

*2nd Annual*  
HOUSTON HOUSING CONFERENCE  
**DEVELOPING A  
FRAMEWORK  
FOR A LOCAL COMPREHENSIVE  
HOUSING PLAN**

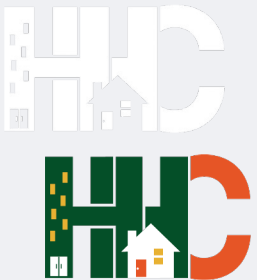
NOVEMBER 17, 2023



*Welcome!*

# Mrs. Aja Edwards

1st Annual HHC Housing Conf, Chair





# Housing Houston

Prepared for the Houston Housing Collaborative  
Nov. 17, 2023



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# Overview

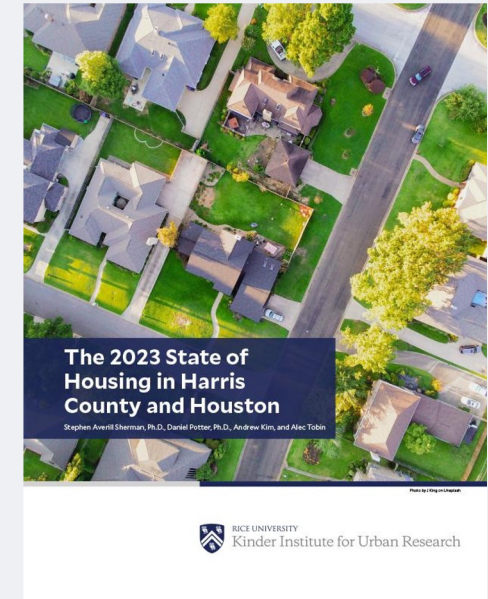
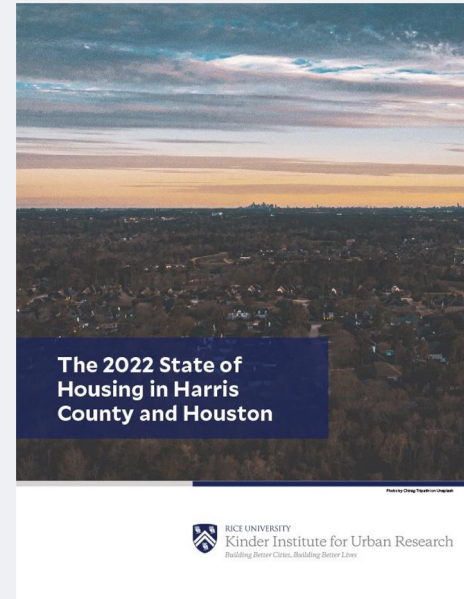
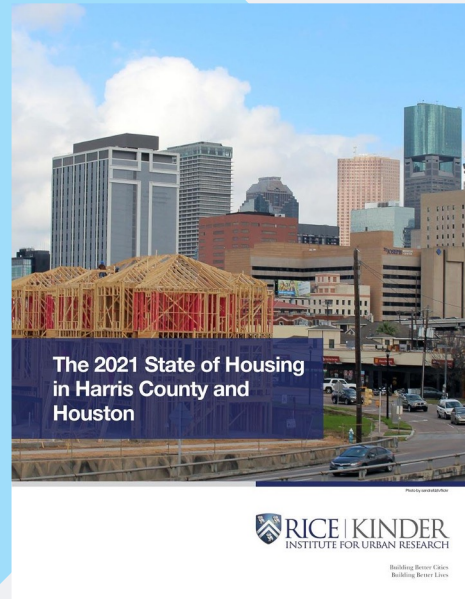
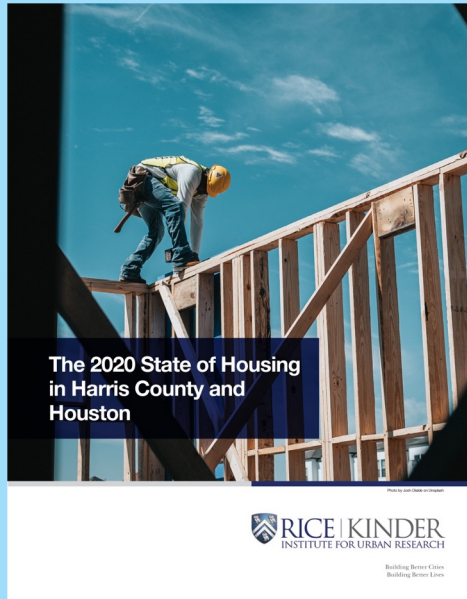
What we know so far  
Who is most affected  
Intersections —  
and next steps



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# Our research



Explore at <https://kinder.rice.edu/issues/housing>



# Survey findings: Houstonians sound the alarm

# 1 in 5

Houstonians say “housing” is the biggest problem facing the city (Kinder Houston Area Survey, 2023)



# 73%

Of Houstonians want the next mayor to make affordable housing a priority (Kinder Institute survey, July-August 2023)

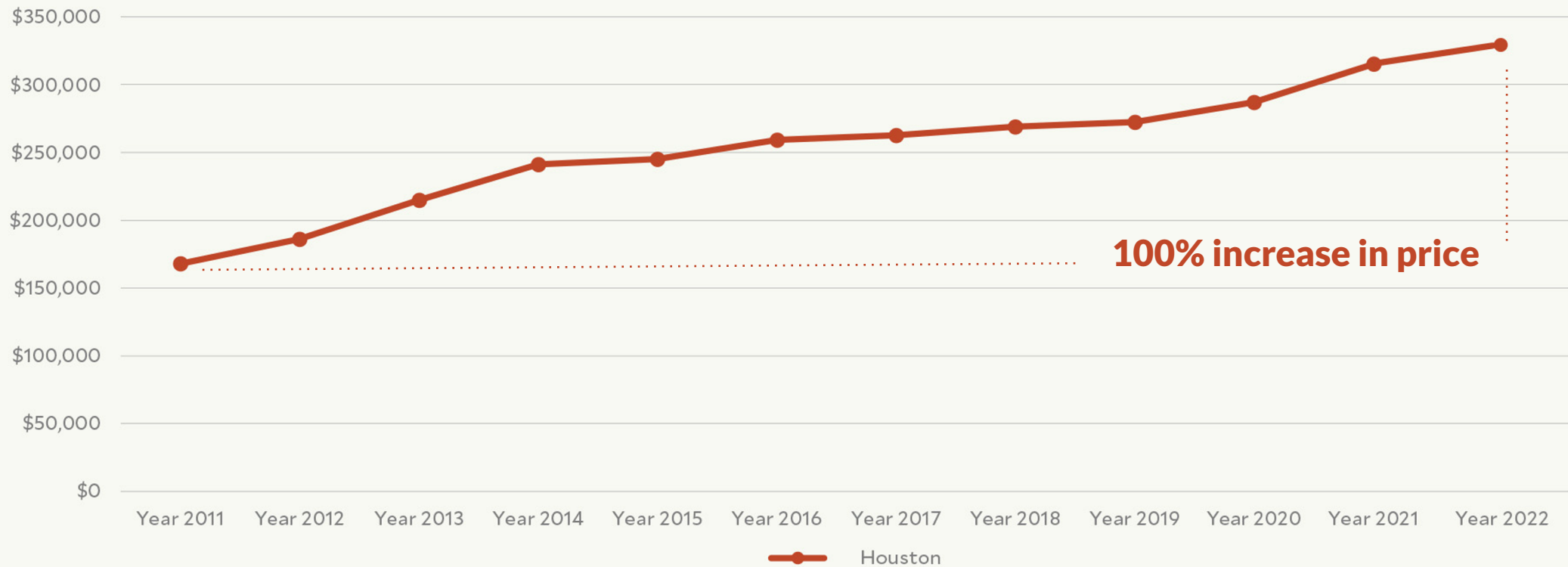


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# Rising rents home prices

## Median Sales Price, Houston, 2011-2022



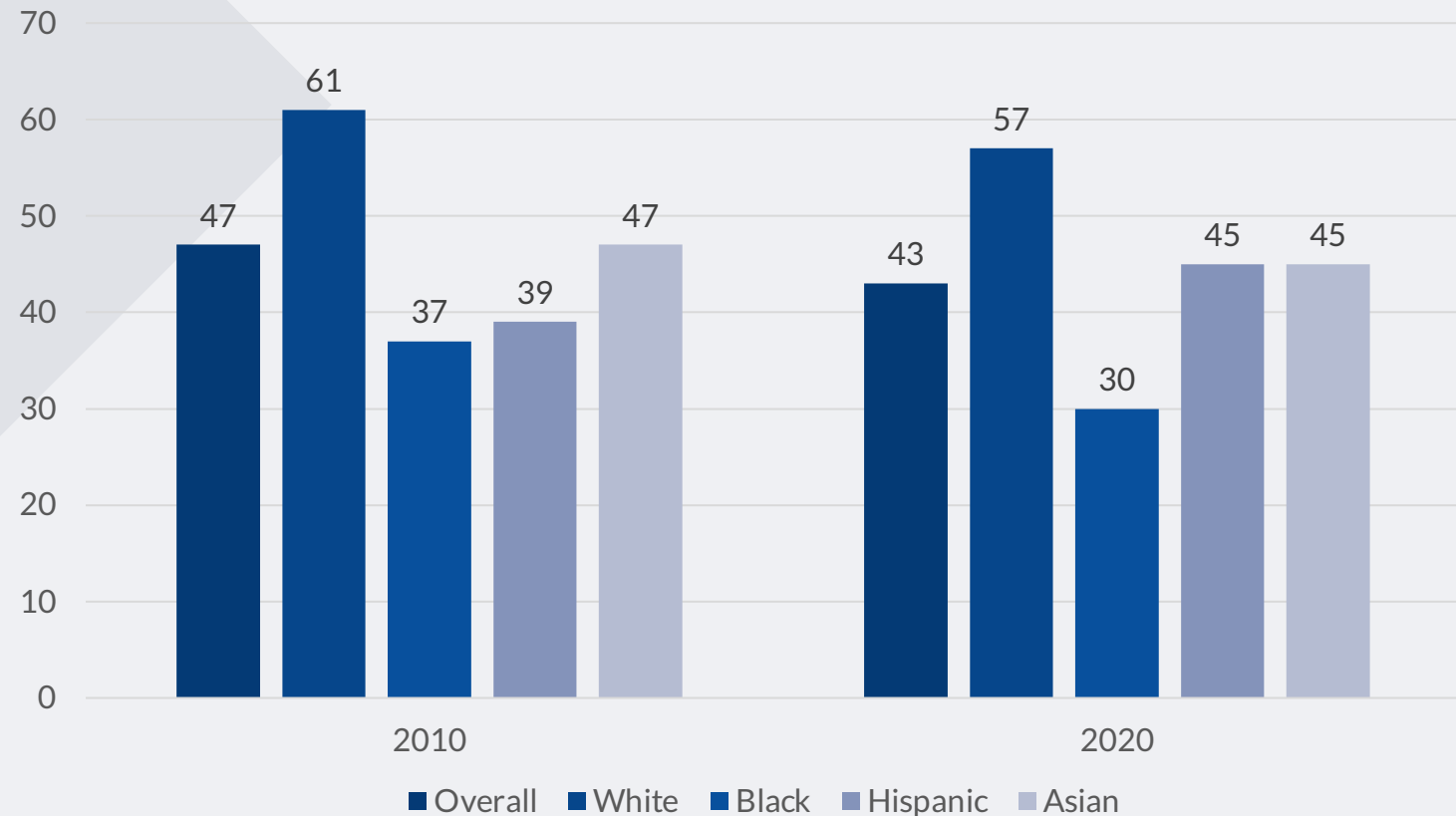
Source: Houston Association of Realtors



# Declining homeownership rates across the board

Across all racial groups, owning a home is less common than it was in 2010, with more sharp declines for Black households

Houston Homeownership rates by race/ethnicity, 2010-2020





# A growing affordability gap—especially for renters

In 2011, Houston median renter households could afford a home worth

**\$99,625**

The median sales price in 2011 was

**\$167,900**

Leaving an affordability gap of:

**\$68,275**

In 2022, Houston median renter households could afford a home worth

**\$123,000 (+23%)**

Median home sales price in 2022


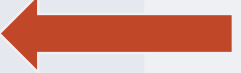
**\$335,000 (+100%)**

Affordability gap:

**\$212,000 (+210%)**



## Rising rents and incomes are not keeping pace

	2015	2021	% Change
<b>Median gross rent</b>			
Harris County	\$906	\$1,164	28.5%
Houston	\$873	\$1,136	30.1% 
<b>Median household income, renter households</b>			
Harris County	\$36,203	\$44,686	23.4%
Houston	\$34,462	\$43,012	24.8% 

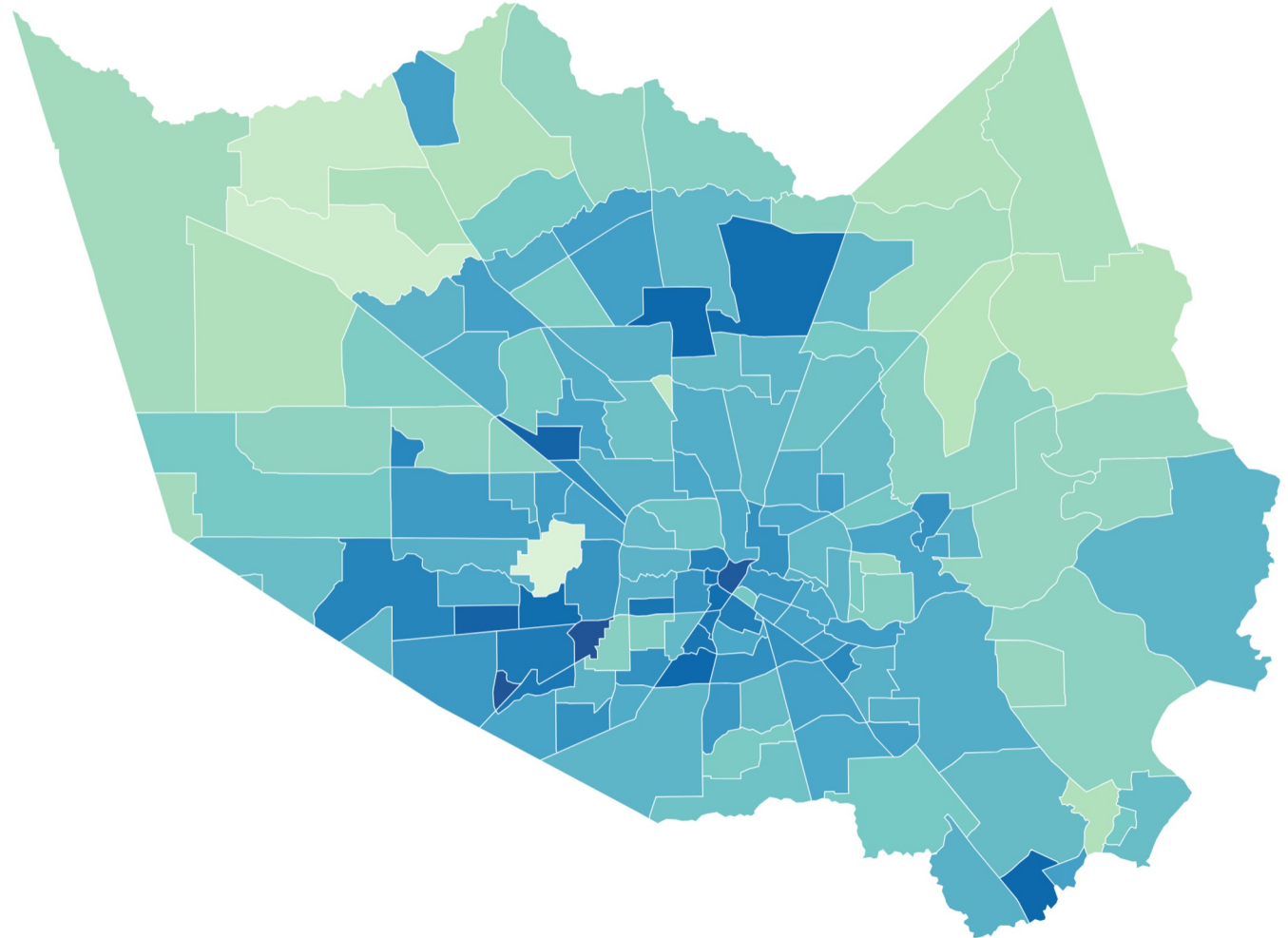


# We are a city of renters

The share of renter households in Houston increased from 53% in 2010 to 57% in 2018.

33 out of 143 CTAs (neighborhoods) have even higher proportions of renters

0% 50% 100% **Share of renter households by CTA, 2022**

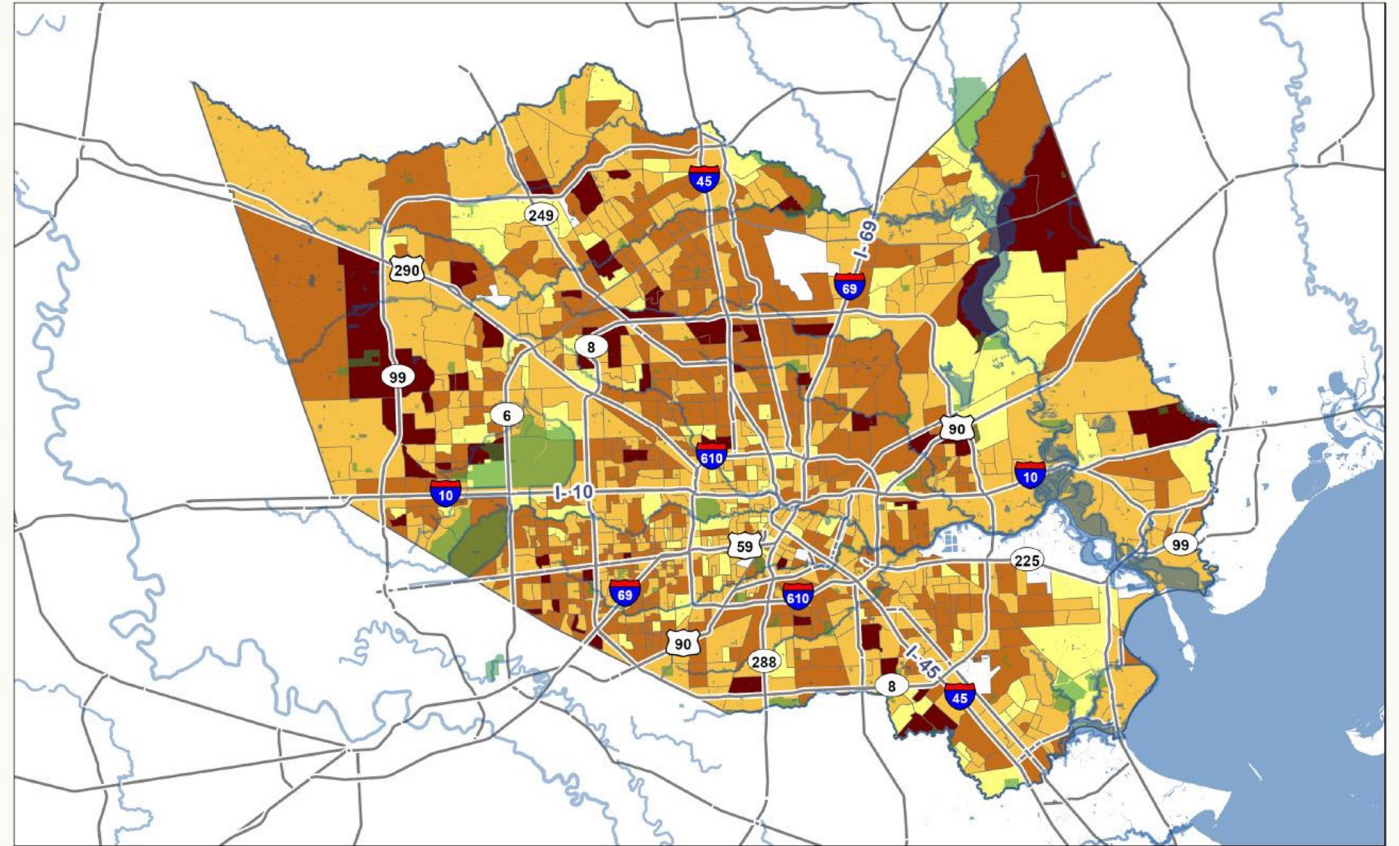


# A city of cost-burdened renters

Renters can barely afford *renting*, let alone buying a home: Over 50% of renters are considered cost-burdened, a majority for the first time

When other costs are factored in, 60% of households are burdened by housing cost

Percentage of rental households that are cost-burdened, by census tract, 2021



**Legend**

- Less than 25%
- 25 - 50%
- 50.1% - 75%
- More than 75%



Data Source: 2021 ACS 5-year



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# Market mismatch: Not enough homes, too much competition

Harris County needs more than **156,000** additional housing units that are affordable to households below \$20,000

**Distribution of Housing Demand and Supply by Income Bracket, Harris County, 2019**



Source: My Home is Here: Harris County's Housing Needs Assessment and 10-Year Strategy. 2021. Harris County Community Services Department. Authored by the Kinder Institute for Urban Research at Rice University.



## Increasing evictions

32,924

Eviction filings in 2019, giving Harris County more than New York City, Chicago and Los Angeles areas.

79,627

Eviction filings in 2022 after pandemic protections and rent relief expired. Harris County has the third-largest post-pandemic surge in the country.

29%

Of Houstonians “sometimes” or “often” worry about facing an eviction or foreclosure



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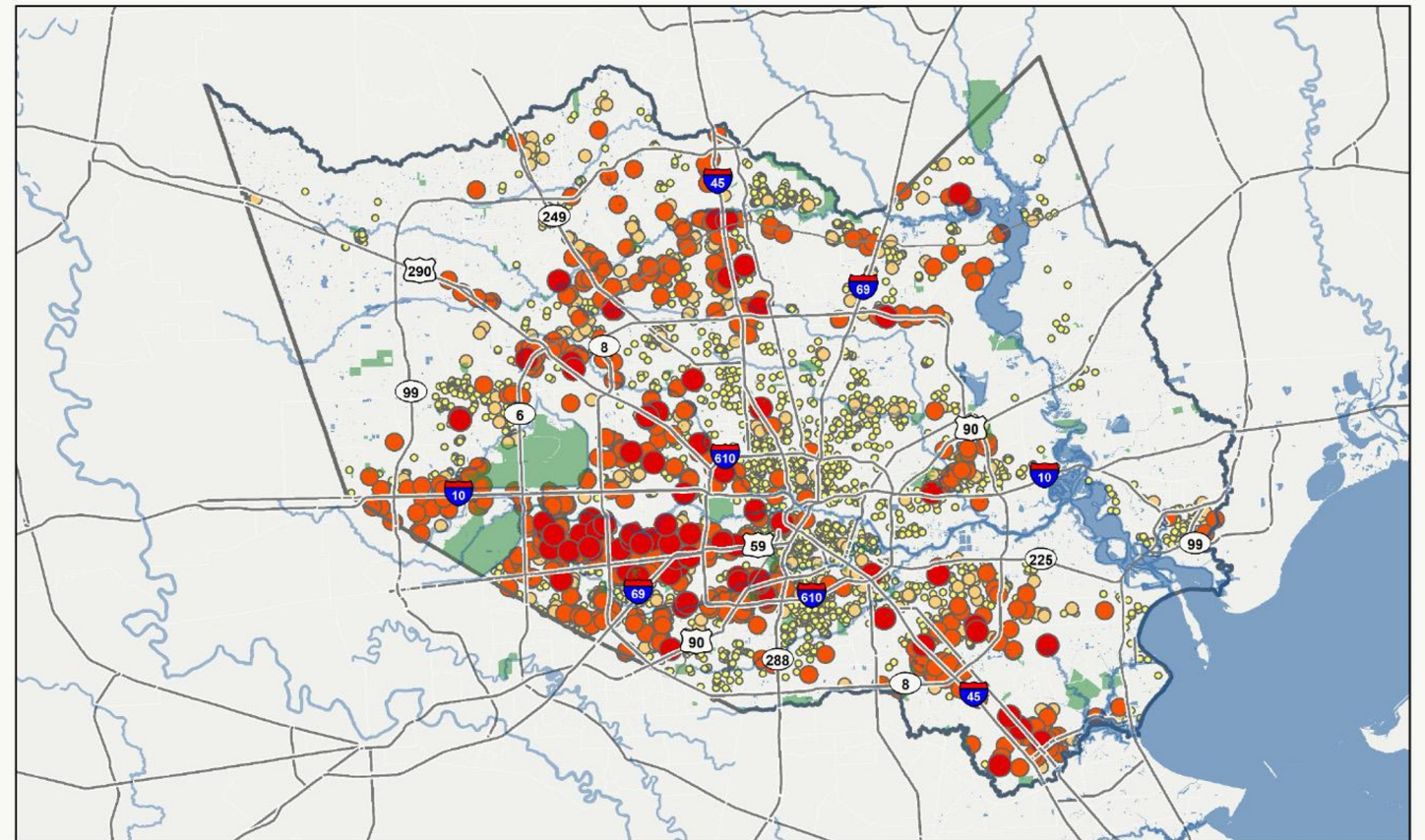
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# Affordable housing stock is at risk

Privately owned  
“affordable housing”  
units outnumber  
subsidized housing

**5 to 1**

**57%** of these units  
are graded “average” or  
worse by HCAD



## Legend

- Rivers
- Water
- Highways
- County Parks
- Harris County line

## Title: Naturally Occurring Affordable Housing (Parcel Level)

### Naturally Occurring Affordable Housing Units

- 1 - 100
- 101 - 250
- 251 - 500
- 501 - 1,502

0 5 10 20 Miles



Data Source: January Advisors and LISC Houston, 2021



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# Affordable housing stock is at risk

LIHTC accounts for about 2 out of every 3 subsidized housing units in Harris County.

More than half of all subsidized units in Harris County could lose their subsidies by 2040.

**Table: Housing assistance expiration years by decennial time period**

Expiration year	Units	%
<b>Year 2021–Year 2030</b>	<b>8,919</b>	<b>16%</b>
<b>Year 2031–Year 2040</b>	<b>23,120</b>	<b>42%</b>
Year 2041–Year 2050	14,911	27%
Year 2051–Year 2060	5,510	10%
Others	2,898	5%
<b>Total</b>	<b>55,358</b>	<b>100%</b>





# Who is most affected?

Renters

Families and people of color

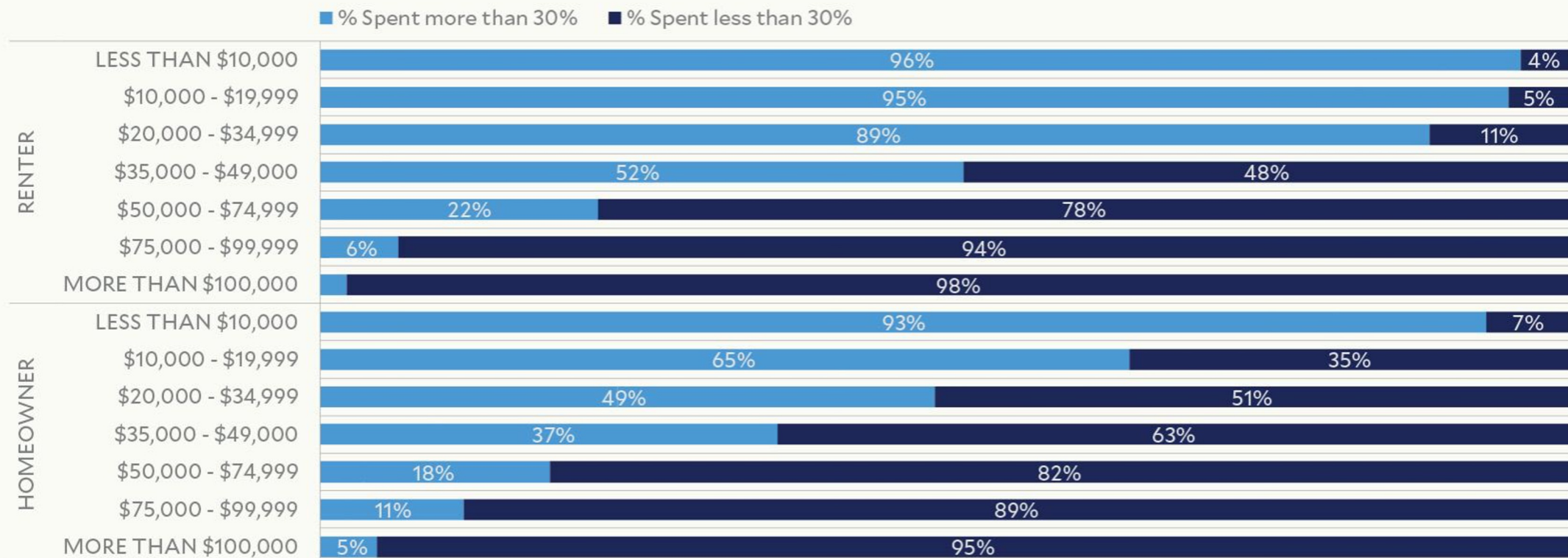
Neighborhoods



# Renters are more vulnerable than homeowners

Even poor/moderate income homeowners are cost-burdened at a lower rate: households earning \$20-\$35K, 89% renters burdened, 49% owners

## Cost Burden by Housing Tenure and Income Group, Houston, 2020



Source: American Community Survey, 5-Year estimates, 2020

Source: Harris County Community Services Department. (2021). My Home is Here.

# Cost burdens are hitting families and people of color hardest

## Cost-burdened household demographics (updated measurement), 2021

Household type	Percentage of rental households that are cost-burdened
<b>By family status</b>	
Single-person household	55.4%
Single-parent household, any number of children	88.2%
Two-parent household, any number of children	72.9%
<b>By race/ethnicity of household head<sup>1</sup></b>	
Asian	38.0%
Black	66.2%
Hispanic	74.7%
White	36.2%

Source: Kinder Institute of Urban Research analysis of American Community Survey public-use microdata, 2021.

<sup>1</sup> Asian, Black and White categories are all non-Hispanic

## Neighborhoods vulnerable to evictions

Neighborhoods with higher shares of Black residents and foreign-born residents tend to have more total eviction filings

Neighborhood	2022 eviction filings	% Black (2021)	% Foreign Born (2021)
Eldridge/West Oaks	2,910	32%	35%
Westchase	2,444	36%	41%
Alief	2,075	29%	50%
Mid-West	1,918	21%	45%
Briar Forest	1,809	24%	27%
Uptown	1,724	7%	27%
Five Corners	1,383	41%	26%
Sharpstown	1,174	12%	56%
Astrodome	1,121	29%	35%
Westbury	1,018	31%	26%



# Redevelopment, displacement and gentrification

Countywide, there's a 10-1 ratio of construction to demolition from 2005 to 2018, meaning more new construction rather than tear-downs. Compared to:

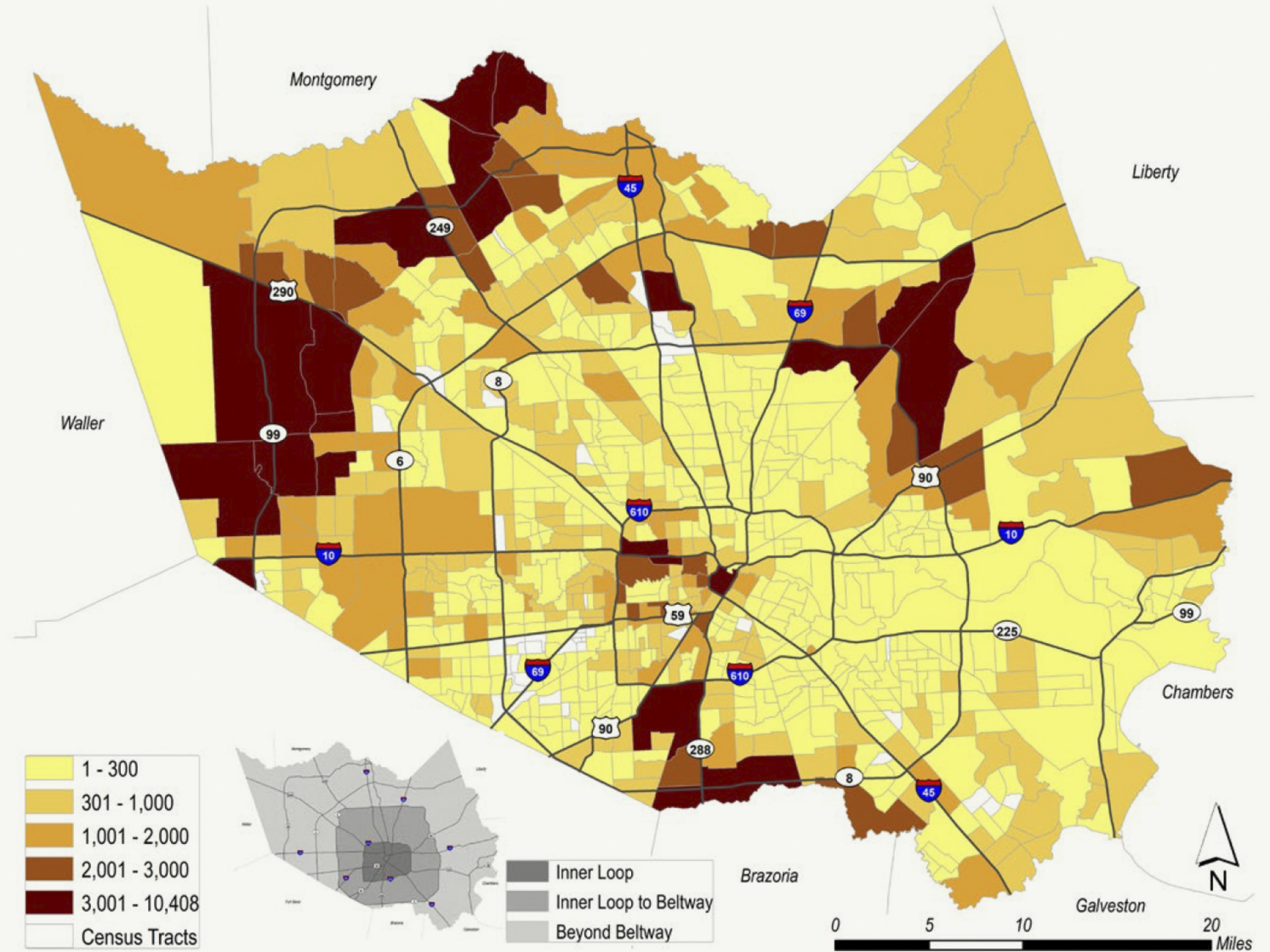
Third Ward: 1:1

Fifth Ward: 1.4-1

Montrose: 3.5-1

FIGURE 8

Newly Built Units by Census Tract between 2005 and 2018



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# Intersections and next steps

Flood risks

Transportation

Community health

New questions



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# \$45 billion in equity in the floodplains

- 2,000 homes built in floodplain between 2018 and 2019
- Homes in floodplain outnumber homes overall by 4 to 1
- Houston has over 240,000 homes in the floodplains and floodway but only about 55,000 FFIP policies in the city (including policies inside and outside of floodplains)










# Transportation, food, child care ...

A good housing plan should acknowledge other policy levers that improve quality of life and make housing more accessible.

After housing, transportation, child care and health care are the biggest cost drivers.



MONTHLY COSTS	
2 adults and 2 children Harris County, TX	
 HOUSING	\$1,127
 FOOD	\$727
 CHILD CARE	\$1,069
 TRANSPORTATION	\$1,111
 HEALTH CARE	\$1,000
 OTHER NECESSITIES	\$672
 TAXES	\$458
<b>MONTHLY TOTAL</b>	<b>\$6,164</b>
<b>ANNUAL TOTAL</b>	<b><u>\$73,970</u></b>

Source:  
Economic  
Policy Institute





# Improving quality of life without displacement



37%

Of Houstonians who have lived here more than 20 years are worried about new development changing their neighborhood



# New questions that need answers

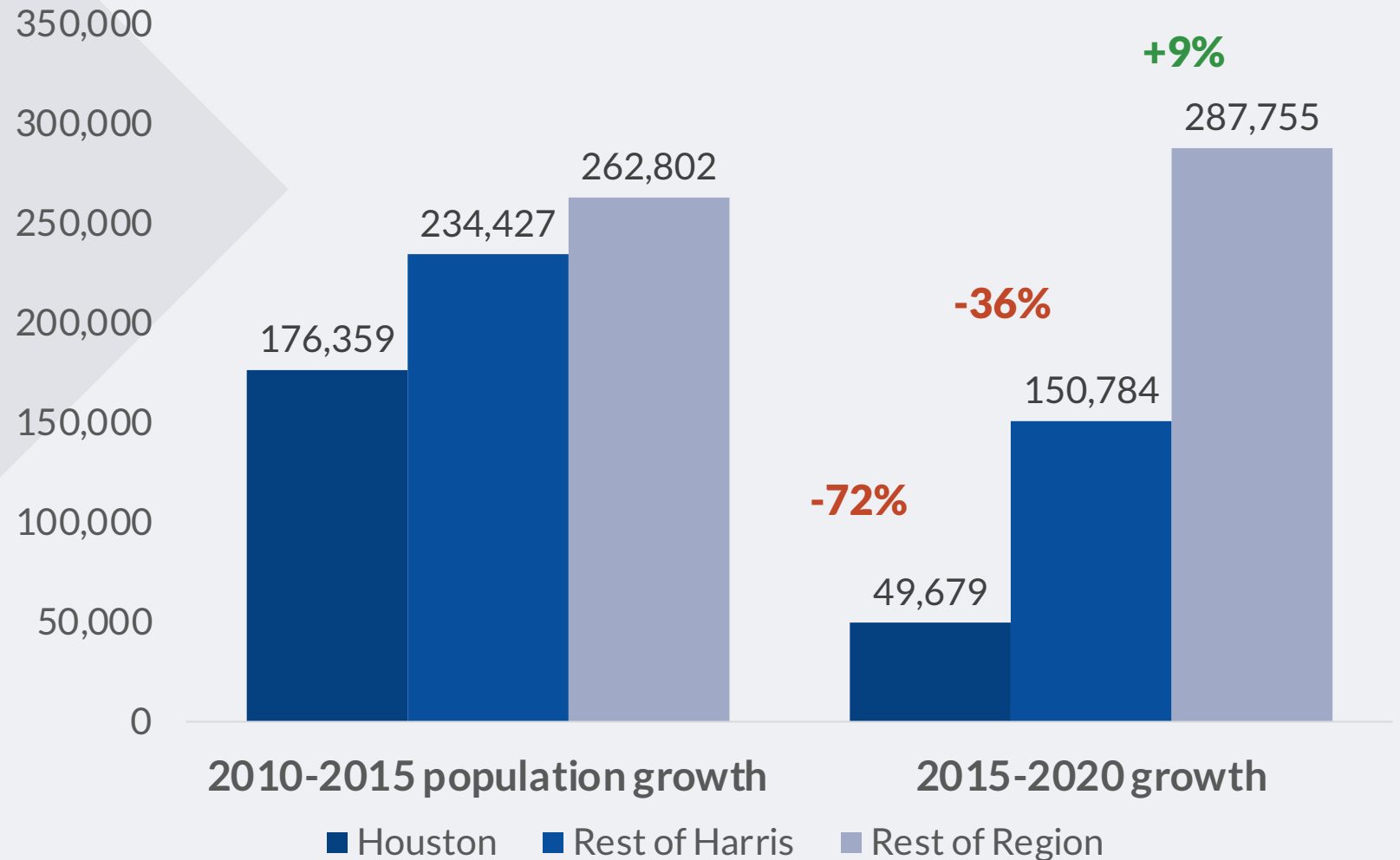
How many units and at what price point need to be preserved or built over the next decade?

What are Houston's options for funding a comprehensive housing plan?

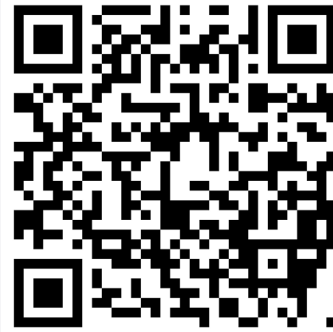


# The cost of a housing plan vs. the cost of doing nothing

Houston and Harris County's growth has stalled as homeowners find better deals in the suburbs. Can better housing policy help Houston grow again?



# Q & A



Find more research & analysis:  
<https://kinder.rice.edu/issues/housing>



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