Addressing Housing Affordability in High-Cost Metropolitan Areas in the United States

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The Senate Report 115-268, *Transportation and Housing and Urban Development, and Related Agencies Appropriations Bill*, 2018, requested that HUD investigate new housing starts in high-cost metropolitan areas, the cost burden placed on low-income renters, and the inability of those renters to achieve greater economic mobility and financial independence. The committee further directed the Department to identify the highest cost metropolitan areas where these conditions persist and to recommend potential solutions to help States and their local government entities mitigate affordable housing challenges by adopting strategies that expand new housing options in these areas.

The Office of Policy Development and Research (PD&R) prepared this report. In the report, we begin by summarizing the nature of the problem with rental affordability. Second, we identify the metropolitan areas with the greatest affordability challenges and offer recommendations for what these communities can do to alleviate shortages of affordable rental housing. Closing out the report, we highlight a select number of exemplary approaches that some of these high-cost communities have already implemented to address the affordability crisis. These strategies include the following:

- ✓ Streamline the building permitting and environmental review process.
- ✓ Offer technical assistance to local governments to help plan for future affordable housing needs.
- ✓ Facilitate the development of additional rental housing through various financing tools, such as the creation of local and state housing trusts, shared equity programs, and combining tax credits with tax-exempt bonds to incentivize housing production.
- ✓ Use vacant properties or publicly owned land for a portion of new affordable housing units.
- ✓ Learn from local experiments on how best to relax parking requirements to provide more density for affordable rental units in mixed-income developments.
- ✓ Support continued evidence-based research that builds on existing knowledge of the relative impact of regulatory barriers on the cost of housing, especially in high-cost local housing markets.

Examining the High Cost of Rental Housing in Metropolitan Areas

In the decade since the global housing and financial crises, we have witnessed progress with rising household incomes and growth in credit in the United States.[1] Results from a recent report from Harvard University's Joint Center for Housing Studies,[2] however, demonstrate that the supply of affordable housing for prospective renters has not kept pace with the increased demand, particularly from young professionals, ethnic minorities, and very low-income families. The Harvard researchers observe that increased construction of market-rate multifamily rental units targeted to high-income households has created greater options for them, yet the market remains tight for low-income households, and many continue to face housing cost burdens.

Exhibit 1 draws on HUD's latest (2017) report to Congress on worst case housing needs. The exhibit displays the ratio of rental units affordable at 30 percent of household income per 100 renters at various income levels. The first column shows that the market failed to provide enough affordable units available for very low- or extremely low-income families in most regions of the country in 2015. The second column illustrates that higher income renters frequently choose to occupy units affordable to lower income households, increasing demand for the more affordable units and sharply reducing the ratio of affordable and available units per 100 renters. The last column shows that adding a further requirement that units should be physically adequate makes the situation even worse.

Exhibit 1. Number of Rental Units per 100 Renters by Region and Relative Income in 2015

Income Category	Affordable	Affordable and Available	Affordable, Available, and Adequate
Northeast			
Extremely low-income renters (0–30% AMI)	71.7	42.8	36.0
Very low-income renters (31–50% AMI)	92.2	63.2	54.1
Low-income renters (51–80% AMI)	126.2	95.0	81.8
Midwest			
Extremely low-income renters (0–30% AMI)	66.2	39.9	35.2
Very low-income renters (31–50% AMI)	118.8	77.3	67.6
Low-income renters (51–80% AMI)	145.6	109.5	98.3
South			
Extremely low-income renters (0–30% AMI)	70.8	38.7	34.3
Very low-income renters (31–50% AMI)	95.4	64.1	55.1

[1] The most recent analysis of consumer credit by the Consumer Financial Protection Bureau (October 2018) shows a decline in borrower risk, for example, when seasonally adjusted and a significant increase in the volume of loans originated between 2017 and 2018 (from an average of $150 billion in 2017 to roughly $200 billion in 2018). Access the full report at https://www.consumerfinance.gov/data-research/consumer-credit-trends/mortgages/.

[2] *America's Rental Housing 2017*, Joint Center for Housing Studies of Harvard University, http://www.jchs.harvard.edu/sites/default/files/harvard_jchs_americas_rental_housing_2017_0.pdf.

Exhibit 1. Number of Rental Units per 100 Renters by Region and Relative Income in 2015

Income Category	Affordable	Affordable and Available	Affordable, Available, and Adequate
Low-income renters (51–80% AMI)	142.2	104.4	92.6
West			
Extremely low-income renters (0–30% AMI)	53.9	29.9	26.6
Very low-income renters (31–50% AMI)	64.0	43.7	38.2
Low-income renters (51–80% AMI)	119.9	87.6	78.7
Total			
Extremely low-income renters (0–30% AMI)	66.0	37.7	33.0
Very low-income renters (31–50% AMI)	92.9	62.0	53.7
Low-income renters (51–80% AMI)	135.4	99.9	88.7

Notes: AMI = Area Median Income. *Affordable* refers to gross rents of less than 30 percent of stated household income. *Available* refers to units being already occupied by households of the stated income or being vacant and available for rent. *Adequate* refers to units being free of severe deficiencies.

Source: Tabulations of American Housing Survey data by HUD's Office of Policy Development and Research; exhibits 2-7 and 2-9 of *Worst Case Housing Needs: 2017 Report to Congress* (https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs.html).

For the nation as a whole, there were enough rental units in 2015 to provide affordable housing for every renter household between 50 and 80 percent of AMI (affordable and available ratio of 99.9 units per 100 renters), but only for 62.0 per 100 very low-income renters and 37.7 per 100 extremely low-income renters.[3] Housing supply for the lower income groups is constrained in every region, but the challenge of locating available affordable housing options is greatest in the West.

Similarly, we find that the lack of affordable rental housing options is a reality in high-cost metropolitan areas across the country. As requested in the Senate report, **exhibit 2** displays the top 30 metropolitan areas ranked by 2016 median rents. The table also displays the percentage change in median rents for these metropolitan areas between 2005 and 2016.

Exhibit 2. High-Cost Metropolitan Areas, Ranked by Monthly Median Rent for 2-Bedroom Units, 2016

Rank	Metropolitan Area	Rent 2005	Rent 2016	Percent Change in Median Rent, 2005–2016	Percent Change in Median Income, 2005–2016
1	San Jose-Sunnyvale-Santa Clara, CA	1,208	2,044	69.2	37.7
2	San Francisco-Oakland-Hayward, CA	1,135	1,757	54.8	41.2
3	Oxnard-Thousand Oaks-Ventura, CA	1,181	1,647	39.5	22.4

[3] Note that this analysis reflects a well-established measurement approach presented in HUD's biennial Worst Case Needs reports to Congress. Also note that median incomes were up 4.0 percent from 2016 to $61,372 in 2017. For a fuller picture of income trends, see the U.S. Census Bureau, "Selected Characteristics of Households by Total Money Income, Table HINC-01." Access the report at https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-hinc/hinc-01.html.

Exhibit 2. High-Cost Metropolitan Areas,
Ranked by Monthly Median Rent for 2-Bedroom Units, 2016

Rank	Metropolitan Area	Rent 2005	Rent 2016	Percent Change in Median Rent, 2005–2016	Percent Change in Median Income, 2005–2016
4	Urban Honolulu, HI	1,012	1,621	60.2	34.2
5	Santa Cruz-Watsonville, CA	1,202	1,594	32.6	15.3
6	Washington-Arlington-Alexandria, DC-VA-MD-WV	1,071	1,570	46.6	25.9
7	Santa Maria-Santa Barbara, CA	1,121	1,542	37.6	17.1
8	Santa Rosa, CA	1,080	1,526	41.3	25.1
9	San Diego-Carlsbad, CA	1,072	1,504	40.3	22.7
10	Napa, CA	1,077	1,480	37.4	31.2
11	Vallejo-Fairfield, CA	1,096	1,427	30.2	12.6
12	Bridgeport-Stamford-Norwalk, CT	1,067	1,412	32.3	27.0
13	California-Lexington Park, MD	827	1,409	70.4	33.4
14	Los Angeles-Long Beach-Anaheim, CA	972	1,403	44.3	27.6
15	Boston-Cambridge-Newton, MA-NH	1,024	1,350	31.8	35.0
16	Boulder, CO	945	1,348	42.6	37.5
17	New York-Newark-Jersey City, NY-NJ-PA	947	1,346	42.1	29.6
18	Seattle-Tacoma-Bellevue, WA	811	1,325	63.4	41.0
19	Salinas, CA	1008	1,314	30.4	15.8
20	San Luis Obispo-Paso Robles-Arroyo Grande, CA	1003	1,313	30.9	35.6
21	Barnstable Town, MA	1,037	1,295	24.9	25.8
22	Denver-Aurora-Lakewood, CO	777	1,286	65.5	29.3
23	Fairbanks, AK	789	1,277	61.9	28.7
24	Anchorage, AK	864	1,256	45.4	35.4
25	Kahului-Wailuku-Lahaina, HI	1,011	1,254	24.0	17.4
26	Miami-Fort Lauderdale-West Palm Beach, FL	877	1,249	42.4	21.0
27	Riverside-San Bernardino-Ontario, CA	912	1,235	35.4	16.8
28	Naples-Immokalee-Marco Island, FL	997	1,230	23.4	21.9
29	Baltimore-Columbia-Towson, MD	816	1,226	50.2	32.4
30	Fort Collins, CO	771	1,204	56.2	28.1

Source: Tabulations of American Community Survey data by HUD's Office of Policy Development and Research

The table shows that more than half of the high-cost metropolitan areas are in the West, with California leading the way. In most high-cost metropolitan areas, changes in median household income have not kept up with increases in rents. The average metropolitan area on this list experienced rent increases 67 percent greater than their income growth during the 2005 to 2016 period. Such rent inflation is an important cause of increases in the number of very low-income renter households with worst case housing needs during the same period. Worst case needs grew from 5.99 million households in 2005 to 8.30 million households in 2015—43 percent of the 19.20 million very low-income renter households in 2015.[4]

[4] For the Tribal Communities, there are additional challenges. While most tribes are in rural areas, there are some tribes that are located in what are considered high-cost metropolitan areas, such as the Aquinnah in Martha's Vineyard. For those tribes, in addition to the other barriers identified, there are also issues of developing on tribal trust land, which is not fee-simple land, and coordinating with jurisdictions to address issues surrounding tribal sovereignty, tribal land status, and infrastructure.

Exhibit 3 shows that the challenge posed by the lack of affordable housing is generally greater in urban suburbs than in central cities. Nonmetropolitan areas and lower cost regions, however, also experience substantial housing affordability problems.

Exhibit 3. Percentage of Very Low-Income Renters with Worst Case Housing Needs by Region and Metropolitan Location in 2015

Region	Central Cities	Suburbs, Urban	Suburbs, Rural	Nonmetropolitan Areas	Total
Northeast	39.7	43.0	33.7	29.7	40.0
Midwest	37.3	42.1	39.5	29.2	37.3
South	45.9	52.6	30.8	31.1	43.7
West	50.9	55.4	40.0	36.4	50.4
Total	44.2	48.8	34.8	31.1	43.2

Source: Tabulations of American Housing Survey data by HUD's Office of Policy Development and Research; see *Worst Case Housing Needs: 2017 Report to Congress* (https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs.html)

With this overview of the severe challenge posed by the affordable housing gap, especially in high-cost metropolitan areas, we turn next to some potential solutions.

Challenges and Potential Solutions at the State and Local Level

The Senate committee asked HUD to recommend approaches to encourage States and their local government entities to mitigate affordable housing challenges and to encourage the adoption of strategies that expand new housing options in these areas.

Although local and state housing regulations are usually established with good intentions, they sometimes serve as barriers to the development and availability of affordable housing without a commensurate health or safety benefit. Many of these locally and state-imposed requirements prolong the completion of new construction and exacerbate the high housing costs that burden residents of certain communities. Housing experts have found compelling evidence that strict or outdated land use zoning requirements are important drivers of rising housing costs. Regulatory barriers, such as restrictive and obsolete local building practices, bureaucratic inertia, exclusionary zoning practices, and protracted project reviews significantly raise development costs. These requirements either prevent the development of affordable housing in areas with high job growth, forcing lower income households to live far from job opportunities, or limit the availability of affordable market-rate housing in higher cost communities.[5]

The most recent issue of *Evidence Matters,*[6] for example, provides an in-depth discussion on the

[5] See, for example, John Quigley and Steven Raphael. 2005. "Regulation and the High Cost of Housing in California," *American Economic Review* 95 (2): 323–8.
[6] U.S. Department of Housing and Urban Development (HUD) Office of Policy Development and Research (PD&R).

impact of barriers on housing production. The evidence suggests that land use regulations disproportionately affect low- and moderate-income families by limiting the availability of quality affordable housing and driving up the costs of the existing supply.[7] As housing economists Gyourko and Molloy point out, most researchers agree that the costs of regulations are quantifiable.[8] However, more studies are needed to evaluate the efficiency and public benefits of regulations. Reaffirming that point, Reeves and Hilikias confirmed that land use regulations still pose significant challenges for low-income families searching for quality neighborhoods with access to good schools, job opportunities, and attractive community amenities.[9] Even though post-recession household incomes have improved as low- and semi-skilled workers take advantage of employment opportunities, the authors found that in modest- and high-cost housing markets, local governments use their zoning powers to price out low-income families, bowing to pressure from upper-middle-income households to preserve or increase home values.

States and local jurisdictions have adopted creative approaches to the affordability challenge. We offer examples from selected high-cost metropolitan areas listed in **exhibit 2** and exemplary efforts at the state level to reduce the barriers to affordable rental housing.

Examples of High-Cost Metropolitan Areas and Strategies for Improving Housing Affordability

San Jose-Sunnyvale-Santa Clara, California

Strategy #1—Expedite the Permitting Process. Communities should identify inefficiencies, duplicative requirements, and other administrative processes that cause delays in issuing building permits. San Jose has established a creative way to streamline its permitting process by allowing developers to take advantage of an expedited application process through the Internet, applying online for a building permit, scheduling the inspection, and requesting fast-tracking of the review period to be completed within a few days. This is especially useful for small projects and those requiring minor rehab or structural changes. As the most recent *Permit Report* demonstrates, new multifamily construction starts have increased significantly in the past year: https://sjpermits.org/permits/general/reportdata.asp.

San Francisco-Oakland-Hayward, California

Strategy #2—Improved Site Planning and Building Codes for Affordable Microunits. The Bay Area has struggled with an affordable housing crisis for decades. The City of San Francisco has allowed production of "tiny homes," sometimes referred to as microunits, as an affordable housing option. Units may be built to American Disabilities Act (ADA) standards to accommodate persons with disabilities. They vary in size from 400 to 600 square feet. The city provides the site for construction

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2018. "Regulatory Barriers and Affordable Housing: Problems and Solutions," *Evidence Matters*, Spring: 11–15.

[7] Ikeda, Sanford, and Emily Washington. 2015. *How Land-Use Regulation Undermines Affordable Housing*. Arlington, VA: Mercatus Center at George Mason University.

[8] Gyourko, Joseph, and Raven Molloy. 2015. "Regulation and Housing Supply." In *Handbook of Regional and Urban Economics 5B*, edited by Gilles Duranton, J. Vernon Henderson, and William C. Strange. Oxford, UK: Elsevier: 1289–337.

[9] Reeves, Richard V., and Dimitrios Hilikias. 2016. "How Land Use Regulations are Zoning Out Low-Income Families," *Social Mobility Memos blog*, Brookings Institution, August 16. https://www.brookings.edu/blog/social-mobility-memos/2016/08/16/zoning-as-opportunity-hoarding/.

and commits to a 10-year master lease, and a private entity builds the housing to the established local or state building code, ensuring compliance with health, safety, and resiliency standards. After 10 years, the municipality has the option to buy the property at a fair market value: https://www.sf-planning.org/ftp/files/legislative_changes/new_code_summaries/120996_Cap_on_Efficiency_Dwelling_Units.pdf.

Washington-Arlington-Alexandria, D.C.-VA-MD-WV

Strategy #3—Incentivize Affordable Rental Housing through Inclusionary Zoning. Inclusionary zoning (IZ) is an affordable housing tool that links the production of affordable housing to the production of market-rate housing. IZ policies either require or encourage new residential developments to make a certain percentage of the housing units affordable to low- or moderate-income residents. In exchange, many IZ programs provide cost offsets to developers, such as density bonuses that allow the developer to build more units than conventional zoning typically allows or fast-track permitting, which would make it possible for developers to build more quickly. According to the most recent *Inclusionary Zoning Annual Report*, the goal was to increase affordable housing units for families earning between 50 and 80 percent of the area median income. In 2017, 191 units were produced, including 144 units at 80 percent AMI and the balance at 50 percent AMI.[10]

There is considerable variation in the structure and goals of inclusionary zoning programs throughout the country: some IZ programs are voluntary, and others are mandatory. The programs are triggered by different sizes and types of market-rate developments; they target the affordable units to different income levels; they have different rules about whether the affordable units must be located within the market-rate development or if they may be located off site; and they impose the affordability restriction for different lengths of time.

In the Washington, DC region, for instance, some counties adopted IZ ordinances that (a) serve households with incomes up to 80 percent of the area median income, (b) do not allow developers to pay fees in lieu, and (c) require that the units must remain affordable for at least 99 years. The D.C. zoning commission approved a supplement to the existing inclusionary zoning code that mandates that all new affordable housing development projects set aside at least 15 percent of the units for families earning up to 60 percent of the area median income rather than the previous 80 percent AMI requirement:[11] https://dc.urbanturf.com/articles/blog/zoning_commission_votes_to_make_inclusionary_zoning_more_inclusive/11497.

Similarly, the Commonwealth of Virginia allows considerable discretion in how local communities design their inclusionary zoning programs. Fairfax County established one of the nation's earliest IZ

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[10] See the Fiscal Year 2016 report, pp. 5–6: https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/DHCD%20FY2016%20IZ%20Annual%20Report_0.pdf.

[11] It is important to caution that in terms of total affordable housing production, a higher IZ percentage is not necessarily better. In any market there is an upper bound percentage above which a significant number of potential developments would not be impacted. In San Francisco, for example, the Board of Supervisors contemplated an IZ percentage of up to 22 percent of units, which would have been too many to be cross-subsidized by the market rate units given height restrictions and local market conditions.

ordinances in the country. The ordinance has been amended many times over the years, but the county has witnessed the most success with its density bonus program, rewarding developers of affordable housing a density bonus of up to 20 percent for producing additional affordable dwelling units (ADUs): http://www.housingvirginia.org/wp-content/uploads/2018/07/HV_Inclusionary_Guidebook.pdf.

San Diego, California

Strategy #4—Experiment with Shared Parking. Because parking is very expensive to build, this strategy entails that property owners of developments adjacent to multifamily housing establishments agree to share parking lots to reduce traffic and the maintenance costs associated with unused spaces. San Diego's Shared Parking Ordinance was revised recently to facilitate these agreements and to promote greater density that would support more affordable housing units: https://www.sandiego.gov/sites/default/files/housing-inventory-annual-report.pdf.

Boston-Cambridge-Newton, MA, NH

Strategy #5—Use City-Owned Land through Ground Lease. In regions where the rents are exceedingly high, municipalities can make use of the existing or surplus land they own to facilitate the development of affordable housing. In the ground lease exchange, a city "rents out" a parcel or parcels of land that it owns to a developer at a discounted price for a specified number of years (typically 75 to 99 years). Although ground leases generate much less revenue than does a sale, the benefit ensures that some affordable housing units are preserved. Ground leases can be combined with other affordable housing financing tools, such as the Low-Income Housing Tax Credit (LIHTC). Boston's Imagine 2030 program assists potential renters with locating available affordable housing units that have either been produced or preserved through the program: https://www.boston.gov/news/new-online-tools-expand-access-affordable-housing.

New York-Newark-Jersey City, NY-NJ-PA

Strategy #6—Leverage Public-Private Partnerships for Affordable Co-Housing. New York City will launch a pilot program called ShareNYC that will offer co-housing rental units to very low-income families. The city will also consider extending the program to include private developers of mixed-income co-housing[12] projects. ShareNYC will be funded through a variety of financing tools, including publicly owned land ground leases: https://www1.nyc.gov/site/hpd/developers/request-for-expressions-of-interest/share-nyc-rfi-rfei.page.

Seattle-Tacoma-Bellevue, WA

Strategy #7—Create Affordable Renter Units through the Expansion of the Multifamily Tax Exemption Program. Seattle's Multifamily Tax Exemption program offers property tax abatement for developers of market-rate housing who build housing for renters with incomes between 65 and 85 percent of the area median income. The state can allow for the abatement to continue in

[12] Co-housing is described as a community of private homes or units that contain traditional private spaces, such as a bathroom or small kitchen, but also contain larger amenities where the community of homeowners or renters congregate and interact. These larger amenities commonly include recreational spaces, a kitchen, laundry, and recreational spaces that residents share.

perpetuity production outside Seattle's Urban Village neighborhood: https://www.seattlehousing.org/housing/housing-choice-vouchers/renting-with-a-voucher/multi-family-tax-exemption-program.

Miami-Fort Lauderdale-West Palm Beach, FL

Strategy #8—Develop an Affordable Housing Master Plan Using Vacant Land. The region has an abundance of underutilized properties and vacant land available outside the Urban Development Boundary for potential affordable housing projects. Most of this land (11,012 acres) is publicly owned. The land can be repurposed for residential or mixed-use development to serve a growing population: https://civic.miami.edu/_assets/pdf/housing-initiatives/housing-reports/Dynamics-of-Housing-Affordability-Inclusionary-Zoning-2017-4-19-Final.pdf.

Statewide Examples of Affordable Housing Strategies

California—Adopt Statewide Comprehensive Affordable Housing Laws. Facing the greatest affordable housing crisis in the country, the state recently adopted 15 bills that establish priorities for expanding affordable housing options. The most ambitious of these measures include the following:

- AB 1505 requires that new rental housing projects set aside below-market rate units of a specified percentage in multifamily development projects for low- to moderate-income renters. The bill allows the state substantial review and approval for projects in jurisdictions that adopt inclusionary housing projects in which at least 15 percent of development units are set aside for low-income families: http://www.meyersnave.com/ab-1505-revives-power-cities-counties-impose-inclusionary-requirements-rental-housing-developments/.

- SB 540 and AB 73 give local governments authority to determine Workforce Housing Opportunity Zones, in which at least one-half of the housing would be affordable to households with incomes between 50 and 80 percent of area median income: http://www.meyersnave.com/wp-content/uploads/AffordableHouseingBillPack_GoetzPlaza-DJ-1.10.18-New-Laws.pdf.

Hawaii—Create a Statewide Affordable Housing Revolving Fund. In April 2018, the state legislature authorized a Rental Housing Trust Fund devoted to 25,000 new affordable rental housing construction projects and the rehabilitation of existing rental units affordable to families at or above 50 percent of the area median income. The legislation expands the general excise tax exemption for the construction or substantial rehabilitation of properties with affordable housing units when all of the units are available to households with incomes at or below 140 percent of the area median family income, of which at least 20 percent of the units are available to households with incomes at or below 80 percent of the area median income: https://www.capitol.hawaii.gov/measure_indiv.aspx?billtype=HB&billnumber=2748&year=2018.

Nevada—Establish a Statewide Affordable Housing Trust. Nevada's Account for Low-Income Housing program is one of the oldest Affordable Housing Trust funds enacted at the state level. Created in 1988, the program allocates formula grant funds to local jurisdictions to expand or preserve the supply of affordable rental housing units. Program funding is generated through a transfer of property tax on some designated value of real property. Affordable units are reserved for individuals (or households) earning at or below 60 percent of the area median income: https://housing.nv.gov/programs/Account_LIH_TF/.

Massachusetts—Expand Accessory Dwelling Units. Accessory dwelling units (ADUs), sometimes referred to as "granny flats" or "mother-in-law units," have not always been popular with local residents, however effective they may be as housing. Some states have prevented local governments from promulgating land use restrictions that make ADU development more difficult. As a result, ADUs have become a more acceptable tool for the preservation of affordable housing.[13] Case studies in Massachusetts offer examples of how communities can expand housing options for persons with disabilities and seniors aging in place—two underserved populations in great need of decent-quality, affordable housing.[14] For more information and state-level case studies, see https://www.mass.gov/service-details/smart-growth-smart-energy-toolkit-modules-accessory-dwelling-units-adu.

Virginia—Offer Technical Assistance to Local and Regional Communities to Identify Worst Case Housing Needs. Finally, states can provide technical assistance to local and regional entities to identify affordable housing needs. Researchers at the Urban Land Institute suggest that teaming with local colleges and universities could provide useful data and analysis on growth projections and estimates of the amount of affordable housing required to meet future demand. The State of Virginia's Department of Housing and Community Development is working with colleges and universities in 11 regions across the state to gather this data and recommend solutions for expanding affordable rental housing. See the report, "Yes In My Backyard (2017), at https://americas.uli.org/wp-content/uploads/sites/125/ULI-Documents/State-Housing-Policy-Report-2017.pdf.

This review has looked only to reforms that have been implemented by state or local government. The serious obstacles to development of affordable market-rate housing will surely require additional changes to statutes and ordinances that have not yet been tested. HUD has continued to look for locally implemented solutions to the affordability crisis that have proven successful.

[13] See, for instance, the Los Angeles, CA example: http://www.businessinsider.com/granny-flat-law-solution-california-affordable-housing-shortage-2017-3.
[14] See HUD's report on ADU case studies at https://www.huduser.gov/portal/publications/adu.pdf.