

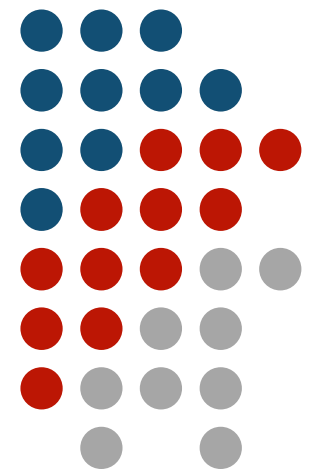
Expanding Development Opportunities in High Growth Markets

Rick Haughey

Senior Fellow

National Housing Conference

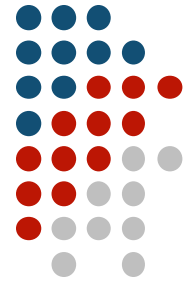
Center for Housing Policy



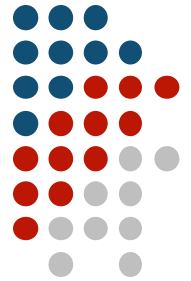
High Growth Markets... Remember Them?

Characteristics:

- Desirable locations with proven strong market demand
- Rising land and real estate values
- Increasing problems with housing affordability
- Overworked and overwhelmed planning department staff
- High NIMBY due to the strains created by growth



Future High Growth Markets...

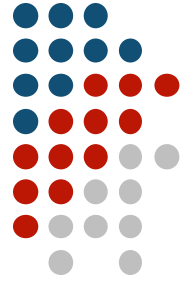


Clues from the downturn:

- Generally, closer-in neighborhoods saw smaller property value declines
- Outer suburbs saw largest property value declines
- Communities with underlying value were more stable:
 - Variety of housing choices
 - Proximity to jobs and retail
 - Public transportation options
 - Pedestrian and bike trails and parks
 - Strong sense of community



Future High Growth Markets... Cautious Capital & Homeowners



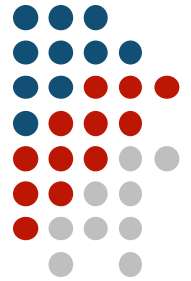
As markets recover:

- Investors will look for proven stable markets as caution reigns
- Lenders will seek loans in the more stable housing markets
- Home purchasers will be hesitant to put their down payment at risk



Future High Growth Markets...

New Regulatory, Environmental, and Energy Realities

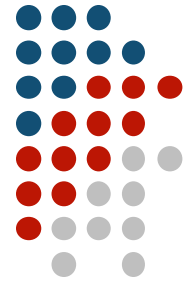


Trends that will affect markets:

- More coordination of housing, transportation and environmental regulations
- Regulation of greenhouse gas emissions (GHG) and tying to land use
- Unstable energy supplies and prices
- Growing market demand for green products, homes, communities, and lifestyles



Future High Growth Markets Will Be...

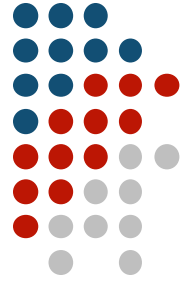


Likely High Growth Markets:

- Stable close-in neighborhoods that:
 - Are connected to jobs and retail
 - Have community infrastructure
 - Didn't see the worst of price declines
 - Have strong sense of community
 - Have progressive planning and zoning that supports:
 - Transit Oriented Development
 - Mixed-use place making
 - A variety of housing types
- Urban neighborhoods with:
 - Same criteria
 - And didn't overbuild their condo market



Future High Growth Markets...

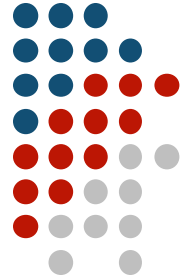


Challenges:

- Maintaining existing quality of life
- Creating and maintaining housing affordability

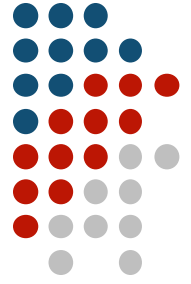


www.housingpolicy.org



www.housingpolicy.org

Policy Tools



- Make public land available
- Re-use existing underused properties
- Rezone land
- Housing trust funds tied to linkage fees, transfer taxes, and recording fees
- Tax Increment Financing (TIF)
- Inclusionary zoning ordinances
- Leveraging employer investment in affordable housing
- Preservation of existing rental housing

