

States and local
affordable housing
Different rules, different roles

Presentation at *Solutions for Working Families*

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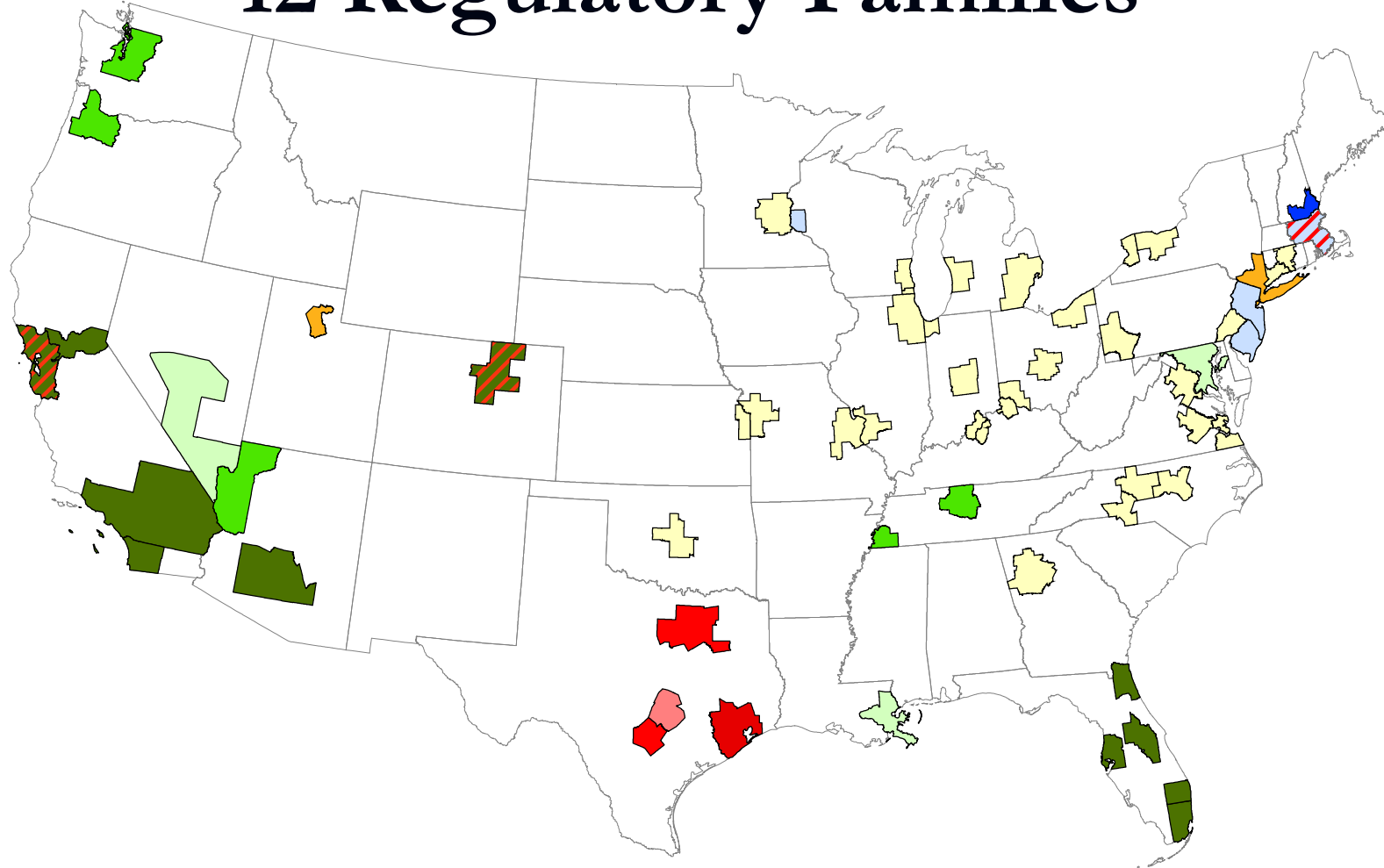
Overview of presentation

- “Families and Orders” of housing regulation in the 50 largest U.S. metropolitan areas
- Regulatory orders and regional opportunity structure
 - “Reform” regions: More expensive (less affordable)
 - “Traditional” and “exclusionary” regions: Concentrated poverty and segregation
 - “Wild Wild Texas”: OK for housing opportunity, but other costs may be high
- Policy implications differ by regulatory order

Surveying local governments

- 2002-2003: Survey of local governments in 50 largest U.S. metropolitan areas (CMSAs)
 - >3000 surveyed
 - >1800 responded
- Questions: Land use regulations, housing programs
- Analysis: Characterizing metro regulatory “orders” and “families”

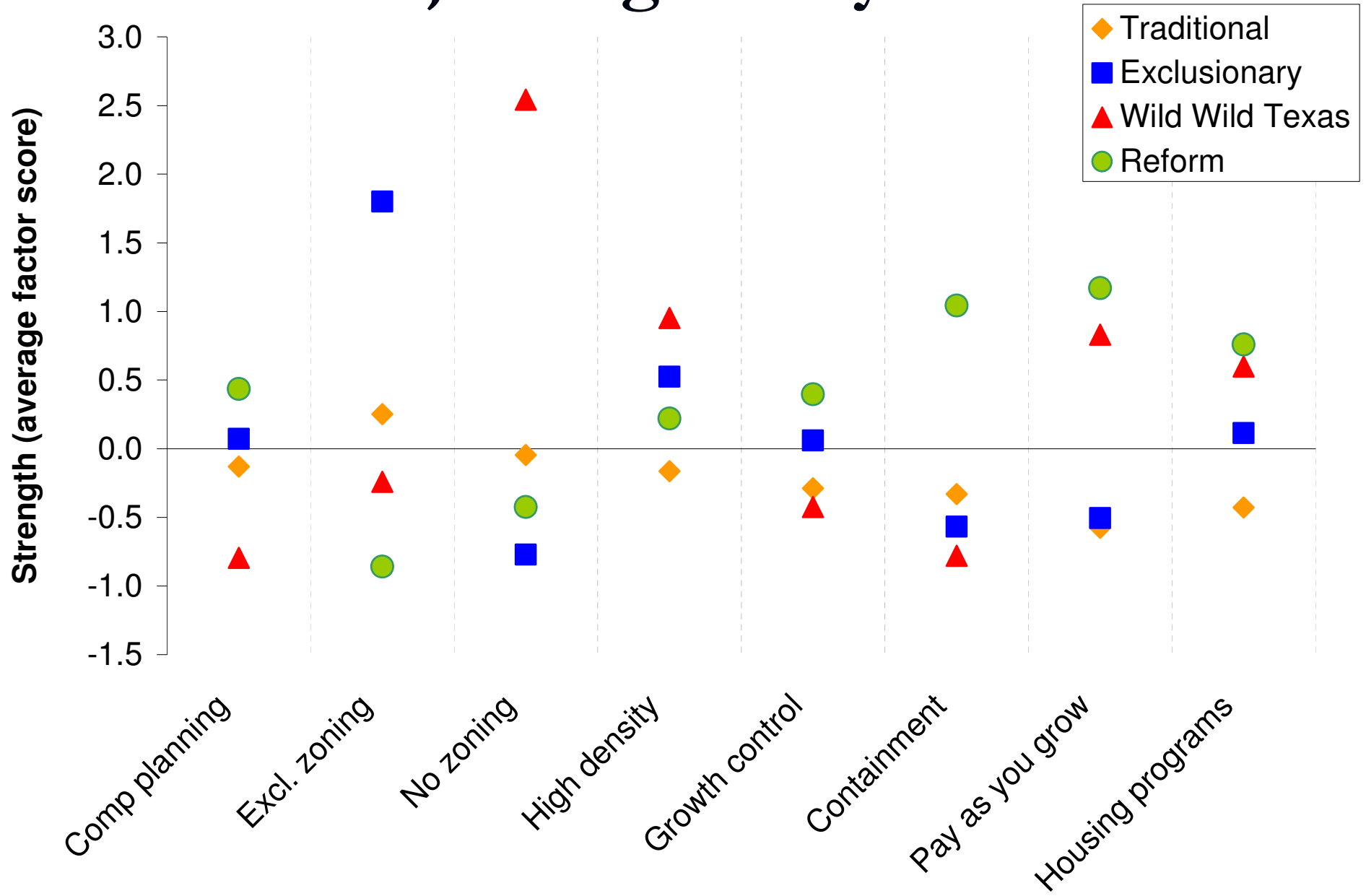
12 Regulatory Families



Orders Families	Traditional	Wild Wild Texas	Exclusion	Reform
	Mid-America	Dal-San Ant	Basic	Growth mgmt
	High density	Houston	Plus restriction	Growth control
		Austin	Extreme	Containment
				Contain-lite

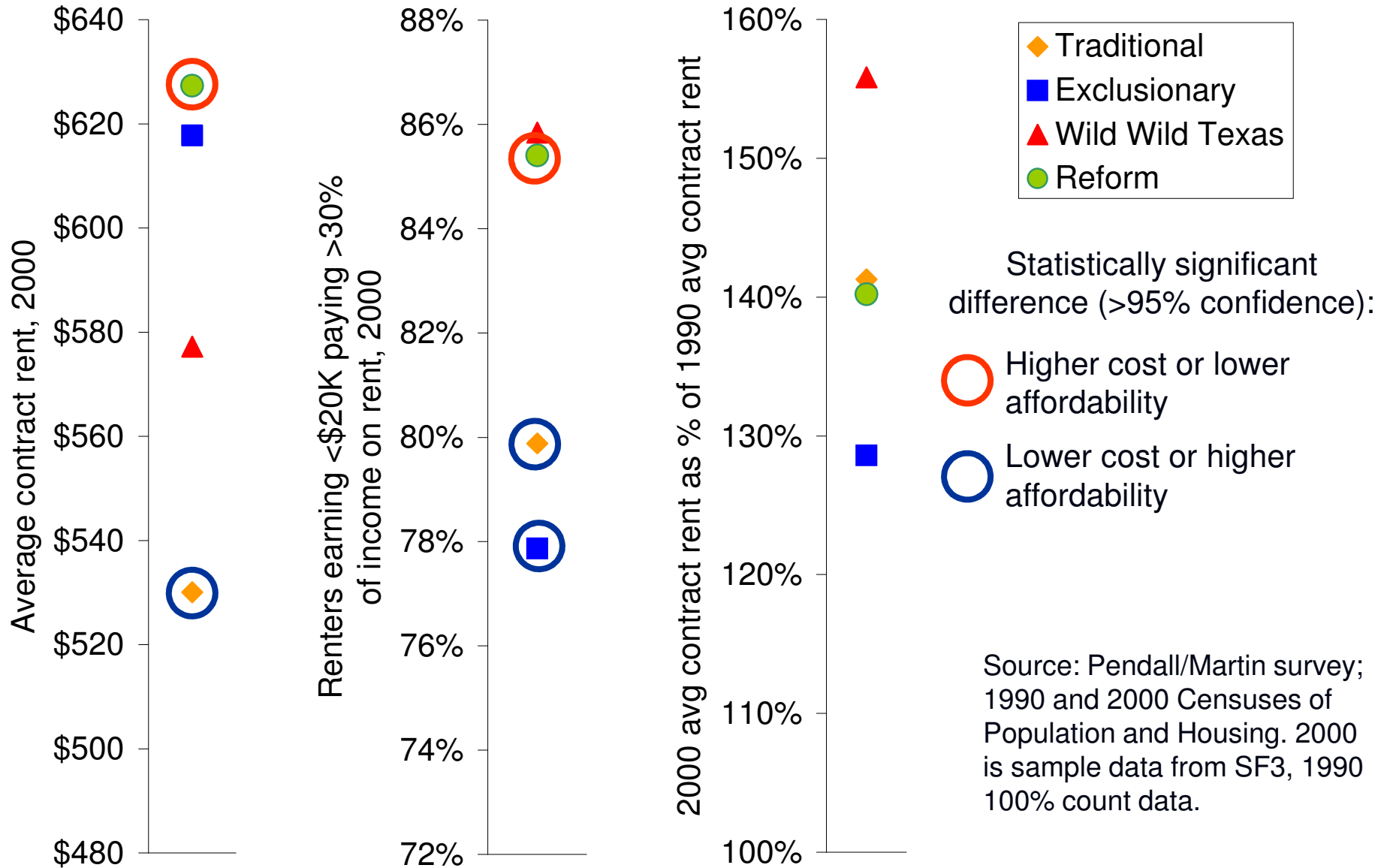
Source: Pendall/Martin survey of local land-use regulations in 50 largest MSAs, 2003

Four Major Regulatory “Orders”



Source: Pendall/Martin survey of local land-use regulations in 50 largest MSAs, 2003

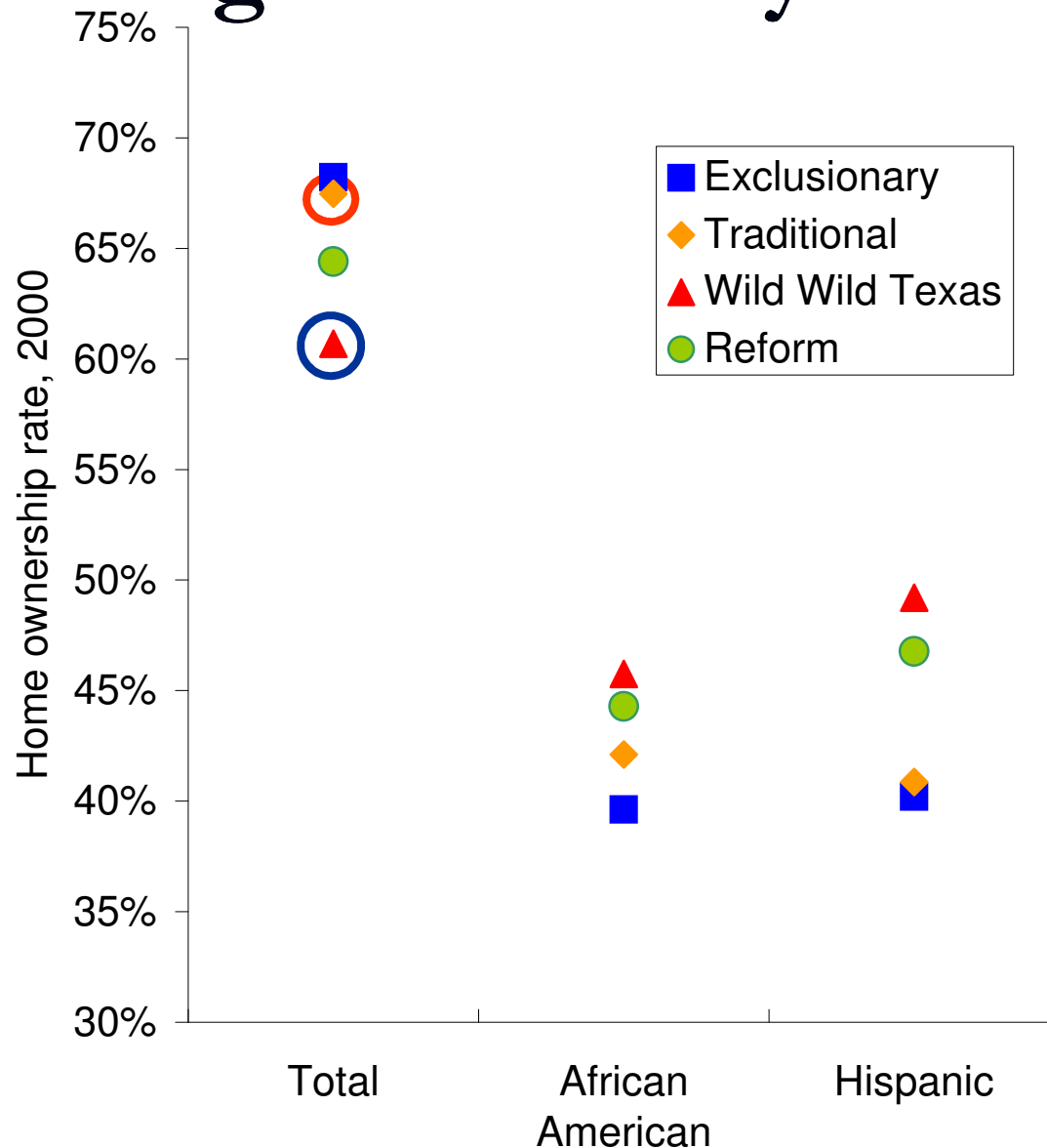
Reform: Less affordable rents



Reform: Higher house values



Wild Wild Texas: Lower white, higher minority* home ownership



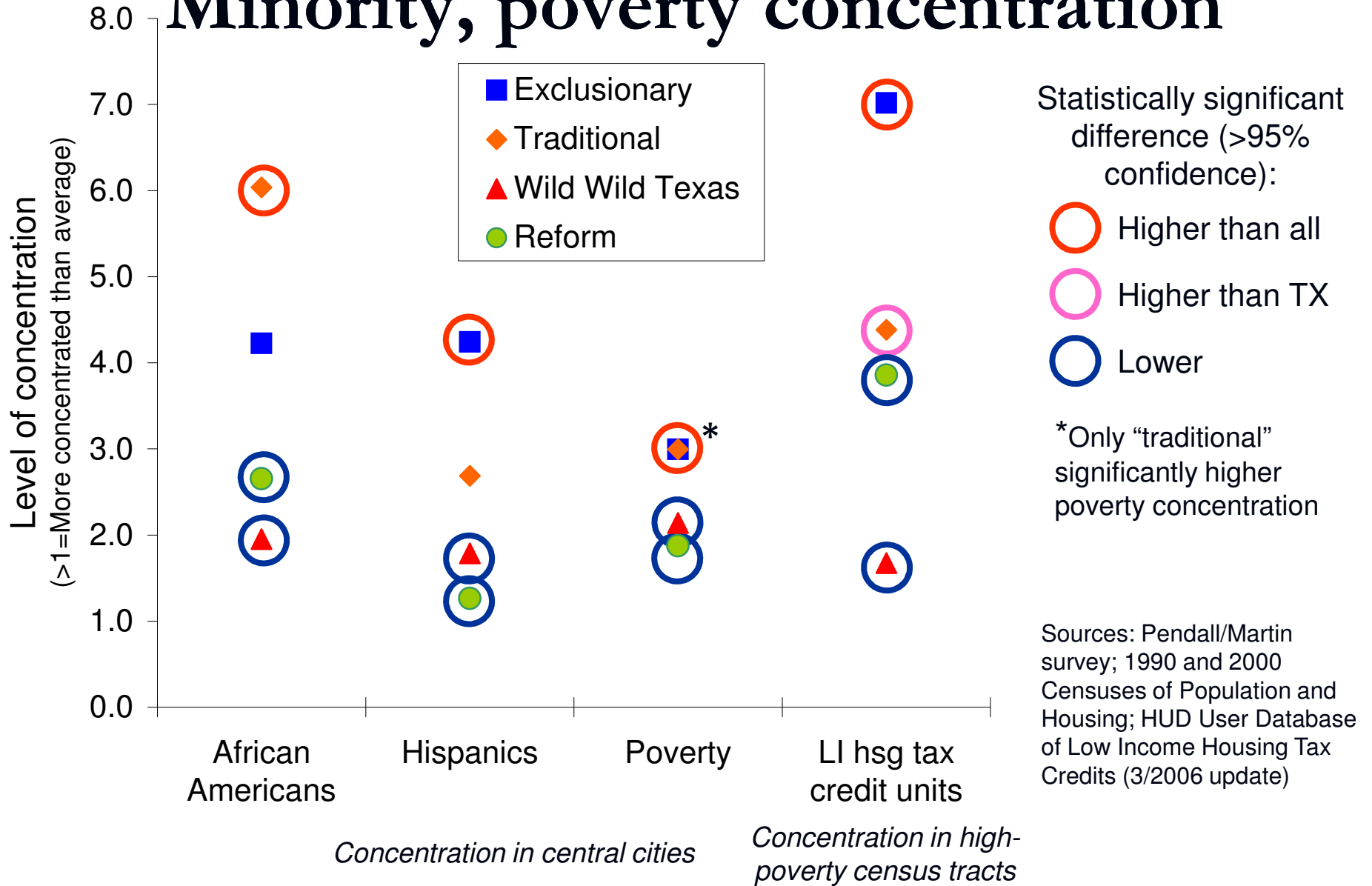
Statistically significant difference (>95% confidence):

- Higher home ownership
- Lower home ownership

*Statistical significance between 80% and 90% compared with exclusionary, traditional regimes

Source: Pendall/Martin survey; 1990 and 2000 Censuses of Population and Housing. Both census years are 100% count data.

Traditional, exclusionary orders: Minority, poverty concentration



Implications: Regulatory Orders and State Housing Policy

- Reform: Build more housing
 - Increase overall supply in all locations, especially near jobs
 - Invest in infrastructure: Sewer, water, transit
- Traditional, exclusionary: Create suburban opportunity
 - Lower suburban barriers to affordable & subsidized housing
 - Reorient tax credit, bond programs → deconcentrate units
 - Invest in infrastructure to support density
- Wild Wild Texas: Protect families from market
 - Guard against overbuilding
 - Protect residents from hazards
 - Improve regulation in unincorporated areas