results.

Supply Skepticism: Housing Supply and Affordability

NYU Furman Center, 2018

https://furmancenter.org/files/Supply_Skepticism_-_Final.pdf

Based on theory and empirical evidence, adding new homes moderates price increases and therefore makes housing more affordable to low- and moderate-income families. There are other concerns about inadequate supply including preventing workers from moving to areas with growing job opportunities, car dependence, and income segregation. Researchers emphasize that new market-rate housing is necessary but not sufficient. Government intervention is critical to ensure that supply is added at prices affordable to a range of incomes.

2015 Washtenaw County Housing Affordability and Economic Equity Analysis

<https://www.a2gov.org/media/n2fhua01/washtenaw-county-housing-affordability-and-equity-findings-and-recommendations.pdf>

The County has two distinct housing markets: Ann Arbor and Ypsilanti. Ann Arbor needs to focus on the preservation and production of affordable non-student rental housing for low and moderate-income workers who help to keep the Ann Arbor economy vibrant. Ypsilanti cannot remain the de facto affordable housing policy for Ann Arbor and Pittsfield. This way of operating will ensure further decline of its property values and fiscal stability.

Economic Development Report

City of Ann Arbor, Administrator's Office, 2023

https://research.upjohn.org/up_workingpapers/307/ (2019)

The report calls for housing development for all income levels an organizational imperative and cites an article from the W.E. Upjohn Institute entitled "The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market." The researcher tracks 52,000 residents of

new multifamily buildings in large cities. The data estimates that building 100 new market-rate units leads 45-70 and 17-39 people to move out of below-median and bottom-quintile income tracts, respectively, with almost all of the effect occurring within five years. This suggests that new construction reduces demand and loosens the housing market in low- and middle-income areas, even in the short run.

To Improve Housing Affordability, We Need Better Alignment of Zoning, Taxes, and Subsidies

Brookings Institute, 2020

https://www.brookings.edu/wp-content/uploads/2019/12/Schuetz_Policy2020_BigIdea_Improving-Housing-Afforability.pdf

The U.S. has a shortage of housing units, especially low-cost homes that are naturally affordable to low and middle-income families. Regulatory barriers artificially limit the supply of these homes, as three-quarters of land in most U.S. cities is reserved exclusively for single-family detached houses. Relaxing zoning standards to develop more units on each lot would reduce per-unit costs, thereby enabling more units to enter the market at lower price points.

Land Use Regulation and the Rental Housing Market: A Case Study of Massachusetts Communities

Joint Center for Housing Studies, 2007

https://www.jchs.harvard.edu/sites/default/files/media/imp/rr07-13_schuetz.pdf

Theoretical and empirical evidence suggests that greater regulatory burdens – including stricter zoning laws – are associated with lower quantities of low-cost, naturally affordable housing stock. This study builds on this existing knowledge base to distinguish the relationship of zoning laws with renter and owner housing markets, respectively, using communities in eastern and central Massachusetts as case studies. Results show that less restrictive zoning was associated with significantly higher permit issuance for both single family and multifamily developments. The impacts on pricing were mixed – communities with less restrictive zoning had lower prices for owner-occupied housing, although the association with rents was inconclusive.

Housing Supply Accelerator Playbook

National League of Cities and American Planning Association, 2024

https://planning-org-uploaded-media.s3.amazonaws.com/publication/download_pdf/HOUSING-SUPPLY-ACCELERATOR-PLAYBOOK_v3.pdf

Housing affordability is becoming a growing concern for many communities across the United States. Nationwide, there is an estimated shortage of nearly 4 million housing units, partially stemming from regulatory hurdles. In particular, strict single-family zoning is key barrier to increasing the housing supply and is also associated with racial and socioeconomic segregation.

Zoning Reform Toolkit: 15 Tools to Expand Housing Choice and Supply

American Planning Association: Michigan Chapter, 2024

https://www.planningmi.org/aws/MAP/asset_manager/get_file/886922?ver=0

Similar to national trends, approximately three-quarters of Michigan's housing stock consists of detached, single-family homes, largely due to strict zoning laws. Yet, amid a changing

demographic landscape, there is increased demand for alternative housing typologies at a wider variety of price points. The APA recommends a variety of zoning reforms to address this issue, including reducing the number of zoning districts to allow for greater variety of residential developments in formerly single-family-only zones.

Upzoning Chicago: Impacts of a Zoning Reform on Property Values and Housing Construction

Urban Affairs Review, 2019

<https://yonahfreemark.com/wp-content/uploads/2019/01/Freemark-Upzoning-Chicago.pdf>

The study follows the impacts of Chicago's 2013 and 2015 upzoning and other land use incentives near the rail line. The researcher finds increased property transactions for condos and no increase to units built in the short-term.