

How Zoning Reform Reduces Homelessness

Alex Horowitz, The Pew Charitable Trusts
Presentation to National Alliance to End Homelessness

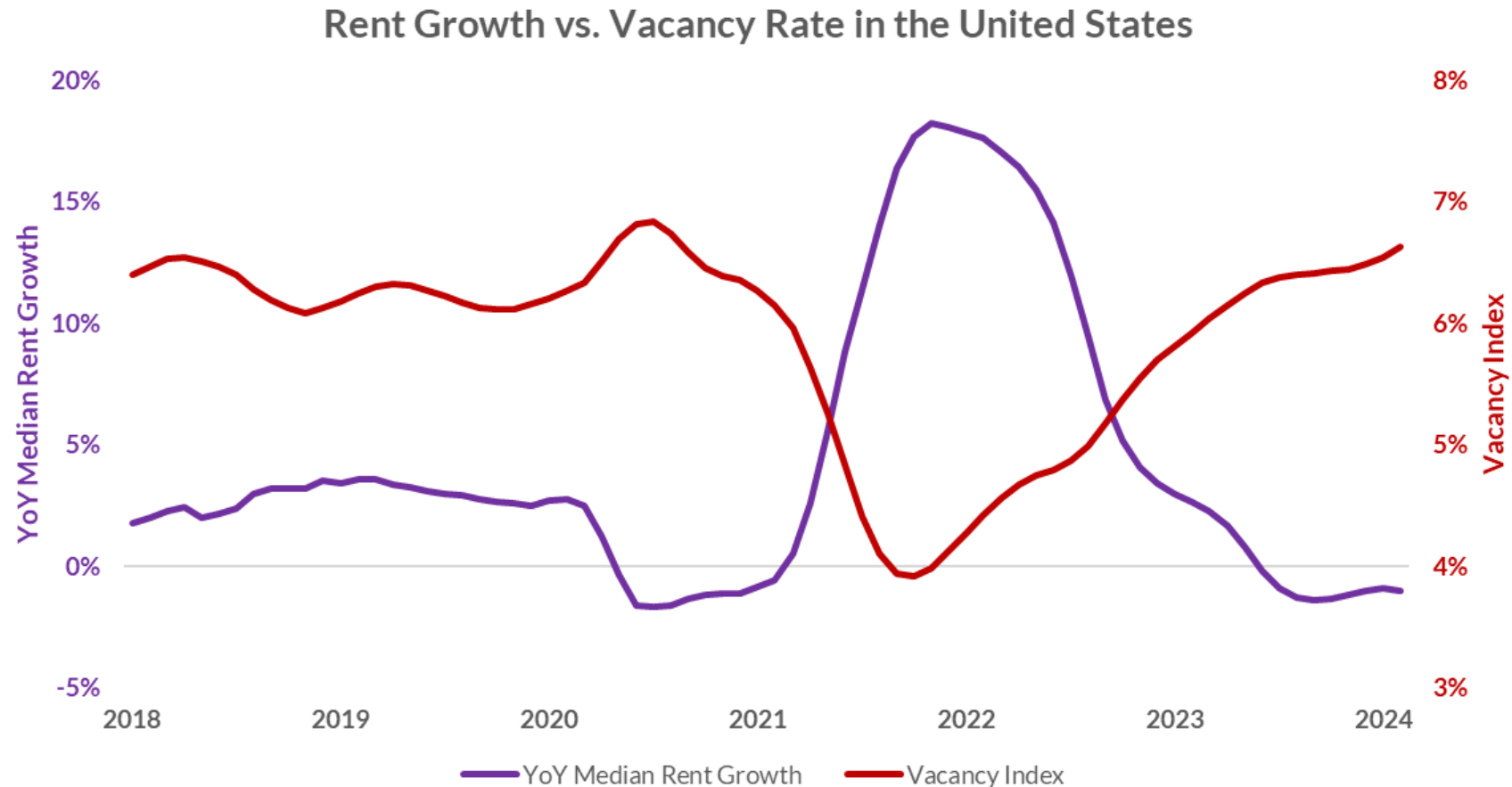
July 2024

Pew

Rents Nationally Have Reached an All-Time High in the Past Year

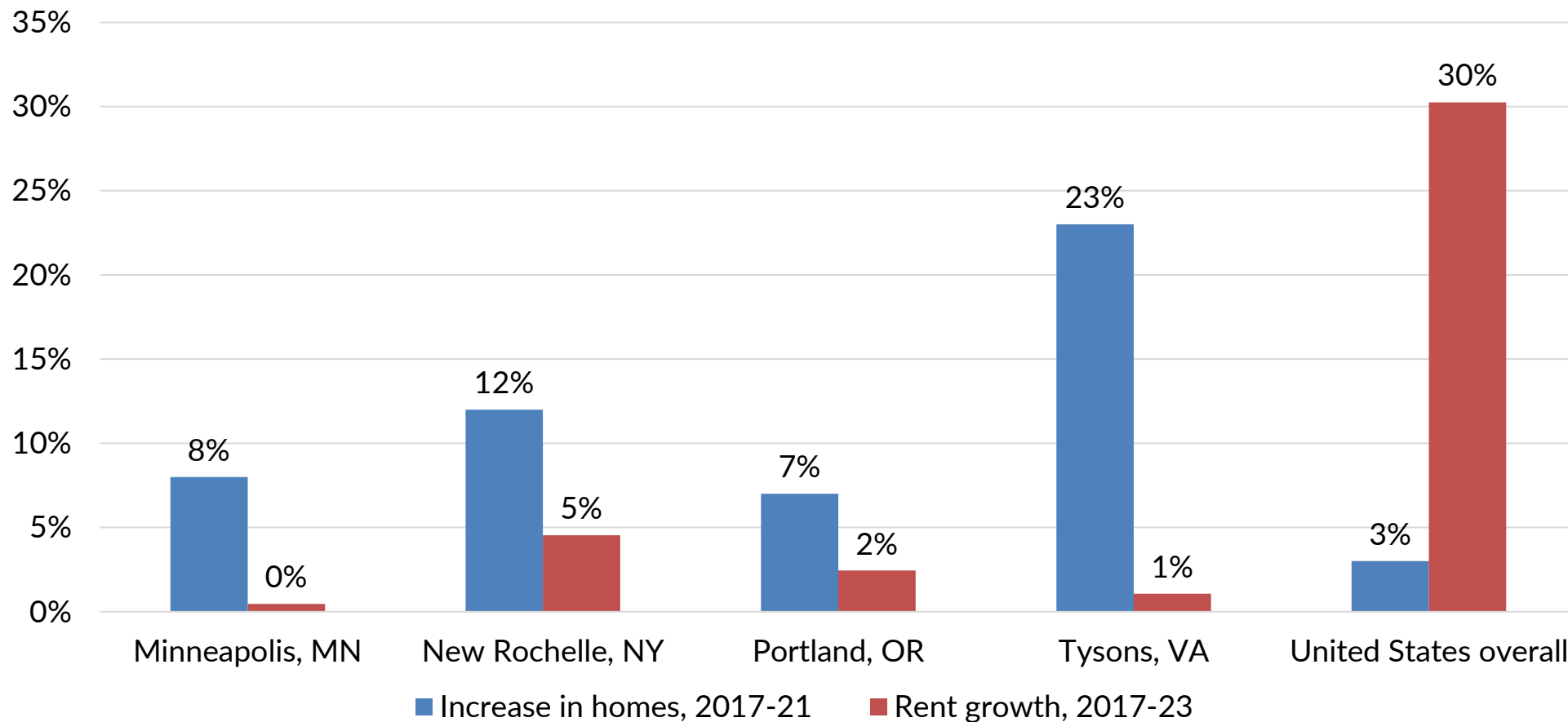
- U.S. has a shortage of 4-7 million homes
- Half of renters are spending more than 30% of income on rent
- One-quarter of renters are spending more than 50% of income on rent
- Both figures are all-time highs

Rents Rise Quickly When Shortages Occur



Source: Data from Apartment List

Rent Growth Is Low Where Housing Has Been Added

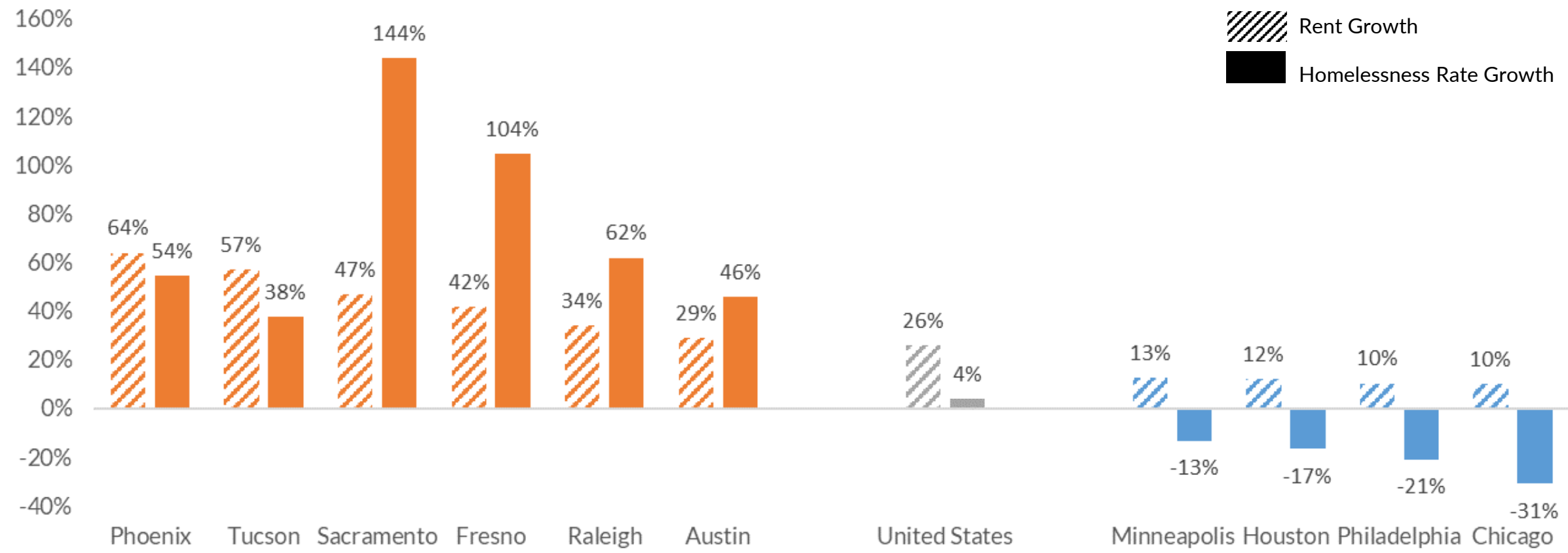


The four local jurisdictions shown added proportionally more households than the U.S. overall from 2017-21—indicating low demand was not the cause of their slow rent growth.

Source: Pew's analysis of Apartment List rent estimate data (Jan. 2017-Jan. 2023) and U.S. Census data on housing units (2017-2021)

Homelessness Increased in Areas Where Rents Soared

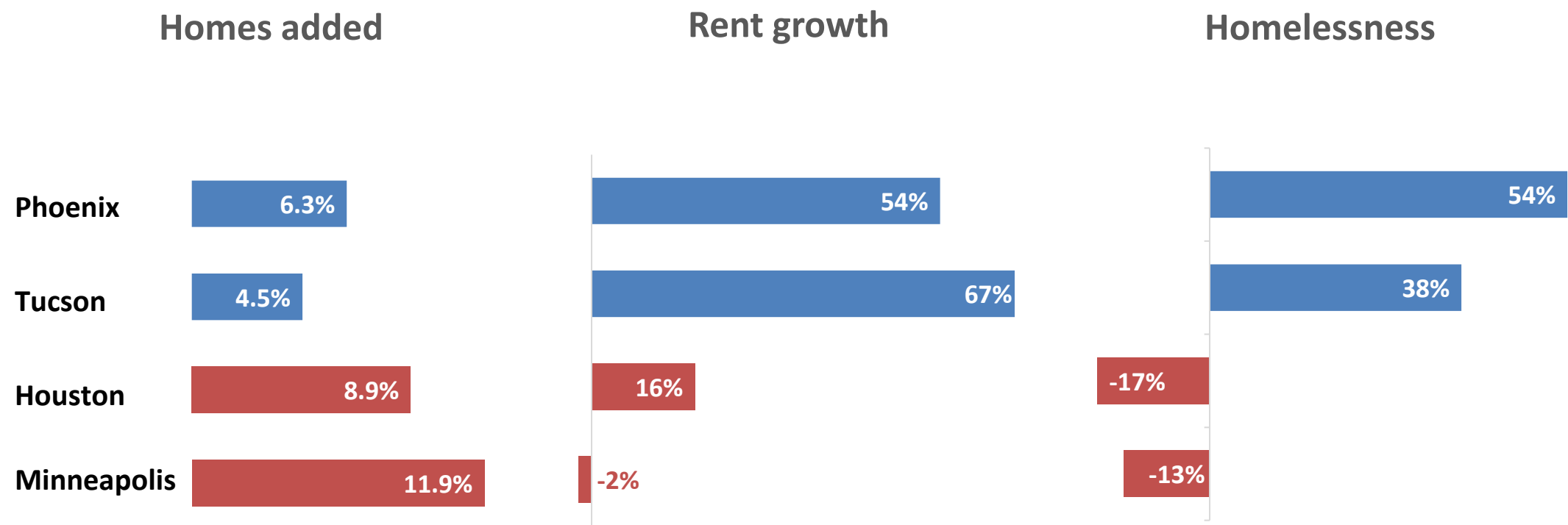
Percent change in homelessness per 10,000 residents, 2017-2022



Sources: HUD, Census ACS, Apartment List

Housing Shortages Have Pushed Up Rents, Homelessness

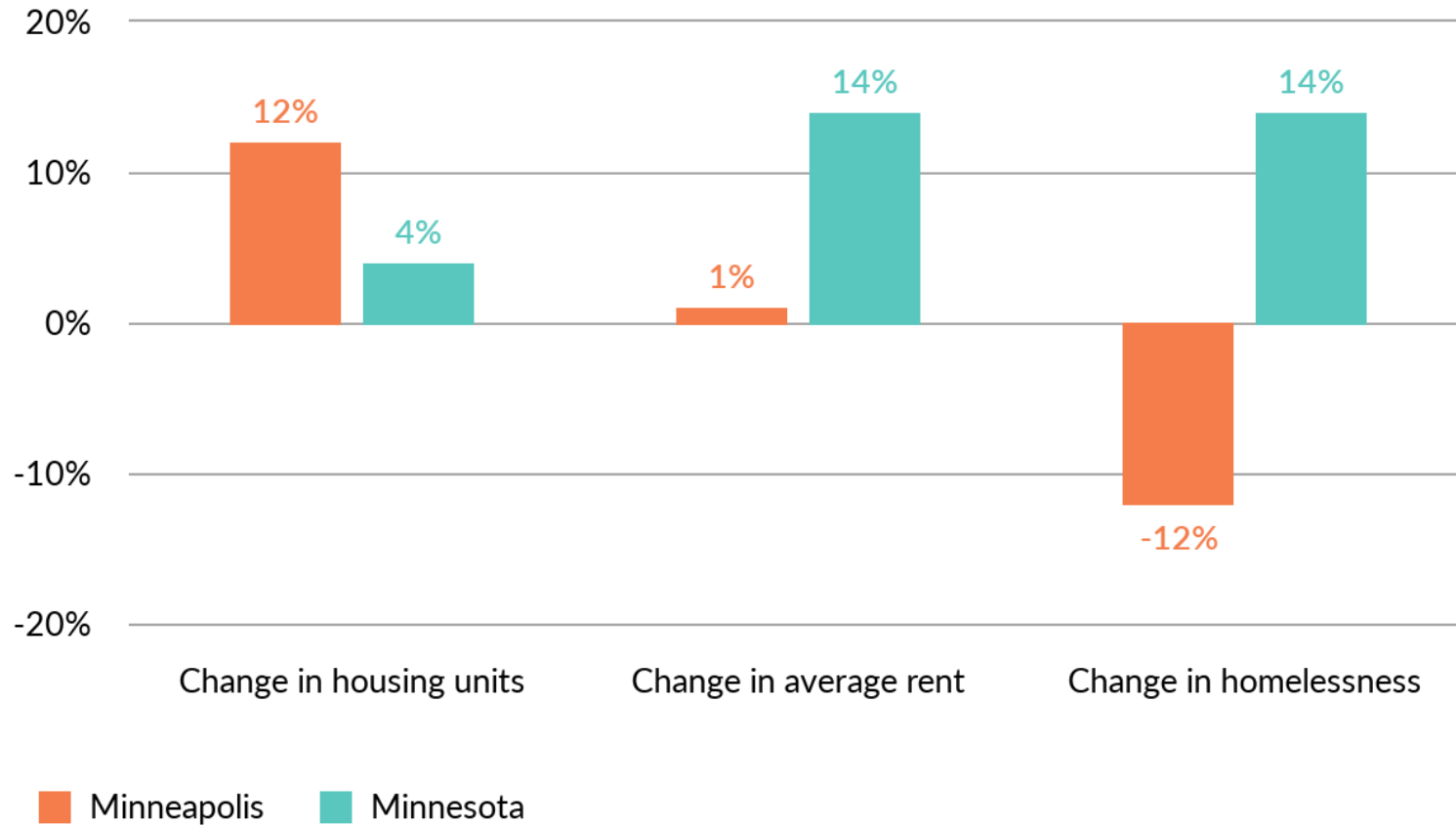
Percent change, 2017-2022 (2017-2023 for rents)



Sources: ACS Census Bureau for housing supply; Apartment List Rent Estimate data for rents; HUD Point-in-Time count data for the CoC covering the listed city for homelessness

After Zoning Reform, Minneapolis Rent Growth Slowed, Homelessness Dropped

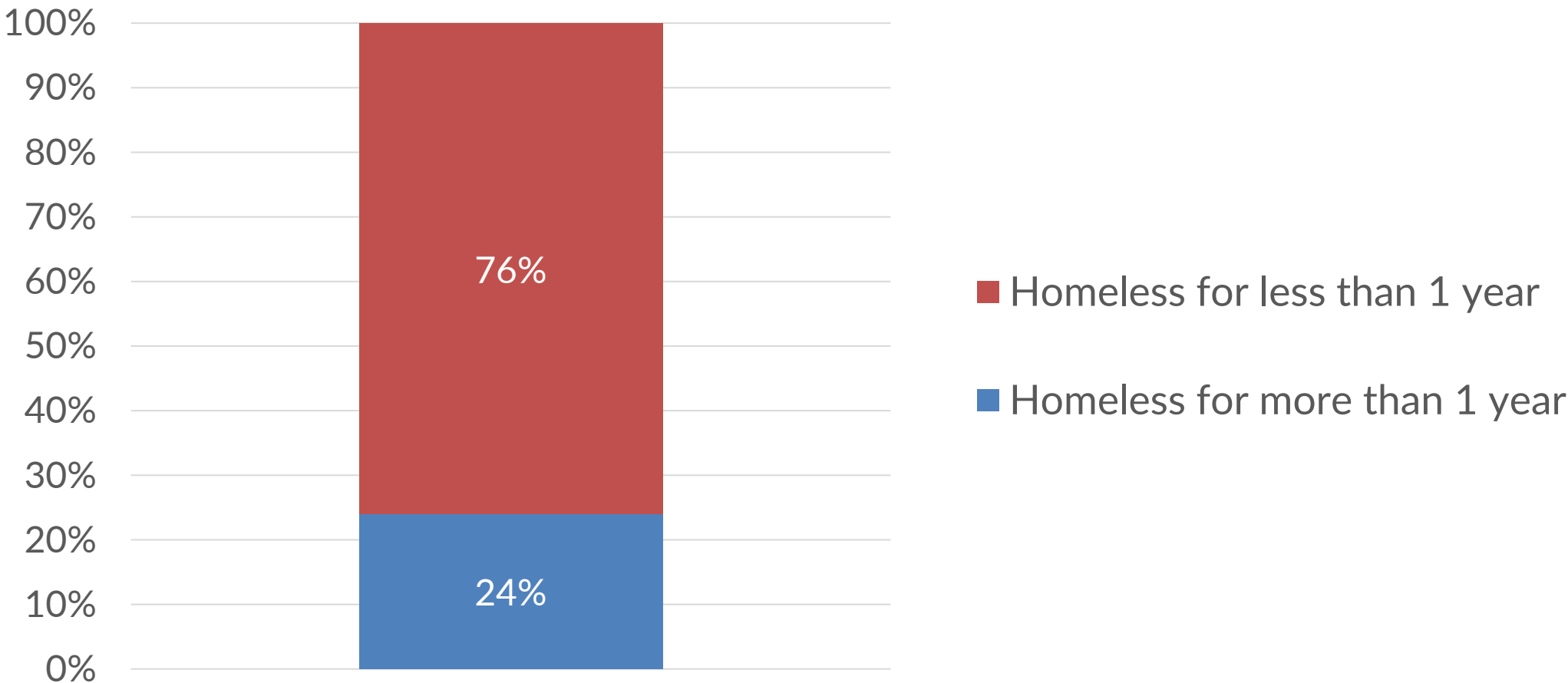
Percent change, 2017-2022



Sources: ACS Census Bureau for housing supply; Apartment List Rent Estimate data for rents; HUD Point-in-Time count data for the CoC covering the listed jurisdiction for homelessness

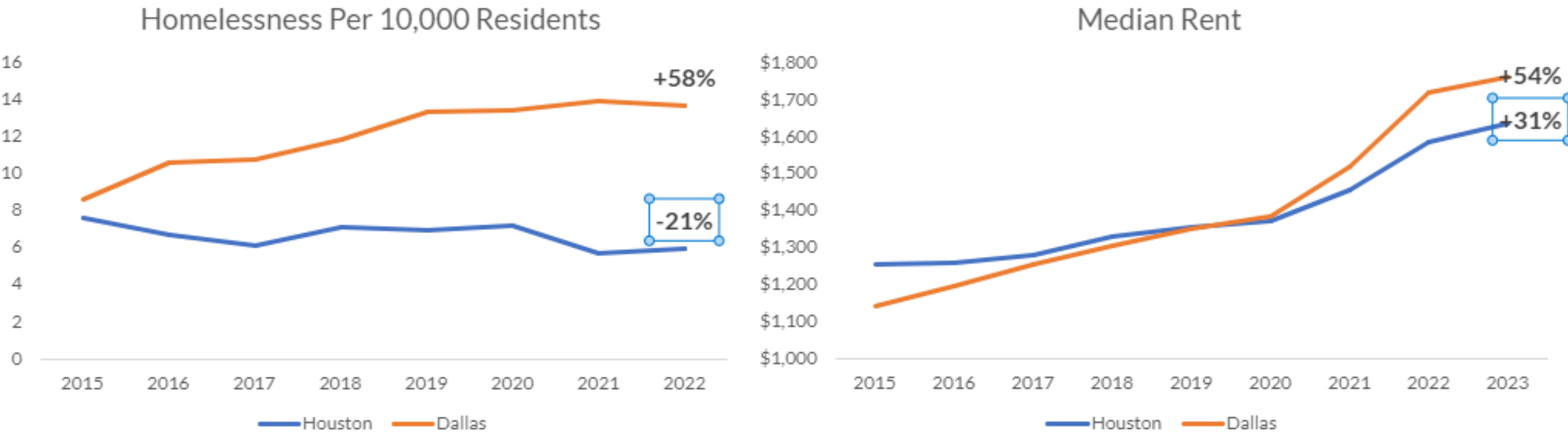
Homelessness Driven by Inflows & Outflows, Not a Static Group

Data from 2023 point-in-time count for the United States



Why Homelessness Surged in Dallas While it Dropped in Houston

Percent change in rents & homelessness rate , 2015-2023

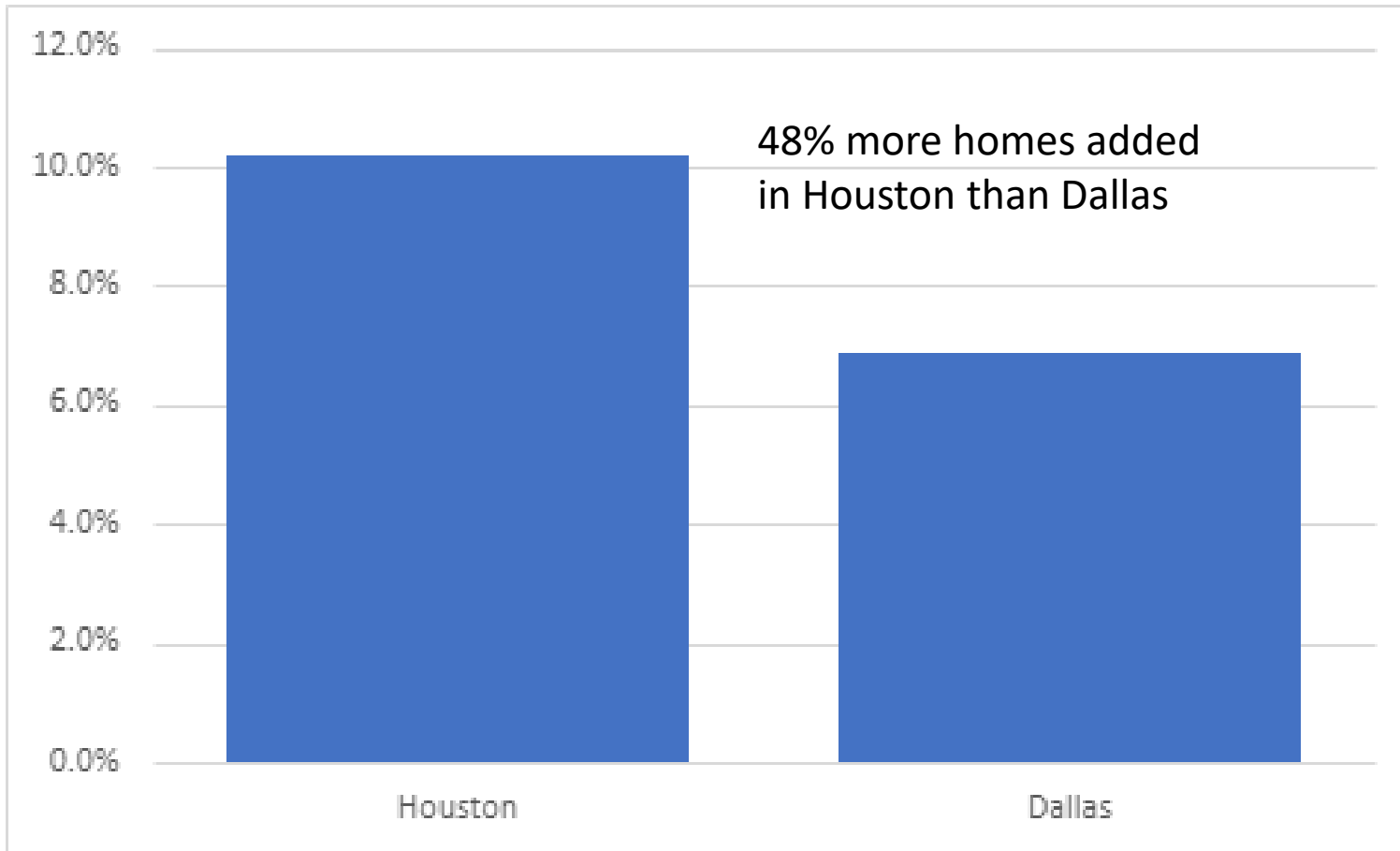


Dallas v. Houston rent change more than \$3,000/year

Sources: Zillow Rent Estimate data for rents; HUD Point-in-Time count data for the CoC covering the listed jurisdiction for homelessness

Houston's Land-Use Rules Led to More Homes, Less Homelessness

Percent change in housing supply, 2015-2022

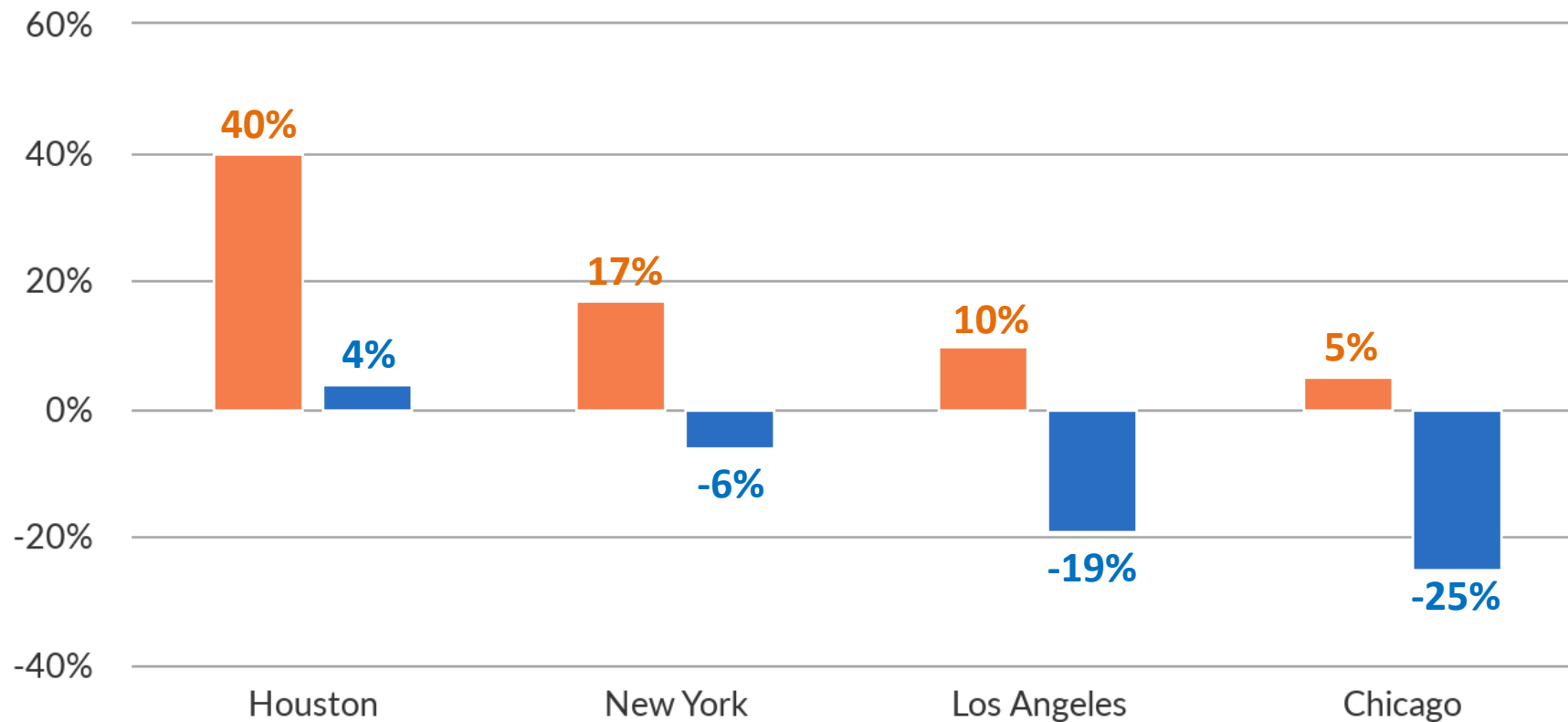


Houston enacted a series of reforms to allow more homes, including reducing minimum lot size citywide from 5,000 sq. ft. to 1,400 sq. ft in 2013

Sources: U.S. Census American Communities Survey

Houston Staved Off Displacement Seen in Other Large Cities

Percentage change in Black and Hispanic populations by city, 2000-21



Houston added 33% to its housing stock since 2000.

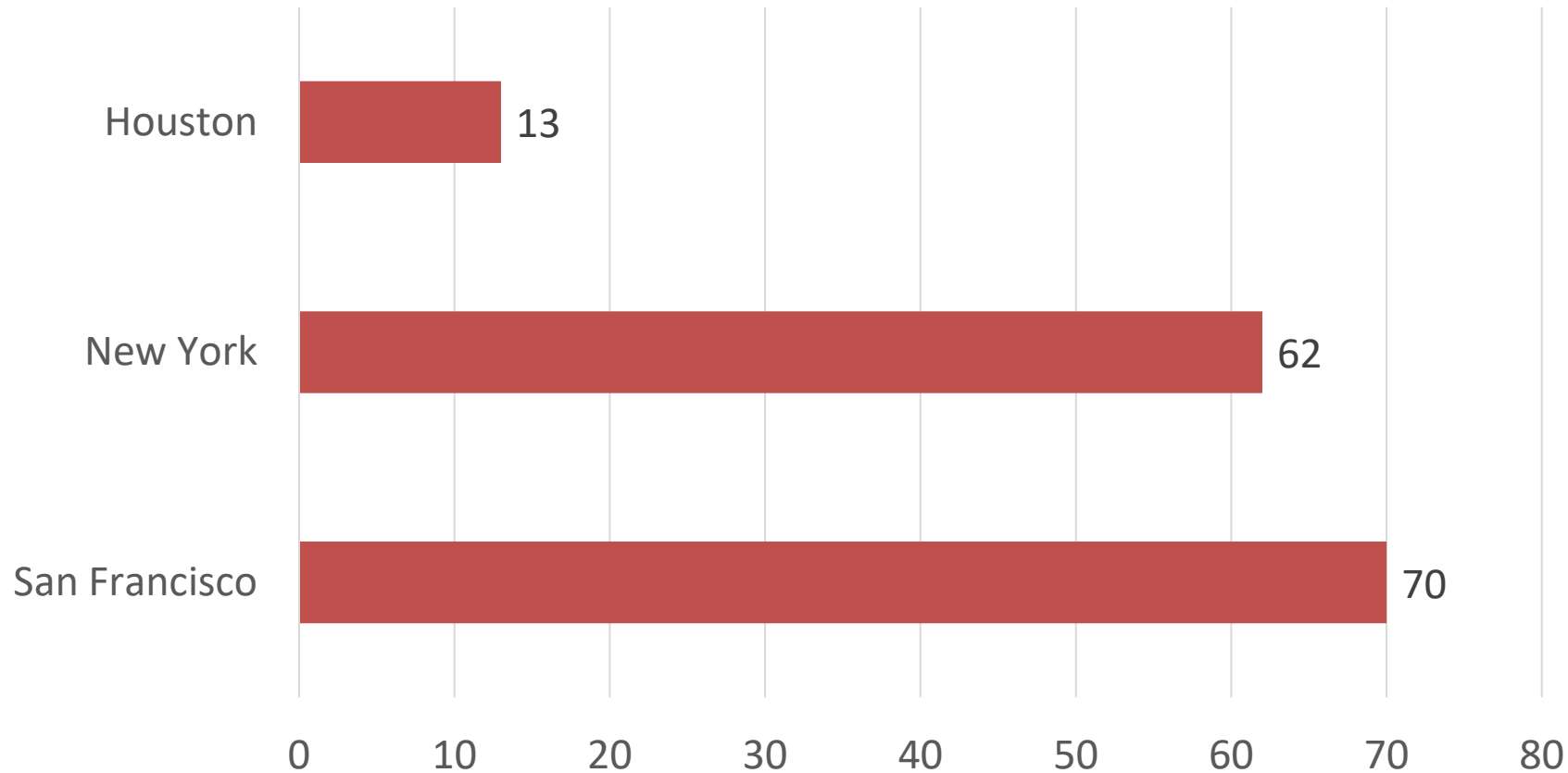
New York City, Los Angeles, and Chicago added an average of 14%.

Hispanic Black

Source: ACS Census Bureau data

Even Prior to Coordination Success, Houston's Lower Rents Meant Less Homelessness

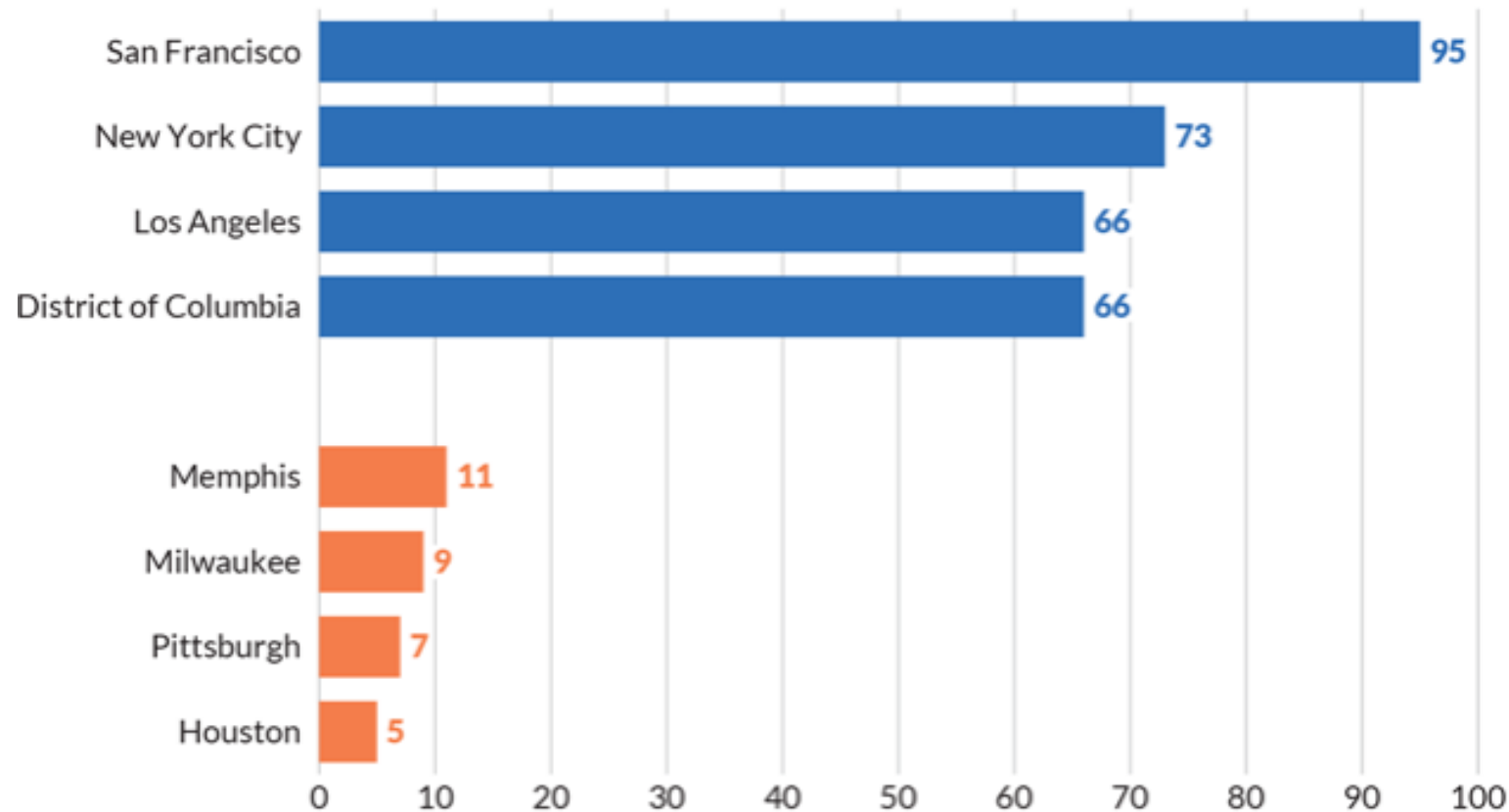
Homelessness rate per 10,000 in Houston, New York City, and San Francisco, 2011



Sources: HUD Point-in-Time count data for the CoC covering the listed jurisdiction for homelessness

Homelessness is High Where Rents Are High

Rate of homelessness per 10,000 in January 2022



Avg. Rent (Mar. 2024):
\$2,284

Avg. Rent (Mar. 2024):
\$1,203

Sources: Homelessness data comes from the Department of Housing and Urban Development's 2022 Point-in-Time estimates. Population data comes from the 2021 American Community Survey (ACS) one-year population estimates from the U.S. Census Bureau. Rent levels come from Apartment List's [Rent Estimates](#) data in January 2022, downloaded on June 15, 2023. City names refer to the Continuum of Care (CoC) covering the city, which sometimes spans the county encompassing the city. When a CoC was comprised of multiple counties, rent data for the largest county in the CoC was used.

**More Homes (+ Subsidies, Protections, Programs)
= Less Homelessness**

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