We affirm.

Our sole contention is the *Housing Nightmare.*

Zaterman '17 of the US Senate Committee on Finance describes that there are 35 affordable rental homes for every 100 low-income renters, leaving a shortage of 7.4 million affordable homes. Newman '16 of the Journal of Urban Design writes that 16.7% of land in urban areas across the country is vacant, locking away our cities' potential for development. Unfortunately, Calder '17 of CATO writes that government regulations constrain land-use, impose overbearing developmental standards, and create approval processes that prevent developers from building more houses, finding that each regulation increases rent prices by 2.3%. Indeed, Molloy of the National Bureau of Economic Research '14 quantifies that a one standard deviation reduction in the level of regulation increases construction 11 percent, and reduces housing prices 22 percent. Overall, Feldman '18 of the Star Tribune concludes that to promote market-rate housing, the government would relax regulations to facilitate the building of new homes.

Promoting the development of market-rate housing would close the current housing gap in four ways.

First, by *Filtering.*

Taylor '16 of the LAO writes that new housing, even if luxury housing, becomes cheaper and depreciates as time passes. And even if these new homes never filter down, O'Regan '17 of the Furman Center writes that the addition of new, luxury housing prompts older homes to depreciate in value, becoming accessible to the poor. Indeed, Been '17 of New York University quantifies that filtering is the primary source of affordable rental supply, with 45% of low-income housing actually being filtered down during the last three decades. Thus, adding housing supply now allows for accessible housing in the future.

Second, by *Segregating the Market.*

O'Regan '17 of the Furman Center writes that poor families are forced to compete with wealthier individuals for the same houses because of the shortage of market-rate housing. Hendey '14 of the Urban Institute quantifies that two-thirds affordable housing units are inhabited by people of higher incomes instead of those who actually need these homes. Developing market-rate housing would stop the bidding war between the rich and poor that the poor lose every time. For example, Hobbes '18 of the Huffington

Post writes that in Seattle, rents fell by 1% after the city added 10,000 luxury apartments.

Third, by *Ending Manipulative Monopolization.*

Cosman '18 of the Carey Business School outlines that the housing market has monopolized, with the number of firms in the market declining by 24% since 2006, and in 60% of the country, the market is considered highly concentrated. Unfortunately, Painter '18 of the LA Times writes that half of the increase in prices of homes is driven by this consolidation of the market because monopolies are jacking up prices without building homes. Rodda '06 of the U.S. Department of Housing explains that excessive regulation costs act as barriers to entry for new firms, preventing competition. However, by repealing regulations new firms would enter the market increasing competition and construction. Overall, Cosman concludes that allowing competition would result in the building of 681,000 additional homes.

Fourth, by *shifting construction priorities*.

Jacobus '17 of ShelterForce writes that current caps on production of housing incentivize construction companies to only build luxury housing because they make the most money on the limited available land. However, he furthers that demand for luxury housing is nearly fulfilled, so any increase in development of market-rate housing would prompt developers to build homes for low-income residents instead. Indeed, Anderson '18 of Grinnell College finds affordable housing is attracting investors because affordable housing properties tend to produce consistent, steady income from rents. Thus, Droes '17 of the Amsterdam Business School quantifies that a 1% increase in housing supply decreases prices by 1.5%.

The impact is *alleviating housing poverty*.

Clein '18 of the Nation quantifies that over 20 million people live housing poverty. As a result, these individuals are left with a heartbreaking decision: either

A. risk eviction, thereby losing their home and plunging their entire family into homelessness, or

B. forgo basic necessities like food and medicine, thus living with the constant fear that every day could be their last.

Empirically, Durning of the Sightline Institute ‘17 finds that cities all across the country which have focused on new construction rather than regulation, like Houston, Atlanta, Charlotte, and Las Vegas, have all built their way to affordable housing.

To end the housing crisis, we affirm.

AFF:

Observation:

Newman ‘16 - 16.7% of land is vacant
Emrath ‘18 - regulations prevent future development, ⅓ of the cost of a house comes from regulations
Calder ‘17 - long approval processes, much too high developmental standards, etc. → prevent more market rate housing; each regulation increases rent by 2.3%
Feldman ‘18 - deregulation = promotion of market rate housing

C1: Supply

Zaterman ‘17 - 35 affordable units for every 100 low income renters - shortage of 7.4 million affordable homes.
WashPo - supply of affordable housing fell by 60% from 2010 to 2016

Affirming increases market supply:

1. Luxury homes filter down

Taylor ‘16 LAO -- “Luxury” homes built 25 years ago are now considered middle income -- our perceptions of homes change
Been ‘17 NYU -- 45% of low income rental centers were once considered high income

2. Luxury homes segregate the market and reduce competition between rich/poor

Walker ‘16 - affirming segregates the market btwn rich/poor
Cort ‘15 - half of affordable housing units house people of higher incomes instead
Hobbes ‘18: In Seattle, rents fell by 1% after the city added 10,000 new apartments. For the most part, these were high-end apartment, but prices still went down because it segregated the market.

3. Monopolization

Cosman ‘18 - 24% reduction in number of firms, consolidation
Painter - 50% of the increase in prices is because of monopolization
AFF solves --
Metcalf ‘18 - regulations serve as barrier to entry
Cosman ‘18 - 681,000 more houses if not regulated

4. Poor people homes are built

Jacobus ‘17 - artificial caps due to regulation means developers only build luxury homes in the squo → affirming revamps this dynamic and encourages them to build middle-income housing
Anderson ‘18 Grinnell College - affordable housing looks better to investors because consistent revenue flows
Droes ‘17 - 1% increase in supply = 1.5% decrease in price of housing

5. Inclusionary Zoning → mandates # of houses

Schneider ‘18 Columbia - building more MRH houses mandates the building of affordable housing under inclusionary zoning laws, 80% of these laws are mandatory
Hollingshead ‘15 - doubles number of affordable housing
Schwartz ‘14 - deconcentrates poverty and gives people access to better schools, etc

! = affordability

Decreases displacement
Clein ‘18 - 20 mil who can’t afford housing now

People eventually will be homeless -- not enough houses being built squo
CBS ‘19 -- should be 3 million homes built every month, there are only 1.9 million

7.4 million shortage of affordable rental homes.

Zaterman of the US Senate Committee on Finance "Only 35 Affordable and Available Rental Units Exist for Every 100 Extremely Low Income Renter Households – Ministry of Public Witness" // AK http://www.pachurchesadvocacy.org/only-35-units-every-100-low-income-renters/

In fact, according to NLIHC's report, there are only 35 affordable and available units for every 100 ELI renter households. This means that there is a shortage of 7.4 million affordable rental homes for the 11.4 million ELI renter households. Consequently, 71% of ELI renter households are paying more than half their income on housing costs. Households paying so much of their income on housing are defined as severely cost-burdened, while households that spending more than 30% of their household income on housing costs are called cost-burdened, as the report's graph shows. While the hardship is more acute for severely cost burdened households, both groups are left struggling to pay for other basic necessities such as food, medicine, and transportation.

Aurand, Andrew. March 2018. https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2018.pdf

Higher income households can occupy rental homes in the private market that are affordable to lower income households, making them unavailable for households with lower incomes. Rental homes are both affordable and available at a particular level of income if they are affordable to households with incomes below the defined income level and are currently vacant, or occupied by a household with income below the defined income level. Of the 7.5 million affordable rental homes for extremely low income households, 3.5 million are occupied by higher income households, making them unavailable to extremely low income renters. As a result, four million affordable and available rental homes exist for the 11.2 million extremely low income renter households. This results in a shortage of approximately 7.2 million affordable and available rental homes for extremely low income households, or only 35 for every 100 extremely low income renter households.

Been '17| Filtering works – 45% of affordable houses were previously higher income

Been, Vicki, NYU Furman Center, Supply Skepticism: Housing Supply and Affordability, October 26, 2017 // EK

http://www.law.nyu.edu/sites/default/files/Been%20Ellen%20O'Regan%20supply_affordability_Oct%2026%20revision.pdf

Empirical research shows that filtering is not just a theory posited on the pages of economic textbooks, **but it in fact occurs in real housing markets. Weicher, Eggers, and Moumen (2016) report that 45 percent of the rental units that were affordable to very lowincome renters in the U.S. in 2013 had filtered down from owner-occupied or higher rent categories in 1985. Another 21.8 percent were conversions from formerly owner-occupied homes or seasonal rentals. 8 Note that filtering occurs over a shorter time frame too; among affordable units in 2013, 19 percent had been higher rent units as recently as 2005. Most of the higher priced rental units that filtered down to become affordable in 2013 were moderate rent units in 1985, but 15 percent of those that filtered down were high-rent units in 1985.9 Recent work from Harvard's Joint Center for Housing Studies on additions to the rental stock between 2003 and 2013 confirms this pattern: while new construction was the largest contributor for the higher priced rentals, and tenure conversion was the largest source for moderately priced rentals, filtering was the primary source for additions to the affordable rental stock** (Joint Center for Housing, 2015, figure 14).

Michael Hobbes. "America's Housing Crisis is a Ticking Time Bomb." Huffington Post. June 19 2018. https://www.huffingtonpost.com/entry/housing-crisis-inequality-harvard-report_us_5b27c1f1e4b056b2263c621e // AK

The Harvard report noted that the only American cities where rent growth slowed down last year were those that added more new apartments than new renters. **In Seattle, rents fell by 1 percent last year after the city added an estimated 10,000 new apartments, almost doubling its previous construction record. From 2015 to 2017, when the city was adding fewer units, rents went up 5 percent every year. Even though most of the new apartments were high-end studios and one-bedroom units, the extra supply absorbed enough of the city's new residents to ease pressure on the rest of the market.** But while building more homes in growing cities is a necessary condition for solving the housing crisis, it is not a sufficient one, Madden said. Rents are still unbearably high, and the costs of building show no sign of coming down. The market simply isn't supplying homes for middle-class residents anymore. The only way to bridge that gap is for cities to deliberately build, fund, preserve and encourage affordable housing.

Luxury housing becomes affordable in just 25 years.

Taylor, M. (2016). Perspectives on Helping Low-Income Californians Afford Housing. Sacramento, CA: Legislative Analyst's Office, 2100.

New housing generally becomes less desirable as it ages and, as a result, becomes less expensive over time. Market-rate housing constructed now will therefore add to a community's stock of lower-cost housing in the future as these new homes age and become more affordable. Our analysis of American Housing Survey data finds evidence that housing becomes less expensive as it ages. Figure 1 (see next page) shows the average rent for housing built between 1980 and 1985 in Los Angeles and San Francisco. These housing units were relatively expensive in 1985 (rents in the top fifth of all rental units) but were considerably more affordable by 2011 (rents near the median of all rental units). *Housing that likely was considered "luxury" when first built declined to the middle of the housing market within 25 years.*

Benjamin Schneider (Columbia University) "CityLab University: Inclusionary Zoning" July 17, 2018
https://www.citylab.com/equity/2018/07/citylab-university-inclusionary-zoning/565181/
But producing affordable housing is not IZ's only goal. It was developed in the U.S. in the 1970s in response to the widespread trend of "exclusionary zoning" (also sometimes known as "snob zoning"), which includes zoning practices like mandating minimum lot sizes and other legal loopholes advocated by NIMBYs who seek to prevent the construction of affordable housing in their neighborhoods. In this way, IZ is a tool of desegregation, forcing wealthy people to live cheek-by-jowl with lower-income residents, and improving the latter's prospects for upward mobility. HOW IT WORKS **Inclusionary zoning requires or incentivizes private developers to designate a certain percentage of the units in a given project as below market rate (BMR)—cheaper than their value on the market, and often less than the price of producing them. (The large majority of IZ programs are mandatory—80 percent of them according to one study.)** The proportion of BMR units a developer must build usually depends on the size of the project: In many cities, projects with fewer than ten units do not trigger IZ requirements, while projects with hundreds of units might have steeper requirements, proportionally, than a project with 50

Laura Kusisto (Wall Street Journal) "New Luxury Rental Projects Add to Rent Squeeze" May 20, 2015
https://www.wsj.com/articles/new-luxury-rental-projects-add-to-rent-squeeze-1432114203
Mr. Randall's shift from moderately priced to luxury apartments is emblematic of a broader trend taking place in cities across the U.S.—and partly explains why apartment rents are climbing at a rapid pace. **Of 370,000 multifamily rental units completed from 2012 to 2014 in 54 U.S. metropolitan areas, 82% were in the luxury category**, according to CoStar Group Inc., a real-estate research firm. The firm defines luxury buildings as those that command rents in the top 20% of the market. In some places, including Denver, Tampa, Baltimore and Phoenix, virtually all new apartment construction has been targeted to high-end renters. In Atlanta, about 95% of new apartments have been in the luxury category. "I don't believe there ever has been a time where we have produced so much luxury rental housing," said Susan Wachter, professor of real estate at The Wharton School of the University of Pennsylvania. While these new buildings are priced for the affluent, many middle-class and young workers are straining to rent the units, in part because they have few others choices.

Bendix Anderson (Grinnell College) "The Appeal of Affordable Housing to For-Profit Investors" May 27, 2018
https://www.nreionline.com/multifamily/appeal-affordable-housing-profit-investors
For-profit investors continue buying up apartment properties with relatively low rents, including those originally built through government-subsidized affordable housing programs. **"There is growing investor interest in lower-price-point product, whether the properties are part of an affordable housing program or are just market-rate**

projects at the lower end of the price spectrum," says Greg Willett, chief economist with RealPage, a provider of property management software. Some of these investors are hoping to raise the rents, but many are satisfied to keep these apartments relatively affordable. **That's because affordable housing properties tend to produce consistent, steady income from rents. In many markets, they are fully-occupied, dependable performers and can often be safer investments than conventional, class-A apartment buildings.** "Given where we are in the current cycle, with pricing pushed so high for top-tier product, especially in coastal markets, return for those premium properties now isn't necessarily greater than is achievable in the affordable-product niche," says Willett.

Ethan **Elkind**,2 -7-**2018**, New Market-Rate Housing Reduces Displacement & Gentrification Pressure, ColoradoBoulevard.net, https://www.coloradoboulevard.net/new-market-rate-housing-reduces-displacement-gentrification-pressure/,//ZS

But the **study also indicates that new market-rate housing may have three primary benefits for low-income tenants**: **It can reduce displacement pressure overall** (although less so than new affordable units). **This housing stock eventually "filters" over the coming decades into low-income housing, as it gets older and therefore less desirable to higher-income earners. As a result, it provides an investment in the unsubsidized housing of the future (most low-income residents live in market-rate housing, not subsidized units). New market-rate development can provide local governments with the revenue they need to fund new subsidized units, via impacts fees, inclusionary zoning, or higher tax revenue.** There's no denying that displacement is a genuine concern, and policies to promote new housing need to take that concern into account. But opposing new market-rate housing, particularly near transit, is not a solution. In fact, it's part of the problem.

Cosman '18 - 24% reduction in firms, 60% of market highly concentrated

Cosman, Jacob. 2018. https://docs.wixstatic.com/ugd/5fcb6a_0ce1861c297f46b5b612ac9932478f40.pdf //TP

Under this set of assumptions, the median number of firms accounting for 90% of production across all markets in the United States from 2006 through 2015 fell from 6.25 to 4.78 — i.e., a decrease of 24%. Weighting the markets by pre-period population (as measured in the 2015 five-year American Community Survey estimates) does not appreciably alter this result. Table 7 shows the predicted impact on markets across the United States at the quartiles of the distribution of predicted levels of 2006 competition. All changes in outcome variables are relative to the predicted levels of 2015 competition. As shown, the impact is relatively uniform across the distribution of competitive intensity.

Housing production is highly concentrated in local markets. For example, in our sample3 , Baker Residential built 37% of all new housing units in Bayonne, NJ and Technical Olympic built 47% of all new housing units in Centreville, VA, between 2005 and 2016. Moreover, market concentration is rising over time. The Craftmark Group was responsible for 3% of new units in Annapolis, MD between 2005 and 2007 but 43% of new units between 2014 and 2016 and Baker Residential built no units in Middletown, NY between 2005 and 2007 but 37% of new units between 2014 and 2016. Figure 1 shows the high concentration in the local housing markets in our sample. Over the sample period, the share of production by the largest firms in each market increased and the number of firms producing 90% of all new units decreased. By 2016, in the most concentrated quartile of all markets, two or fewer firms produced at least 90% of all new housing. Figure 2 shows the distribution of Herfindahl indices across markets in the sample as of 2006 and in 2015**. For regulatory purposes the United States Department of Justice and the Federal Trade Commission deem any market with a Herfindahl index between 1500 and 2500 to be "moderately concentrated" and a Herfindahl index in excess of 2500 to be "highly concentrated" (U.S. Department of Justice and Federal Trade Commission, 2010). As shown, the entire distribution of Herfindahl indices has shifted towards higher concentration during this period. By 2015 60% of markets surpassed the "highly concentrated" threshold. Mart´ın and Whitlow (2012) note that this shift is a relatively new phenomenon from the 2000s onwards. Three changes to the national environment have contributed to the increase in market concentration over this period:**

Gary Painter, latimes, 10-31-2018, No, rent control doesn't always reduce the supply of housing, https://www.latimes.com/opinion/op-ed/la-oe-painter-rent-control-economist-20181031-story.html, 2-26-2019, AK

"A recent paper shows that, **compared to the composition of the home building industry in 2006, there are 24% fewer firms accounting for 90% of the building nationwide. The study further suggests that about half of the increase in housing prices over the last decade can be attributed to industry consolidation among home builders."**

This is because, as Rangan of the University of Massachusetts '17 explains, government regulations on housing, like zoning laws, rent control, and other land-use regulations make the prospect of new construction cost-prohibitive, disincentivizing developers from investing and maintaining new housing.

This shortage of new homes has skyrocketed the cost of housing. This is because, as Badgers of the Washington Post '16 explains, if there is a shortage of new houses or apartments, there are more families competing for existing housing stock, meaning homes are only won through intense bidding wars where the buyers constantly up each other in cost in order to buy the house.

Gottlieb of the National Bureau of Economic Research thus quantifies that regulations have made the overall cost of housing 3.4 trillion dollars more expensive, and Shankar of the CATO Institute '17 concludes that the states that have the most rules and regulations have the highest housing prices.

Instead, Badger explains that building new homes reduces competition for existing housing, keeping costs in check for existing renters. This is why every single peer-reviewed academic study concludes that more housing supply results in lower rent and housing prices.

Promoting market-rate housing and deregulating the industry would thus be the catalyst for new construction, bringing prices back down to affordable levels. Indeed, Molloy of the National Bureau of Economic Research '14 quantifies that a one standard deviation reduction in the level of regulation increases construction 11 percent, and reduces housing prices 22 percent.

Empirically, Durning of the Sightline Institute '17 finds that cities all across the country which have focused on new construction rather than regulation, like Atlanta, Charlotte, and Las Vegas, have all built their way to affordable housing.

We observe that America's cities have the potential to blossom even further. Newman '16 of the Journal of Urban Design writes that 16.7% of land in urban areas across the country is vacant, locking away our cities' potential for development. Unfortunately, Calder '17 of the CATO Institute writes that a host of government regulations that constrain land-use, impose overbearing developmental standards, and create lengthy approval processes prevent developers from building more houses. Indeed, he continues that each regulation increases rent prices by 2.3%. Overall, Feldman '18 of the Star Tribune concludes that to promote market-rate housing, our governments would relax these regulations to facilitate the building of new homes.

"The most highly regarded empirical evidence suggests that inclusionary housing programs can produce affordable housing and do not lead to significant declines in overall housing production or to increases in market-rate prices," reads the NHC brief, "Separating Fact from Fiction to Design Effective Inclusionary Housing Programs."
https://www.citylab.com/equity/2016/06/what-we-know-about-inclusionary-zoning-thus-far/485072/

Calder '17 – zoning regulations restrict supply because of minimum lot size requirements and design requirements; each individual regulation increases costs of rental housing by 2.3% and zoning holistically decreases U.S. economic output by 8.9%

Calder, Vanessa. "Zoning, Land-Use Planning, and Housing Affordability." CATO Institute. October 2017. https://object.cato.org/sites/cato.org/files/pubs/pdf/pa-823.pdf //RJ

Zoning regulations restrict supply in many ways. Minimum lot size requirements, for example, **reduce the density of housing and thus the overall supply.** One study for Boston found that **each additional acre of minimum lot size requirement is associated with a 50 percent drop in building permits**.13 Building height restrictions also limit supply. And some cities directly limit supply by capping the annual number of building permits. **Zoning ordinances** also **impose design requirements on housing**, **which can increase costs** because of the need to use more expensive building materials. Like most zoning regulations, **design requirements can also increase the duration and uncertainty of the development process, which in turn raises costs.** Design requirements may increase the cost of materials for development. The total number of regulations seems to matter. A study by John Quigley and Steven Raphael estimated that **each regulation** in Californian cities **is associated with a 4.5 percent increase in the cost of owner-occupied housing and a 2.3 percent increase in the cost of rental housing.**14 A broad review of the academic literature by Keith Ihlanfeldt found the evidence strongly suggests that zoning regulation increases the cost of housing within suburban communities.15 Research on urban markets found similar results. Regulatory costs hit some U.S. cities harder than others. Edward Glaeser and coauthors estimated that **zoning rules pushed up the cost of apartments** in Manhattan, New York; San Francisco, California; and San Jose, California, **by about 50 percent**.16 A study by Salim Furth found that residents of high-cost coastal cities would pay 20 percent less in homeownership costs and 9 percent less in rent if cities adopted zoning regulations typical of the rest of the country.17 Areas of the country with the strongest economic growth have some of the costliest zoning and land-use rules. Cities such as San Jose have rising incomes and excellent opportunities for workers, but they have severe housing affordability problems. Lower-skilled workers cannot afford the high housing costs in such heavily regulated cities, and so they get stuck in lowercost areas that have fewer job opportunities.18 Thus, land-use zoning is contributing to a sort of geographical segregation by income.19 Many studies find that zoning is a regressive policy because the costs fall disproportionately on low-income households.20 The overall effect of land-use regulations on the U.S. economy may be quite large. **If workers cannot afford to live in places where they can put their skills to the best use, U.S. productivity will suffer.** A study by Chang-Tai Hsieh and Enrico Moretti estimated that **the mismatch between regional labor supply and job opportunities caused by land-use rules had the effect of reducing U.S. economic output by 8.9 percent.**21

Newman '16 – 16.7% of land in US cities is vacant

Newman, Galen. "A Current Inventory of Vacant Urban Land in America." Journal of Urban Design. 2016. https://www.tandfonline.com/doi/abs/10.1080/13574809.2016.1167589 //RJ

Vacant land is a significant issue in virtually every country across the globe. This study presents a current inventory of vacant land and structural abandonment in the urban United States. Using survey data, it analyses vacant land trends by region and city type. Nationally, **an average 16.7% of large US cities' land area is considered vacant**, with approximately 4% of city addresses unoccupied. **The ratio of vacant land to city size has increased by 1.3 percentage points since 1998** but decreased by 3 percentage points since 1963. Regional variations exist in both the amount and kind of vacant land, suggesting that any ameliorative actions should be designed to fit specific conditions. Cities also reported that most vacant parcels are small, odd shaped, and disconnected, making them difficult to regenerate. Disinvestment, suburbanization and annexation are the primary causes of increases in vacant land supply while growing local economies, population in- migration, and city policies tend to help reduce the amount of vacant land.

Feldman '18 – the aff is deregulation—reducing zoning laws, building code requirements, etc. ensure that more market rate housing is built

Feldman, Ron. "Private market must be a central part of affordable-housing solution." Star Tribune. Oct. 2018. http://www.startribune.com/private-market-must-be-a-central-part-of-affordable-housing-solution/497866751/ //RJ

Building more housing of any type affects the price of all other types of housing. For every luxury unit filled, a more modest home is left behind for another family to move up into. Build enough luxury homes, and the prices of regular homes fall, too. There also is a longer-term effect. Housing tends to decline in value over time, as it ages and as tastes for housing change. Older housing then becomes more affordable. Indeed, the Met Council found that the greatest source of new affordable housing comes from existing market-rate homes that have become cheaper over time. This takes time, but increasing supply now will prevent a re-emergence of the affordable housing crisis in the future. And research shows that this process occurs much faster than observers think. But we are not simply relying on markets to work. **Our governments have the power to encourage the creation of new, lower-cost, market-rate housing. Governments can start by looking at policies that constrict housing supply by artificially inflating building costs**. **Relaxing zoning regulations** to allow greater density is one option. **Eliminating building code requirements that raise costs without commensurate benefits** is another. **And there are many more options for policymakers**. Unlike subsidies, constructing market-rate homes costs our state and local governments nothing.

Jan, Tracy '17, Washington Post - "America's affordable housing stock dropped by 60% from 2010 to 2016" https://www.washingtonpost.com/news/wonk/wp/2017/10/23/americas-affordable-housing-stock-dropped-by-60-percent-from-2010-to-2016/?utm_term=.2bf579ea8b54

The number of apartments deemed affordable for very low-income families across the United States fell by more than 60 percent between 2010 and 2016, according to a new report by Freddie Mac.

At first financing, 11 percent of nearly 100,000 rental units nationwide were deemed affordable for very low-income households. By the second financing, when the units were refinanced or sold, rents had increased so much that just 4 percent of the same units were categorized as affordable.

David Rodda (U.S. Department of Housing and Urban Development) "HOUSING IMPACT ANALYSIS" January 2006
https://www.huduser.gov/Publications/pdf/hsgimpact.pdf

New regulations can alter the competitiveness of an industry when the compliance costs are much higher for some firms than others. As already described, large firms may finance fixed costs at lower cost than small firms, either because their cost of capital is lower or they have greater expertise via specialists in redesigning systems. Large firms may also have an advantage through research and development to devise less expensive processes that comply with the regulation. If the disparity in costs among firms is substantial, the new regulation could exacerbate an existing trend toward consolidation and reduced industry competitiveness. For example in the FHA Wind Standards for manufactured housing (presented as an in-depth case study below), the new standards only apply to a relatively small share of the manufactured housing market in hurricane prone areas. **The more**

stringent building requirements may consolidate the market because small producers cannot afford to run parallel production lines at two different building standards. Or, the new rules could fragment the market as some firms specialize in sturdy construction at a higher price, while other firms withdraw from that market. Either response could reduce the level of price competition from the buyer's point of view.

Hendey et al, 2014, "Housing Security in the Washington Region", Urban Institute, https://www.urban.org/sites/default/files/alfresco/publication-pdfs/413161-Housing-Security-in-the-Washington-Region.PDF

Lower-income households in the Washington region faced competition from higher-income households for affordable homes. **Nearly seven in ten units affordable to very low income households and two-thirds affordable to low income households were occupied by someone in a higher income category**. This competition contributed to a gap of 56,800 affordable units for very low income owner households and a gap of 22,600 affordable units for low income owners.

Newman '16 – 16.7% of land in US cities is vacant

Newman, Galen. "A Current Inventory of Vacant Urban Land in America." Journal of Urban Design. 2016. https://www.tandfonline.com/doi/abs/10.1080/13574809.2016.1167589 //RJ

Vacant land is a significant issue in virtually every country across the globe. This study presents a current inventory of vacant land and structural abandonment in the urban United States. Using survey data, it analyses vacant land trends by region and city type. Nationally, **an average 16.7% of large US cities' land area is considered vacant**, with approximately 4% of city addresses unoccupied. **The ratio of vacant land to city size has increased by 1.3 percentage points since 1998** but decreased by 3 percentage points since 1963. Regional variations exist in both the amount and kind of vacant land, suggesting that any ameliorative actions should be designed to fit specific conditions. Cities also reported that most vacant parcels are small, odd shaped, and disconnected, making them difficult to regenerate. Disinvestment, suburbanization and annexation are the primary causes of increases in vacant land supply while growing local economies, population in- migration, and city policies tend to help reduce the amount of vacant land.