

Housing and Affordability

Monday, September 28, 2020



VCU

L. Douglas Wilder School of
Government and Public Affairs

Center for Urban and Regional Analysis

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Virginia

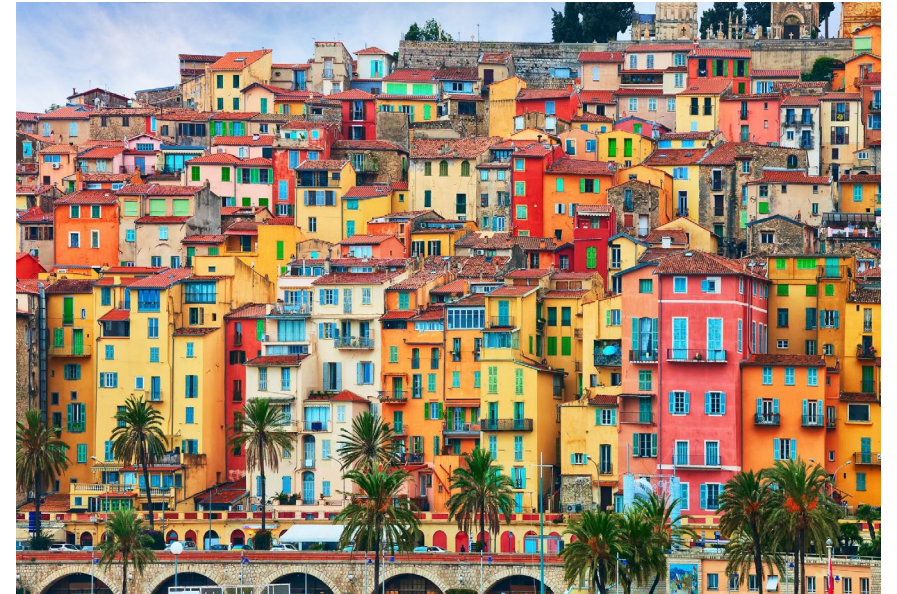


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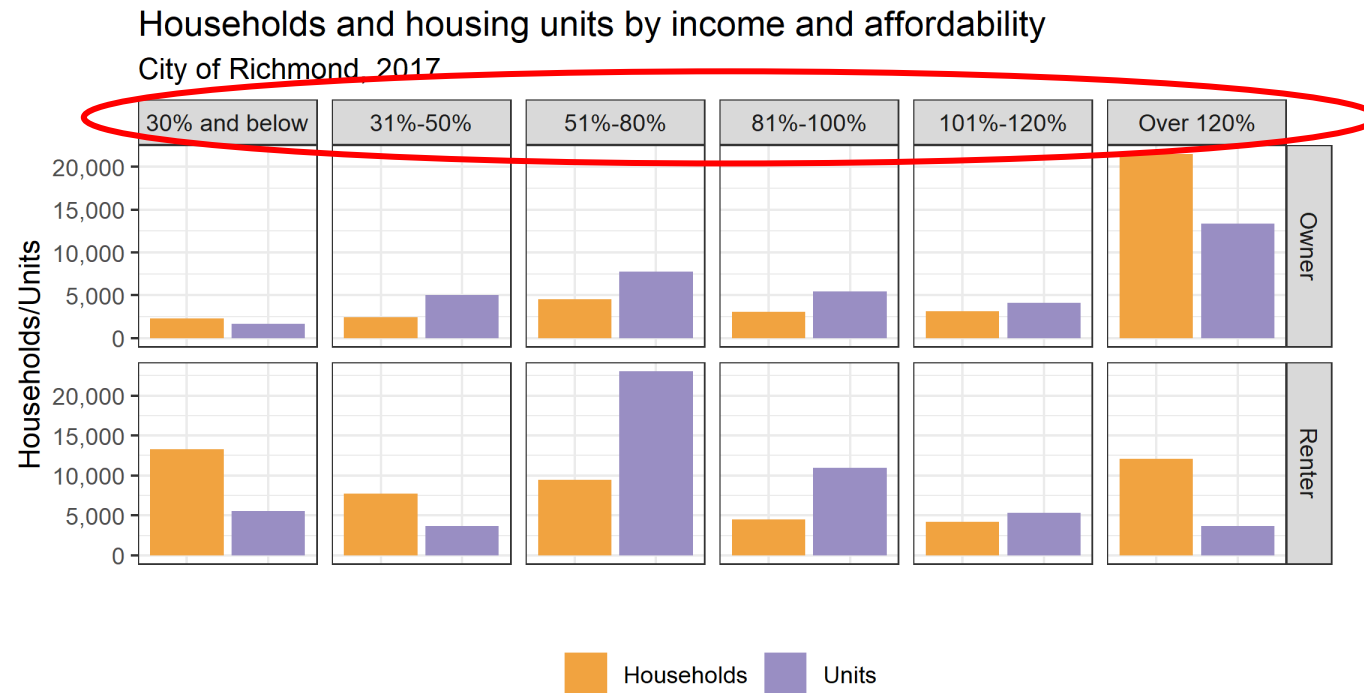
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Defining “Affordable”

- Single Household: 30% of income measure
- Community-wide: relative to median family income



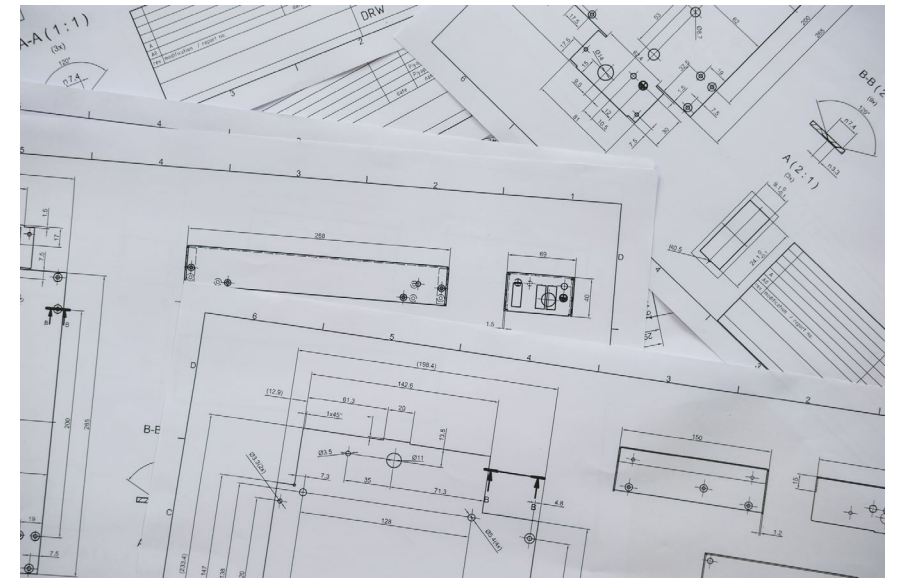
Affordability as percentage of income (AMI)



Sources: U.S. Census Bureau, IPUMS

Community affordability

- Households
 - Income
 - *Number of people*
- Housing units
 - Cost
 - *Number of bedrooms*



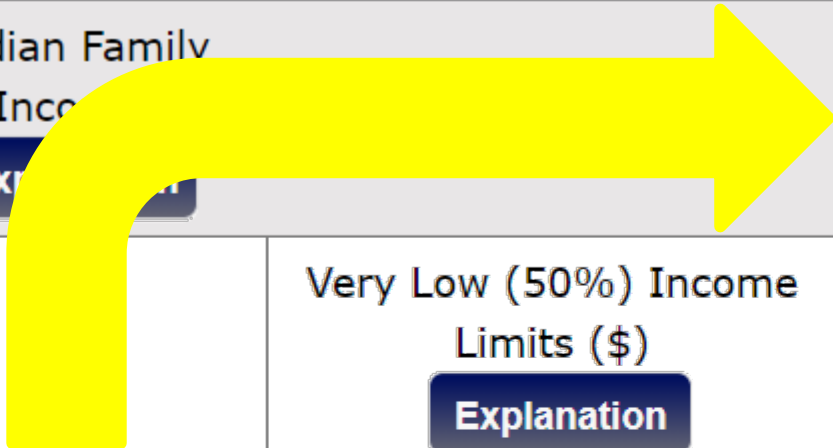
Households and **Weighted** Median Income

Median Family Income Explanation	FY 2020 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
\$89,400	Very Low (50%) Income Limits (\$) Explanation	31,300	35,800	40,250	44,700	48,300	51,900	55,450	59,050
	Extremely Low Income Limits (\$)* Explanation	18,800	21,450	24,150	26,800	30,680	35,160	39,640	44,120
	Low (80%) Income Limits (\$) Explanation	50,050	57,200	64,350	71,500	77,250	82,950	88,700	94,400

Households and **Weighted** Median Income

Median Family Income	Persons in Family							
	70%	80%	90%	100%	108%	116%	124%	132%
Extremely Low Income	1	2	3	4	5	6	7	8
Very Low (50%) Income Limits (\$)	31,300	35,800	40,250	44,700	48,300	51,900	55,450	59,050
Extremely Low Income Limits (\$)*	18,800	21,450	24,150	26,800	30,680	35,160	39,640	44,120
Low (80%) Income Limits (\$)	50,050	57,200	64,350	71,500	77,250	82,950	88,700	94,400

\$89,400



Housing Units and Cost

- Unit affordability is cost relative to AMI
- $(\text{Monthly rent} * 12) / 0.30 = \text{Annual Income Needed}$
- $\text{Income needed} / \text{AMI} = \% \text{ AMI}$
- Example:
 - $\$1,200 * 12 = \$14,400$
 - $\$14,400 / 0.30 = \$48,000$
 - $\$48,000 / \$89,400 = 53.7\% \text{ AMI}$

Housing Units and **Weighted Cost**

- Comparison median adjusted based on # of BR
 - 1 BR = MEDIAN INCOME * 0.70
 - 2 BR = MEDIAN INCOME * 0.75
 - 3 BR = MEDIAN INCOME * 0.90
 - 4 BR = MEDIAN INCOME * 1.04
- Example: 1 Bedroom Apt.
 - \$1,200 * 12 = \$14,400
 - \$14,400 / 0.30 = \$48,000
 - \$48,000 / (\$89,400 * 0.70) = 76.7% AMI

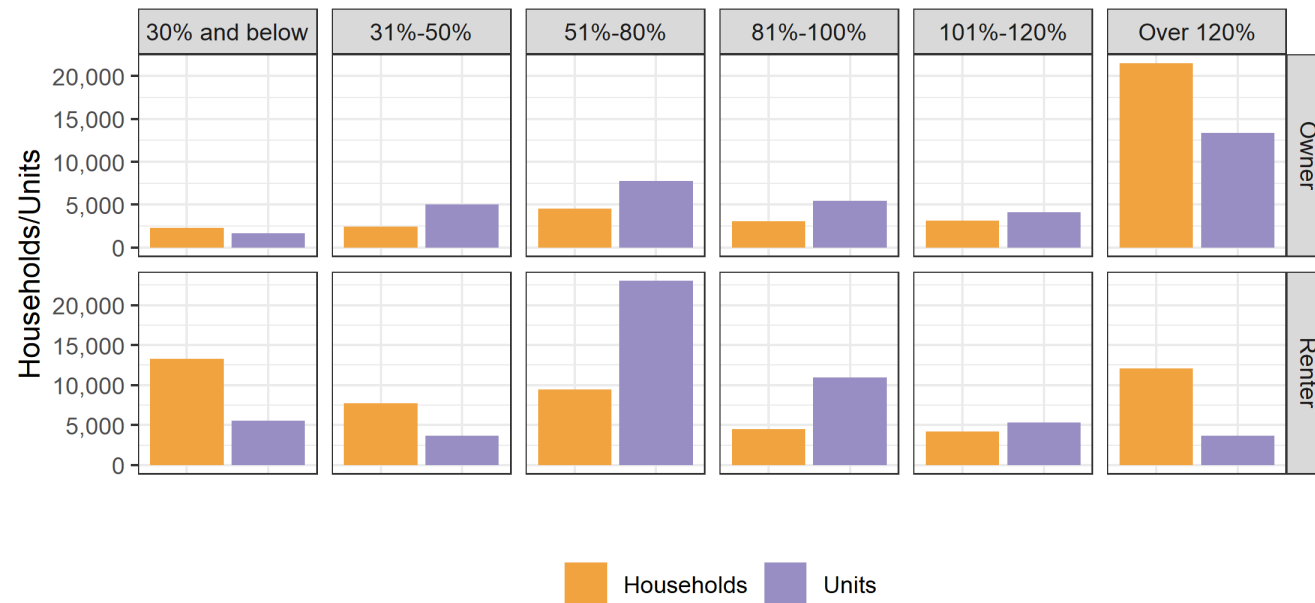
Housing Units and **Weighted Cost**

- **Weighting avoids classifying all small units as affordable**
- **\$1,200 unit**

Number of Bedrooms	Affordable at X% AMI
1	76.7%
2	71.6%
3	59.7%
4	51.6%

Comparing Apples to Apples

Households and housing units by income and affordability
City of Richmond, 2017



Sources: U.S. Census Bureau, IPUMS

Data – Where to Find It?



Basic crosstabs: HUD CHAS data

Please Select Data Year

2013-2017

Please Select Geographic Summary Level

State

Please select State/States

Virginia x



Displaying data for Virginia
Year Selected: 2013-2017 ACS

Income Distribution Overview	Owner	Renter
Household Income \leq 30% HAMFI	124,720	226,610
Household Income $>30\%$ to $\leq 50\%$ HAMFI	153,900	167,675
Household Income $>50\%$ to $\leq 80\%$ HAMFI	239,265	184,755
Household Income $>80\%$ to $\leq 100\%$ HAMFI	190,980	115,240
Household Income $>100\%$ HAMFI	1,346,205	356,285
Total	2,055,075	1,050,565

More detailed data modeling: PUMS

- Pros:
 - Custom crosstabs
 - Extra detail
- Cons:
 - Not intuitive
 - Specialized software
 - Limited to large geographies



Alternatives to data.census.gov

- NHGIS



- R and tidycensus

```
1 library(tidycensus)
2 library(tidyverse)
3
4 get_acs(geography = 'county',
5         table = 'B01001',
6         year = 2018,
7         state = 51,
8         county = 760)
```

```
Getting data from the 2014-2018 5-year ACS
# A tibble: 49 x 5
  GEOID NAME          variable estimate moe
  <chr> <chr>          <chr>      <dbl> <dbl>
1 51760 Richmond city, Virginia B01001_001 223787 NA
2 51760 Richmond city, Virginia B01001_002 106222 108
3 51760 Richmond city, Virginia B01001_003 6908 44
4 51760 Richmond city, Virginia B01001_004 5340 374
5 51760 Richmond city, Virginia B01001_005 5244 374
6 51760 Richmond city, Virginia B01001_006 2741 37
7 51760 Richmond city, Virginia B01001_007 3934 121
8 51760 Richmond city, Virginia B01001_008 2065 362
9 51760 Richmond city, Virginia B01001_009 1891 295
10 51760 Richmond city, Virginia B01001_010 5682 481
# ... with 39 more rows
>
```

Questions

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Affordable Housing 101

APA Virginia Webinar
Monday, September 28, 2020



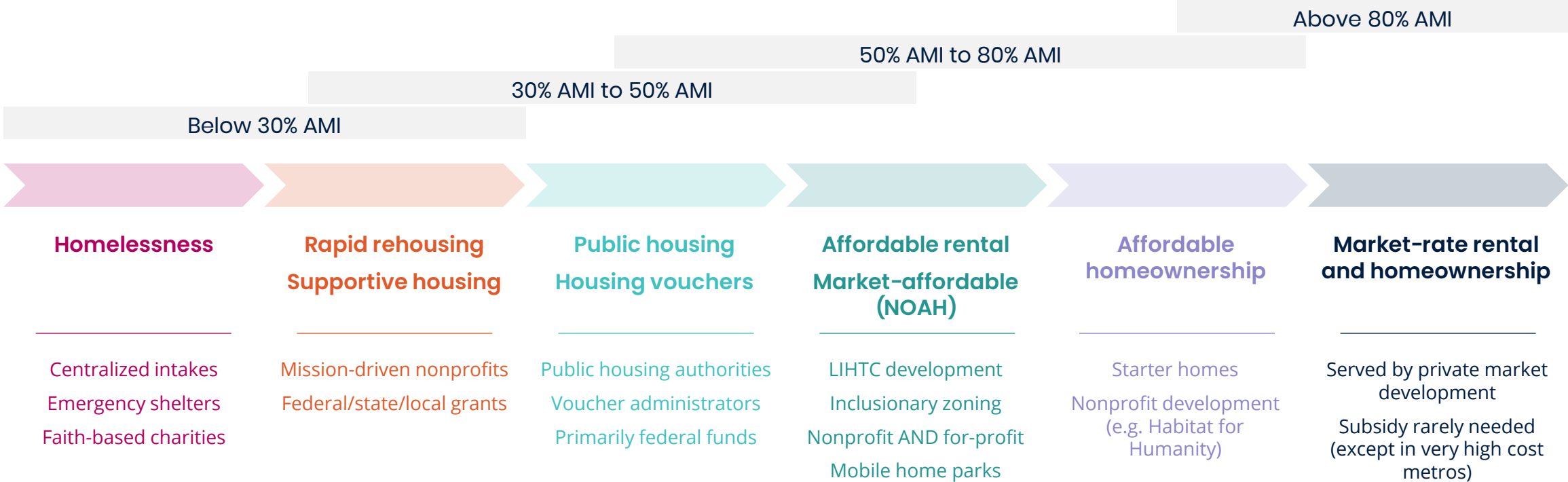
Formerly  HOUSING VIRGINIA

The text "Formerly" is in a light grey font. To its right is a stylized orange and yellow logo consisting of a downward-pointing chevron shape with a small grid of four squares at its base. To the right of this logo, the words "HOUSING VIRGINIA" are written in a light grey, all-caps font.

The Housing Spectrum

And why it matters

The Housing Spectrum



How do we do it?

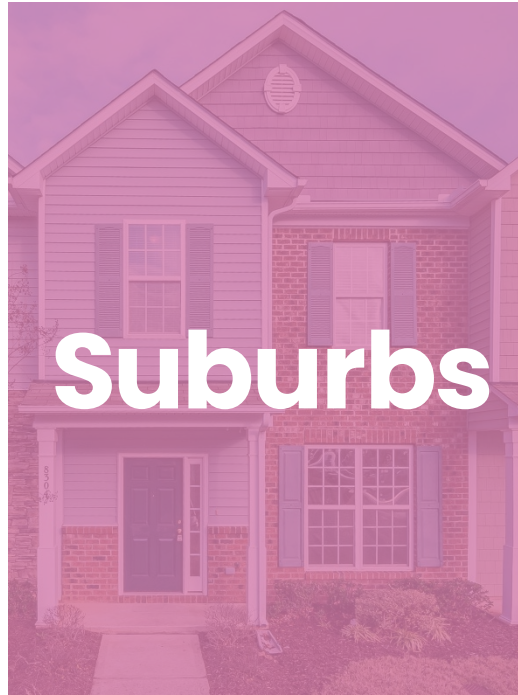
“Make affordable housing”

- Zoning reforms
- Public housing
- Subsidy, incentives, tax credits
- Nonprofit development
- Alternative tenure models

“Make housing affordable”

- Tenant-based rental assistance
- Rent control
- Living wage
- Homebuyer grants/assistance
- Rehab/weatherization

Importance of regionalism

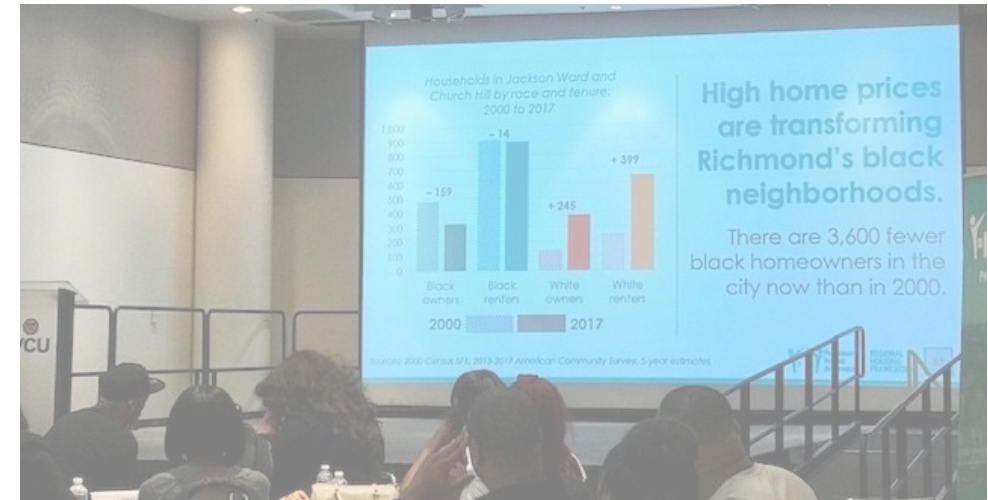


CASE STUDY:



**REGIONAL
HOUSING
FRAMEWORK**

1. Clear off the drawing board
2. Solutions menu — with priorities
3. Carrying momentum



Trends we're watching

COVID-19 and its ripple effects

Housing instability

Confusing eviction guidelines

Renters hardest hit by job losses

Scram to the suburbs?

The plural of anecdote is not data

[Zillow Research, August:](#)

“no disproportionate strengthening of suburban markets”

Rethink what a home does

Accessory dwelling units (ADUs) for:

- Quarantine
- Work from home
- Learn from home

Industry resiliency

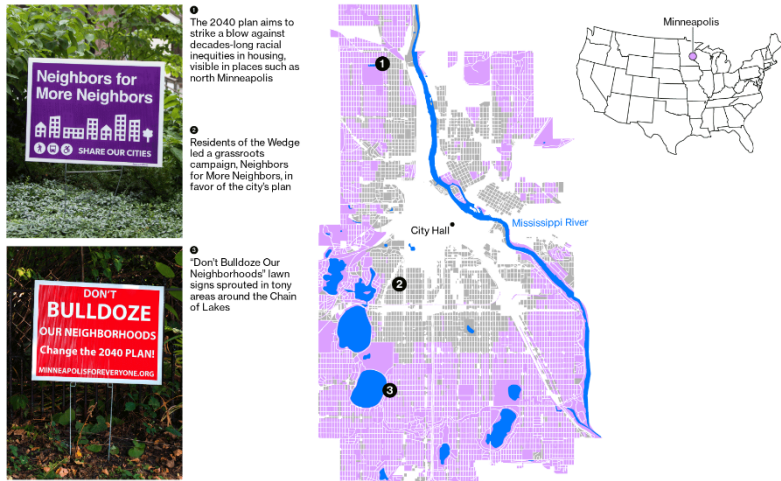
Nonprofits worried about long-term sustainability

Material and labor costs higher than ever

Zoning paradigm shifts

Minneapolis Has a Grand Plan to Make Housing More Affordable

70% of the city's residential land is zoned for single-family homes
 ■ Single-family detached homes only ■ All other residential □ Commercial and other



Data: UrbanFootprint, Hennepin County, U.S. Census Bureau. Photos from top: Lacey Young/Minnesota Public Radio; Courtesy Tony Webster

Housing in Brief: Portland Just Ended Single-Family Zoning

NEXT CITY AUGUST 14, 2020



(Photo by Sightline Institute: Missing Middle Homes Photo Library / CC BY 2.0)

Virginia won't legalize duplexes statewide this year, but the urgency remains

ZONING OPINION By Alex Baca (Housing Program Organizer) January 24, 2020 17



Single-family house by bruce.bentley licensed under Creative Commons.

Evolution of NIMBYism



Building successful messages

1. Avoid backfires

A message **backfires** when it reinforces the audience's existing biases, rather than changing them ...*even when contradictory evidence is provided.*

2. Set the frame

Frames are sets of choices about how information is presented.

Effective framing requires:

- Knowing what to lead with
- Selecting words that “fit your frame”
- Choosing what to leave unsaid

3. Build a story

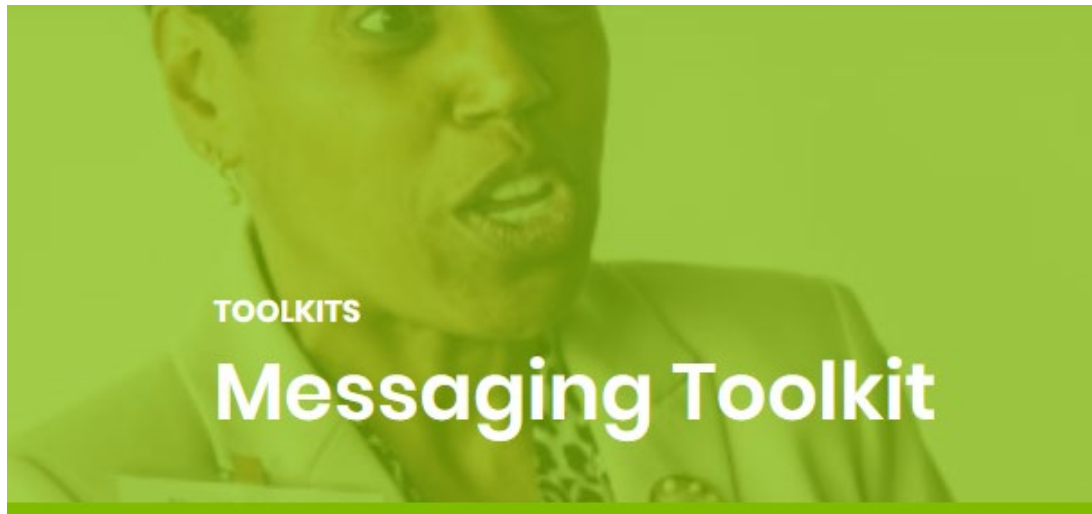
Values-based messaging, e.g.:

- *Fairness across places*
- *Regional interdependence*

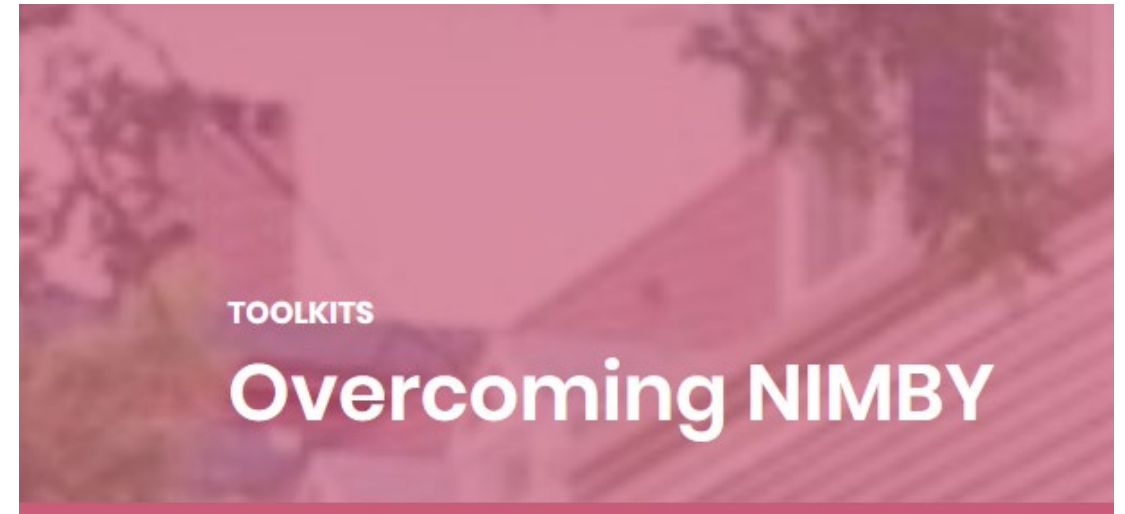
Explanatory chains:

- Complete missing links

Learn more:



housingforwardva.org/toolkits/messaging-toolkit



housingforwardva.org/toolkits/overcoming-nimby

Join in:



Some Assembly Required

A Virtual Conference on Virginia's
Manufactured Home Communities

Oct 5 – Oct 9

mhccv.org/event/symposium-2020

Virginia Governor's Housing Conference

Nov 18 – Nov 20

vaghc.com

Thank you!

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