

Rethinking U.S. Rental Housing Policy

Presented by:

Margery Austin Turner, The Urban Institute
November 14, 2006

What's the problem?

- *Nationwide* -- rents rising faster than incomes
- *In prosperous metros* -- supply not keeping pace with growth
- *Within metros* -- mismatch between rental stock and expanding job opportunities
- *Neighborhoods* -- concentrations of minority poverty

Why do we care?

- Economic competitiveness
- Making work pay
- No child left behind
- Energy and environment

New Rental Policy Vision

- Demand side - federal responsibility
- Supply-side - state & local responsibility
- *But* -- federal incentives to
 - reduce regulatory barriers (and cut costs)
 - expand rental supply where needed most
 - ensure low-income access to opportunity-rich areas

Demand-side

- Boost purchasing power for full-time workers
 - Minimum wage and EITC
- Targeted vouchers for other households
 - Elderly and disabled
 - Welfare leavers – work supports & incentives
 - Families with kids – school quality

Supply-side

- Fund MPOs to prepare regional housing strategies
 - possibly conditioning transportation funding
- Continue HOME and CDBG
 - require consistency with regional housing strategies
- New incentive fund
 - for jurisdictions that reduce regulatory barriers
- Expand & retarget LIHTC to produce both:
 - mixed-inc projects in distressed communities
 - lower-inc options in opp-rich communities