NNIP Camp Milwaukee, June 14, 2019

Session 3 – All of the data about housing

Led by Aaron Schill – Mid-Ohio Regional Planning Commission

Notes by Kassie Scott

Present: Aaron Schill, Geoff Smith, Leah Hendey, Bob Gradeck, Sean Capperis, Erica Raleigh, Devin Keithley, John Cruz, Ryan Brenner, Jennifer Newcomer, Laura McKieran, Jordan Ayala, Miriam Zuk, Erik Woodworth, Austin Harrison, Naomi Cytron, Nikki Zhu, Eleanor Tutt, Sarah Laurent, Adam Porr, Kate Pawasarat, MingMing Zhang, Kate Madison, Katie Zager, Jon Leek, Bryan Pomares, Michael Barndt, Troy Rosencrants, Liz Whelan, Elizabeth Grim, Mariko Toyoji, Jie Wu, Todd Clausen

Aaron: We have work we're being asked to do in Columbus and Ohio. My goal is to hear about housing datasets you're using. Let’s start by going around the room and doing introductions.

[Introductions]

Aaron: We actually have not done a lot in housing. Recently, with the growth we've seen in our region, there is a new focus on housing. The city of Columbus (a number of suburban communities) have come to us asking for a plan. We had a report come out last year asking for us to build 1500 units/year to keep up with demand. We look at Charlotte and Austin as peer communities. We wish we had addressed it sooner before we hit crisis levels. We've got communities interested in working on this. What are other cities doing?

Geoff: One thing we've done recently is the 5-year housing plan. The data focused on factors affecting supply and demand. We put data together to kick off the conversation. [The data lives on a website](https://fiveyearplandata.housingstudies.org/). The city used that input to develop [a five-year plan](https://www.chicago.gov/content/dam/city/depts/dcd/Housing%20Programs/20733_37_5_Year_Plan_Report_final_WEB_C.pdf). Also used the market type. In Chicago, there are strong market conditions in different neighborhoods.

Erica: Do you fold in the region at all?

Geoff: We did [another project with the regional planning agency](https://www.regionalhousingsolutions.org/). We created market types using similar data. It created these nine different housing types. Also stakeholder interviews. We developed a sense of the needs and the strategies that work. In the northern suburbs, there might be similar things going on in the southern suburbs.

Bob: I got a lot of inspiration out of NY and DC. Parcel data for housing preservation. Community level indicators. How do we create these things in different places? A lot of this data is local, so you have to work with different agencies? There is almost no consistency. It is hard to deal with that fragmented landscape.

Leah: [National Housing Preservation Database...](https://preservationdatabase.org/)

Bob: It doesn’t allow us to license it, so we can’t use it. That's a question I have.

Sean: I've had the privilege of working on both sides. First at the NY partner, and then at the agency. As a partner, we did a lot of TA to assist with the comprehensive plan. On the PHA side, from that perspective, I found the content was driven by the capacity of the city. A lot of the framing was not using NYC specific data. Not just housing, but also the people. Talked about how housing can be a solution for a lot of different issues. I have learned setting up the relationship with the plan implementers is a good idea, and using data for the plan. A lot of the work we've done has been informed by hypothetical models. We use that sort of analysis to help us understand what we need to do on the zoning and the tax side. How much can we ask for in terms of housing affordability? Challenges: from my perspective, it raises questions about managing and preserving assets. PHAs may not be excited about this, and we have also raised questions about that data. Our voucher system does not match the administrative data we have in NYC.

Devin: We are looking at statewide supply and demand. Before we were just looking at the number of subsidized units. To expand that, we've been switching to affordable and available renters per 1000 renters. We can use [CHAS data from HUD](https://www.huduser.gov/portal/datasets/cp.html) to replicate at a smaller local level. One of the challenges is targeted populations like affordable housing for seniors. It's not only about what's available but also what's appropriate for seniors. As the baby boomers get older in Ohio, the landscape is also changing...

John: Not just figuring out older populations, but also an increase in folks living alone.

Ryan: The Furman Center has been working on [local housing solutions](https://www.localhousingsolutions.org/). We work with a group of housing folks from across the country. One of the steps is to analyze the local housing needs. We went through and documented and visualized. This step walks and looks at housing needs. Base level start.

Jennifer: In Denver, a challenge was a dearth of supply. 35,000 units/years -- that's our challenge. The [more comprehensive report](https://assets.website-files.com/5c40c8bb42d68e9dae7f3465/5ccb413c5966438366445814_Housing%20Unaffordability_Final_Report_11.26.18-compressed.pdf) we put out over a year ago had challenges around producing an “affordability” standpoint. We had too much demand in the system. We needed something along the lines of a housing innovation conversation. Construction defects law -- controversy around this. As soon as that legislation got remedied, the attention immediately turned to the affordability crisis. We were producing fewer units, with the same number of workers. There are folks that are motivated differently -- that's what we learned by bringing these folks together. We don't have any manufacturing agencies in the state anymore. How do we create a tandem market because the current market workers aren't motivated? We have enough job growth to sustain that level of production. How do you use data to draw out the lack of transparency in those markets? There is work we are doing around the job market, housing market, doubling up challenges.

Aaron: We are looking at structural impediments to housing development. Finance and policy issues.

Unknown: The silver bullet for us is that we need to speed up the permitting process. That's the answer. Not sure that's true, but that's how we get them to the table. There's been a lot of trouble in tracking ownership. We are trying to figure out why that market is not attractive enough.

Leah: We are doing a regional housing framework. Facts and evidence framework. There's a piece that's about the forecast, then used ACS data, and then divided by household income bands. Projected for 2030. Income bands and housing needs. We need a lot of housing at the bottom, but this is hard to build without subsidies. The other part was impact estimates on housing policy. Estimated how many units you could build on existing land. Also upzoning. Underutilized sites for multiple family. Preservation, production, and protection policies.

Miriam: We've been looking a lot at preservation work. What about data on rising rents for sitting tenants?

John: I would love to get that stuff. We don't have that right now. We have no official dataset.

Unknown: Northeastern scraped craigslist.

Erik: Apartments.com you can scrape. Zillow will block scrapers with its “I’m not a Robot” popup. Craigslist is easy, but the data is really messy.

John: We need city data for this stuff.

Leah: A couple jurisdictions have done rent survey.

Aaron: Are people using co-star for this?

Miriam: That's for recent leases.

Erik: Anyone heard of measuring rents? We have seventy plus municipalities in the ATL region.

Miriam: Not in the bay area.

Sean: We have these debates internally in NYC. The main issue is capitalization rates. We try to tailor it to the application we're looking at. If it's about acquisition prices, we will use home values.

Michael: There is little relationship between rental value and home value. Especially in a cool-market city. Housing values are so low in some communities that it's much more reasonable to be a homeowner instead of a renter. Rent prices reflect real operating costs more accurately than the home value. Duplexes were often cheaper than single homes in cool market cities. How much in the cool market cities are residents who want to be homeowners carrying around the foreclosure badge? (That is, unable to purchase a home again?)

John: We don't see a lot of spikes in foreclosure. The data looks as its always looked. There are a lot of barriers to getting back into homeownership.

Aaron: We try to address affordability also through transportation and energy costs.

Erik: It's hard to track. We have modeled data. But those are numbers we are producing.

Aaron: We talked with CNT about the [H + T affordability index](https://htaindex.cnt.org/).

Leah: Another cost is paying for more schools.

Aaron: We were asked to refute that argument by a commissioner. Wealthy neighborhoods were making that argument.

Erik: How do you knock down those arguments?

Aaron: We will be talking to developer of those large multifamily dwelling units to see how many kids that development brought into the district.

Sean: We're going to be releasing the [Where We Live](https://wherewelive.cityofnewyork.us/) initiative which looks at a number of social equity dimensions (our assessment of fair housing). NYC has been thinking about transportation fair fares and universal pre-k. We did really expansive community engagement. People who are not on rail. We are thinking of the quality of not on rail transit. Another thing too is discrimination. Constrained choices. Also the long-term too. Final report to be released in the fall.

Aaron: We are also tracking progress and implementation.

Erik: We have a collective impact strategy similar to what we've done with education. Cradle to career. Housing is more complex. Supply, transportation, existing capital, leadership. With education, it's additive, but with housing, if you do one thing, it could have another effect. How surgical do we have to be with housing? In ATL it's about perception (how willing am I to have those units), not necessarily a willingness to increase supply, per se.

Erica: We've been having a group meet on a regular basis to guide these decisions. It's not working in Detroit. Maybe it could work for you. It's brought developers to the table in a new way.

Laura: San Antonio is just now having a problem with affordable housing. We are thinking about using the data people as a way in.

Erica: It's the path we're taking.

Austin: We are doing that in Memphis as well. It's been great for us.

John: We will really need elected officials to take this on as their issue, but there are so many issues.

Aaron: When the wealthier communities started to get interested because they are facing similar issues...the mayor then set aside money for affordable housing, which we don't know what to do with. Affordable housing has been an issue forever, but now it is affecting more people and the right people.

Erik: Housing affordability is so interrelated. If you are spending more on rent, you don't have money to use for vacations, restaurants, etc. The education piece has been a part of it. Being in a role to provide predictive model, we haven't been asked to do that, but to show the ties between housing and other priorities.

Aaron: Also the private sector developers have pushed it to the forefront. It's affecting other areas of economic development.

Leah: The first chapter of our report makes the case for business around housing.

Jennifer: We built a similar model around quantifying the economic case. Tax capture and spending. Local government revenues are largely supported by sales tax.

Jordan: In Kansas City, we have a group organizing around tenant rights, which is getting a lot of attention. Healthy homes...

Erik: That's the string though, you improve housing, and then make it less affordable.

Jordan: They've had a big effect on the race in Kansas City. It built up around the Healthy Homes issue... And we have a lot of scholar activists. Someone who worked with Desmond. It has changed the discussion in the city.

Sean: It's something we see as a 2/3 renter city. Owners are also renters at some point. It cuts across a lot of different households and people. It's interconnected. That's the plus side. There are also down sides. Our city hall has been responsive to it. This is something I'm really curious about. Is there a coalition of state legislators beyond NYC? There's some good political operators within that advocacy realm.

Erica: We are going to test the accuracy of the Valassis data. It's a factor in the vacancy index.