

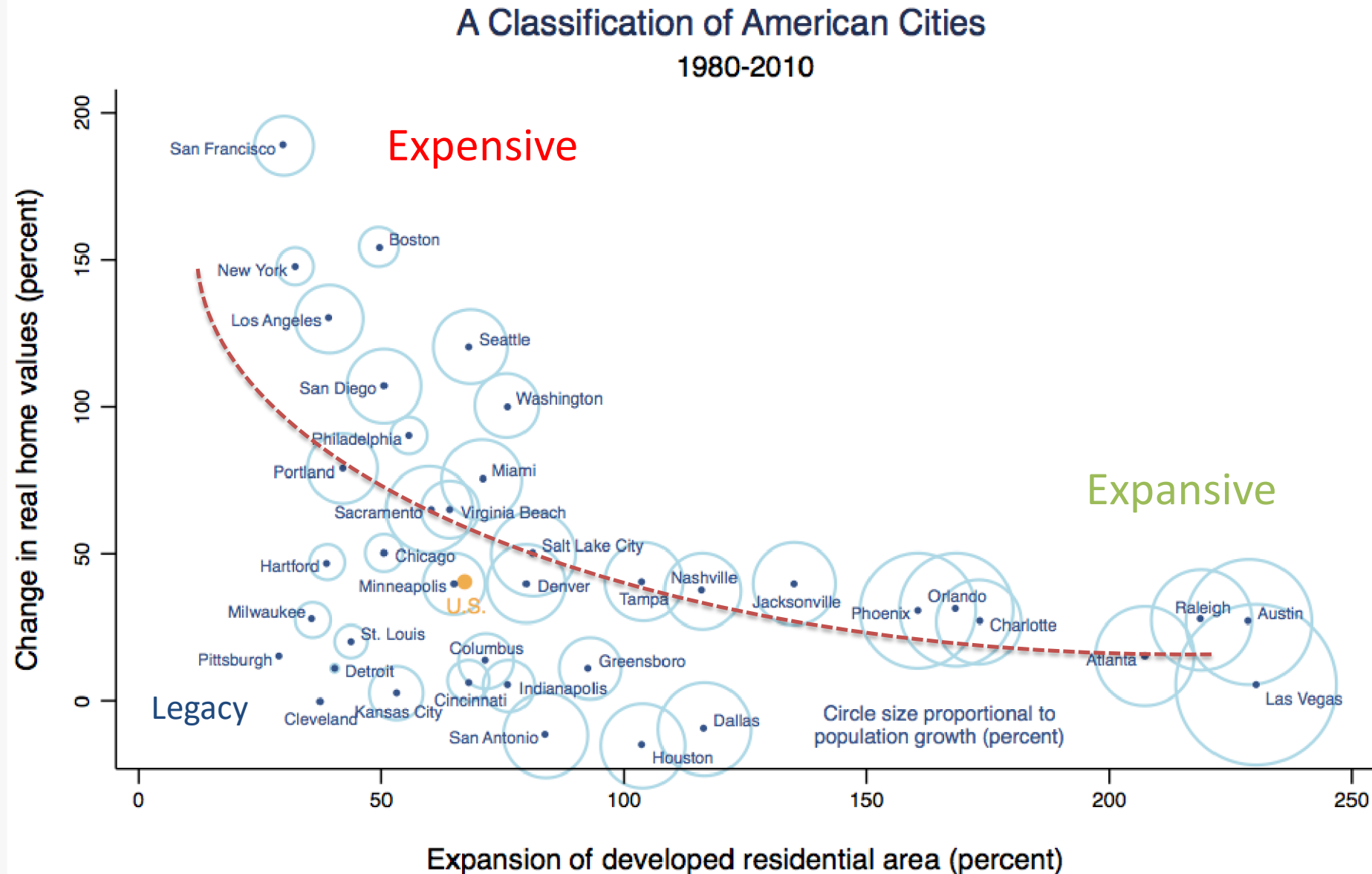


# Housing Underproduction in Arizona: Quantifying the Impact of Accessible Growth



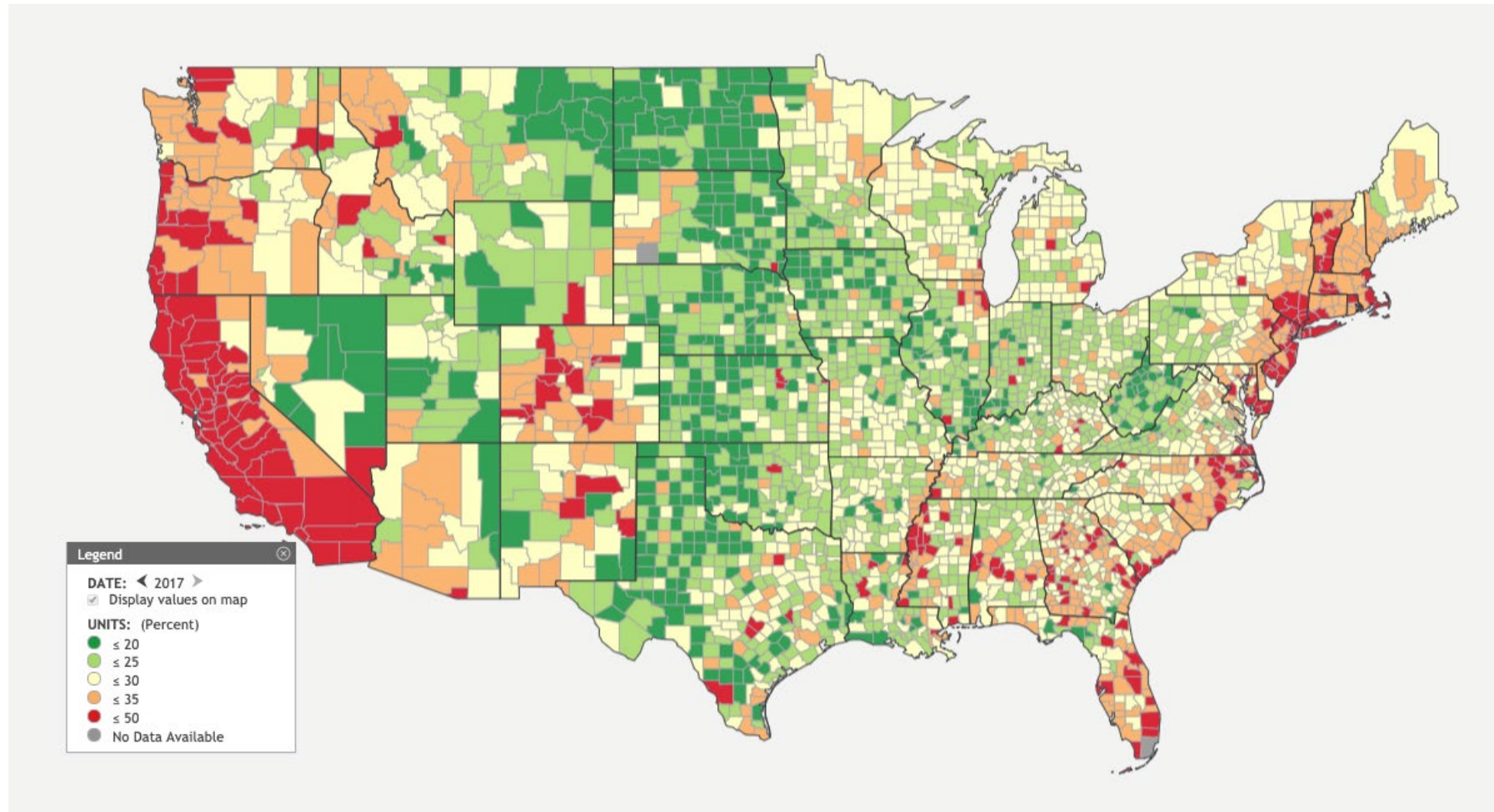
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# Policy Tradeoff: Expensive vs. Expansive Cities



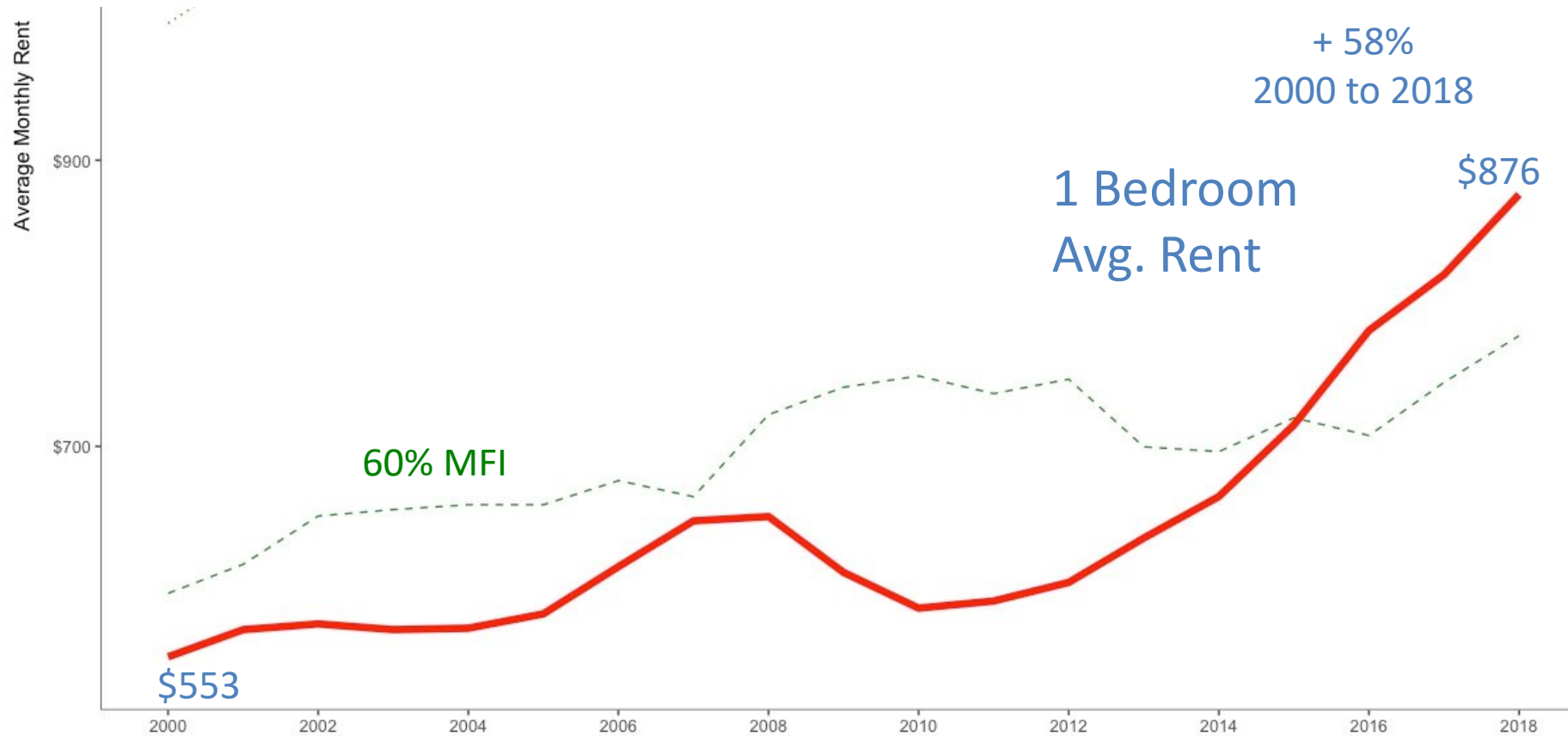
# Cost Burdening Across Arizona is Widespread

Percent of households that spend more than 30% of gross income on housing in 2017

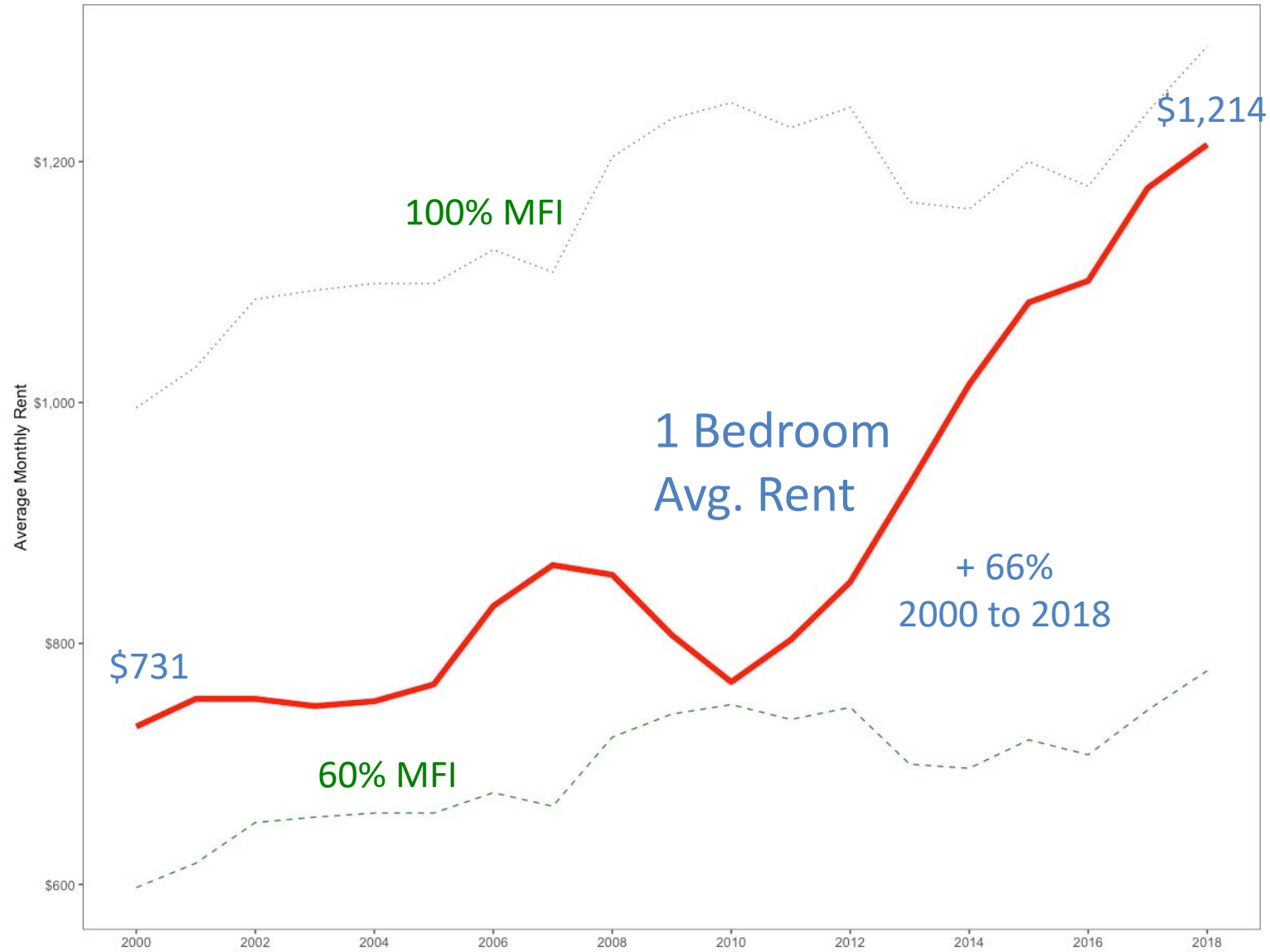


Source: St. Louis Federal Reserve, GEOFRED

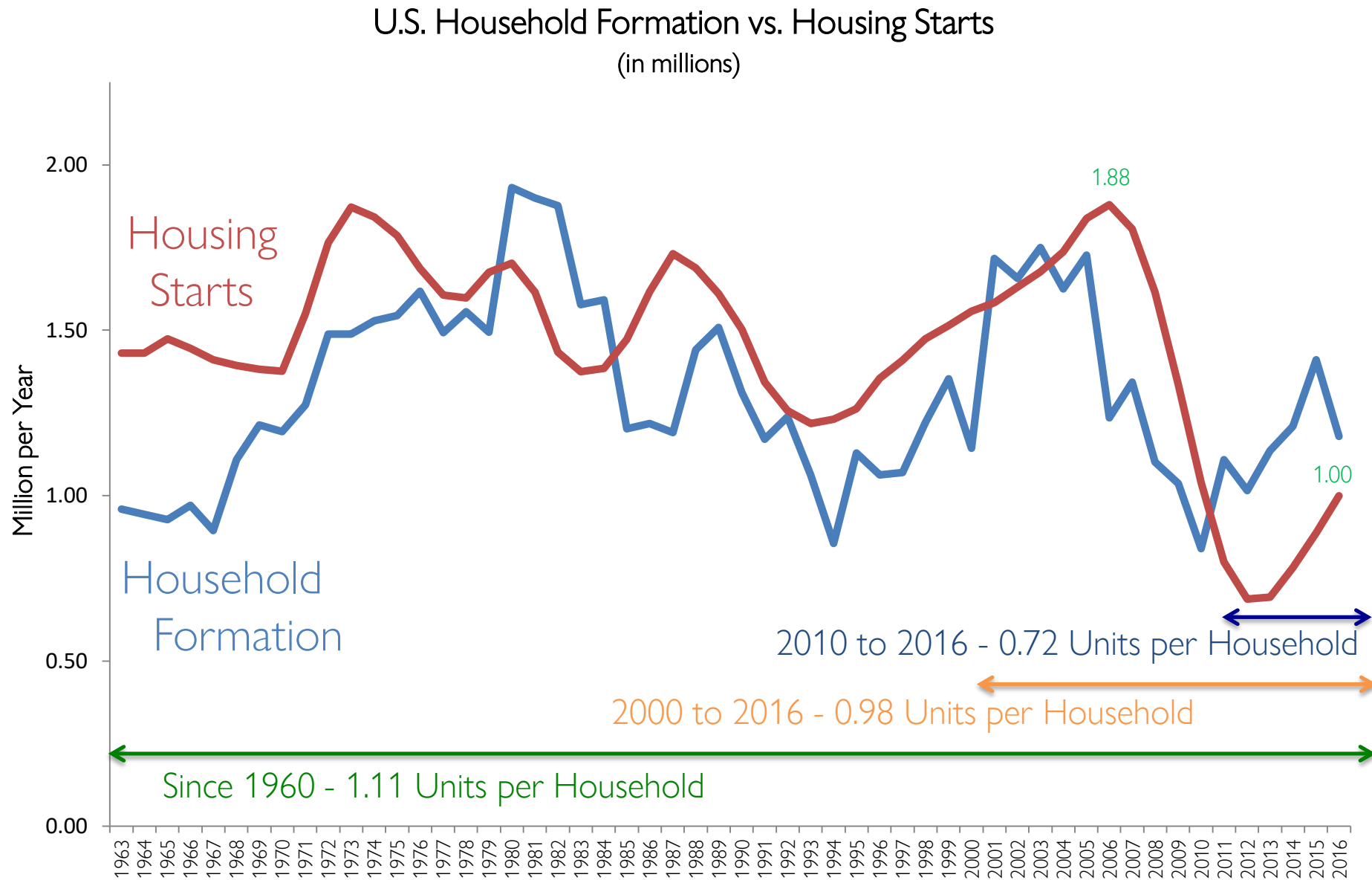
# Rents are Increasing in Phoenix Faster than Incomes



# Average 1 Bedroom Rent in Scottsdale Near 100% of AMI

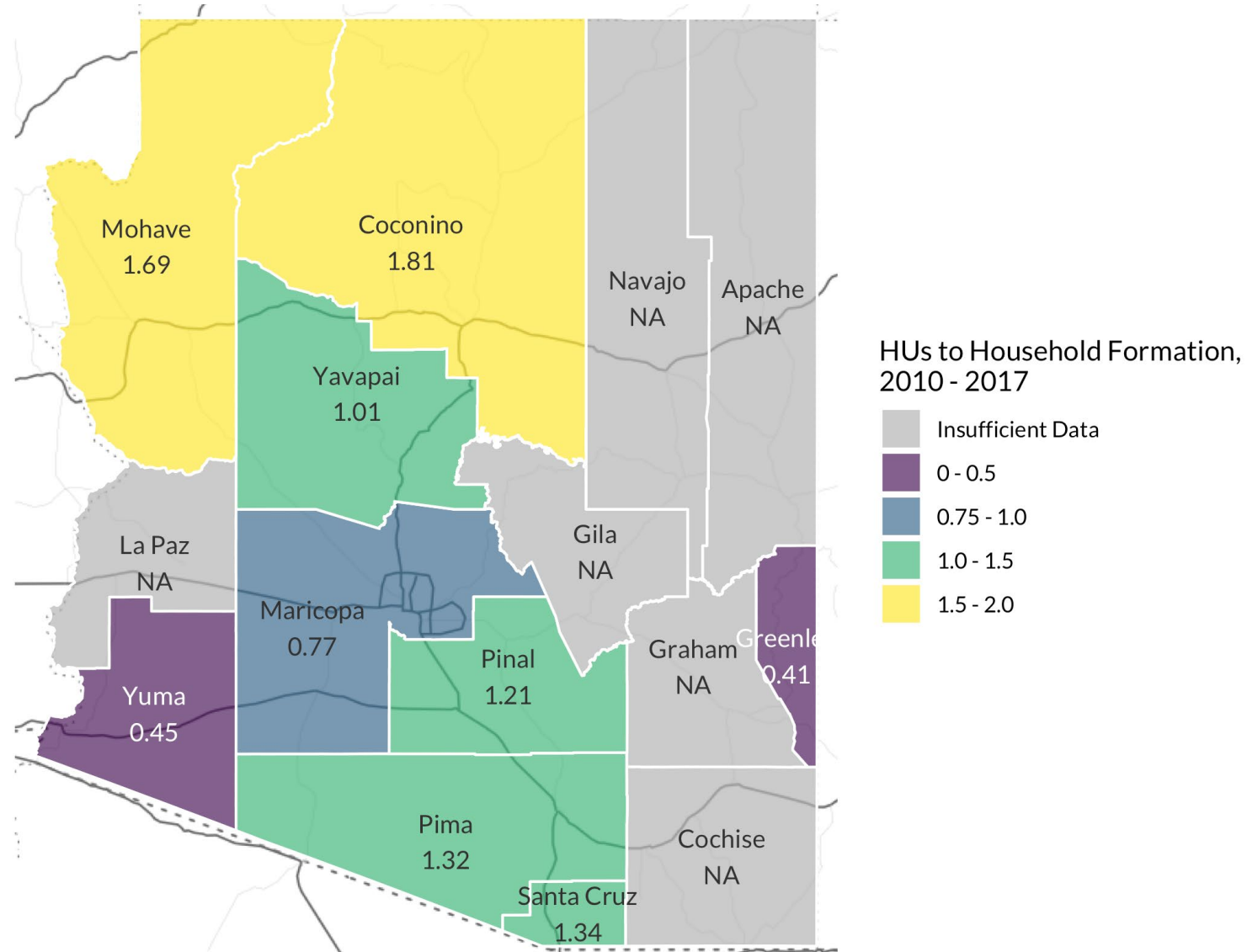


# Housing Starts Haven't Kept Pace with Household Formation



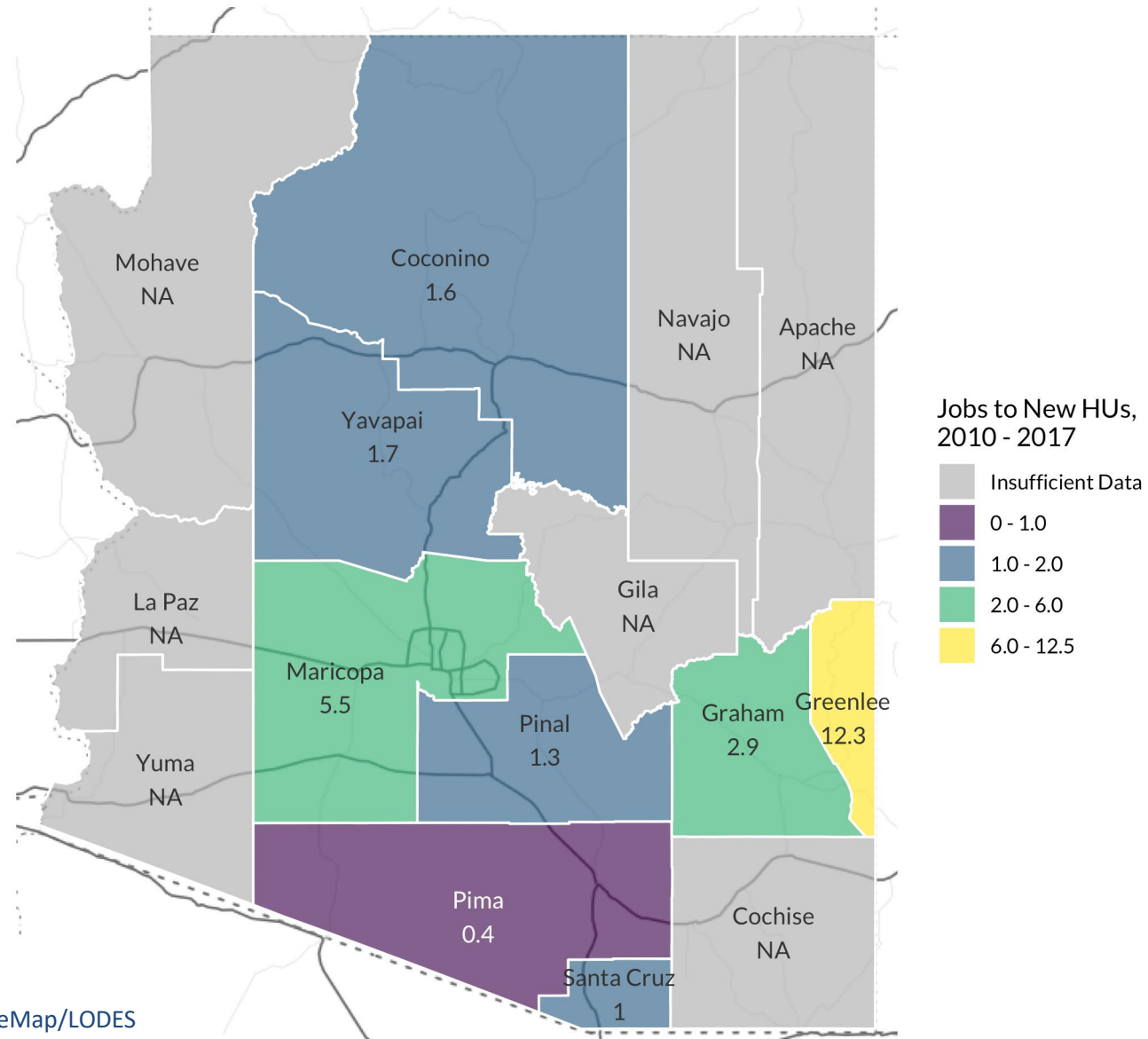
# Arizona Produced Less than 1 Unit per Household Formed

0.96 Housing Starts per Household Formed 2000 - 2017

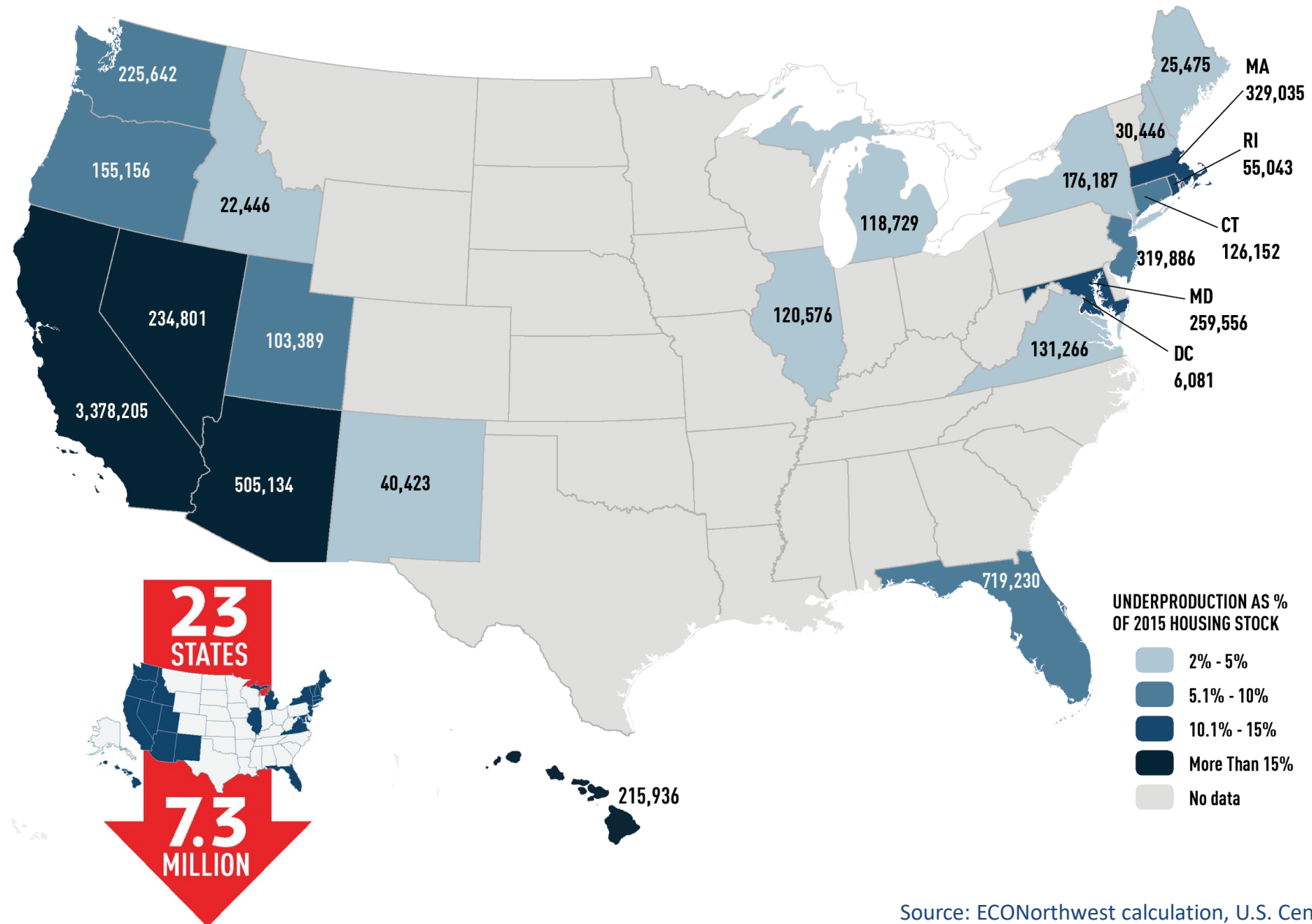


# Arizona's Housing Production Hasn't Kept Pace with Job Growth

3.5 Jobs Added per Housing Unit Statewide Since 2010

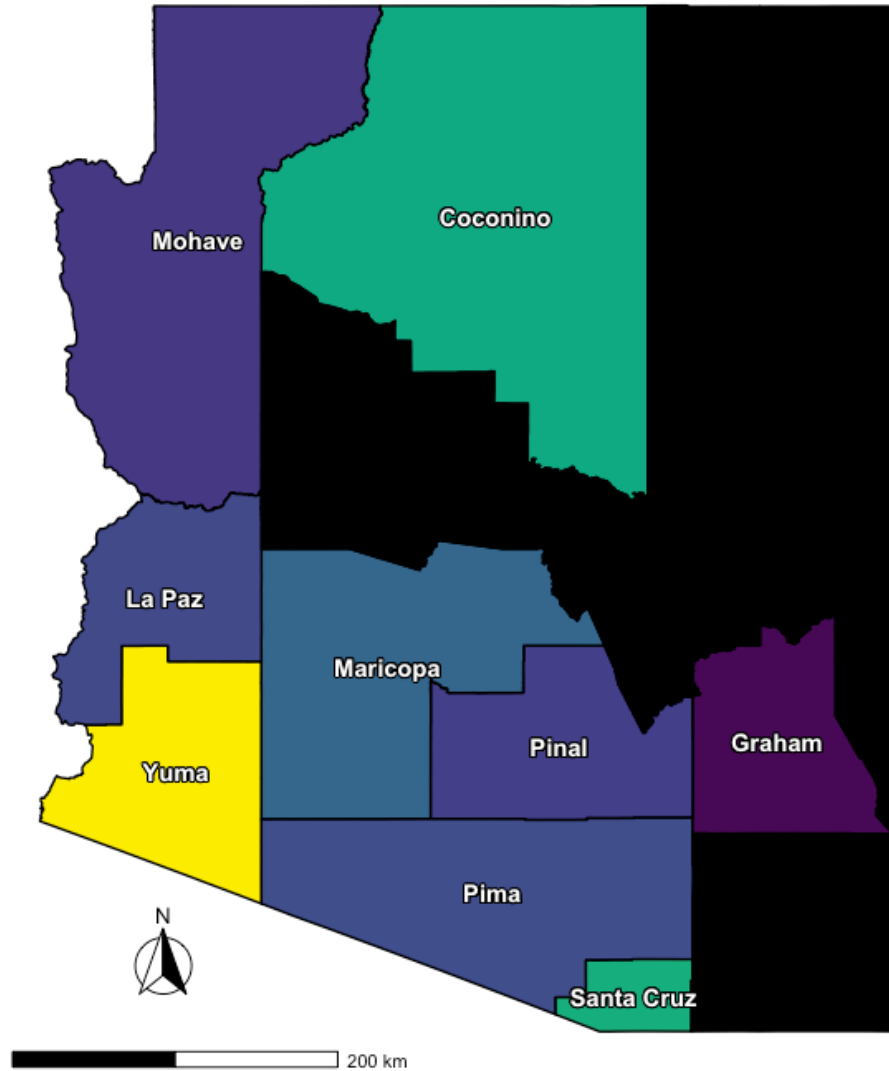


# 7.3 Million Homes Underproduced from 2000 to 2015



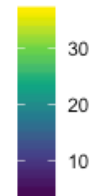
Source: ECONorthwest calculation, U.S. Census

# Distributing Underproduction by Need and Location



Need as a share of renter households earning 80% or less of AMI

% of Stock Underproduced (2000 - 2017)

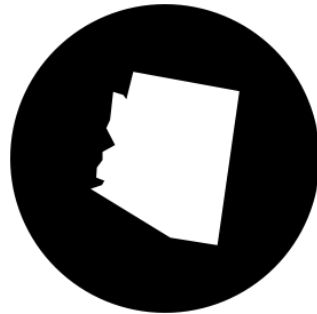


# Arizona is More Supply Constrained than Washington

## Price Elasticity of Supply



■ 0.47



■ 0.57



■ 0.84



(% change in supply)  
—  
(% change in price)



# Building a Range of Densities and Price Points

## Scenarios Distributed as 3 Construction Types:



Single Family  
5 Units per Acre

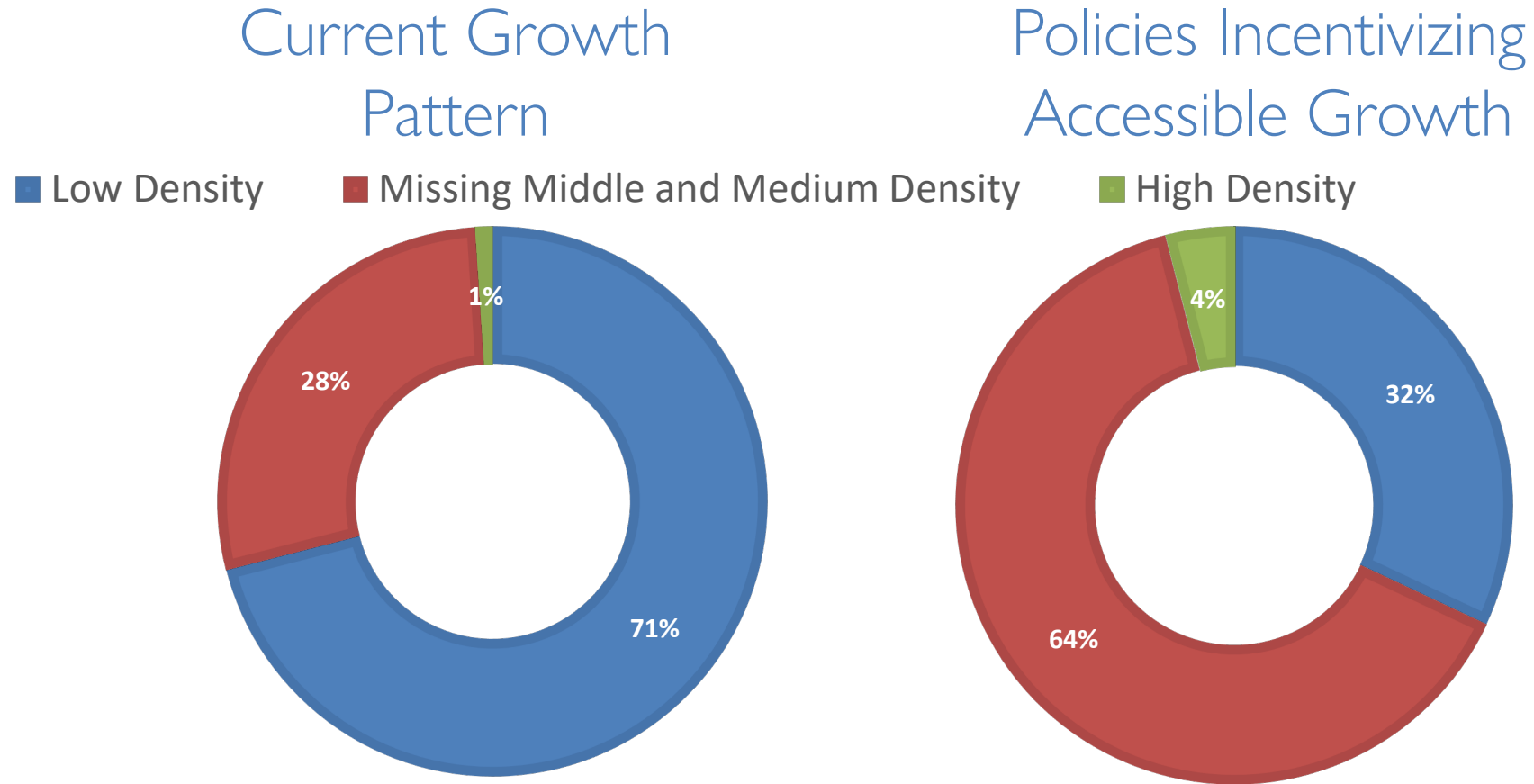
Tower  
High Rise 6+ stories  
240 Units per Acre



Medium Density  
Up to 5 stories  
120 Units per Acre

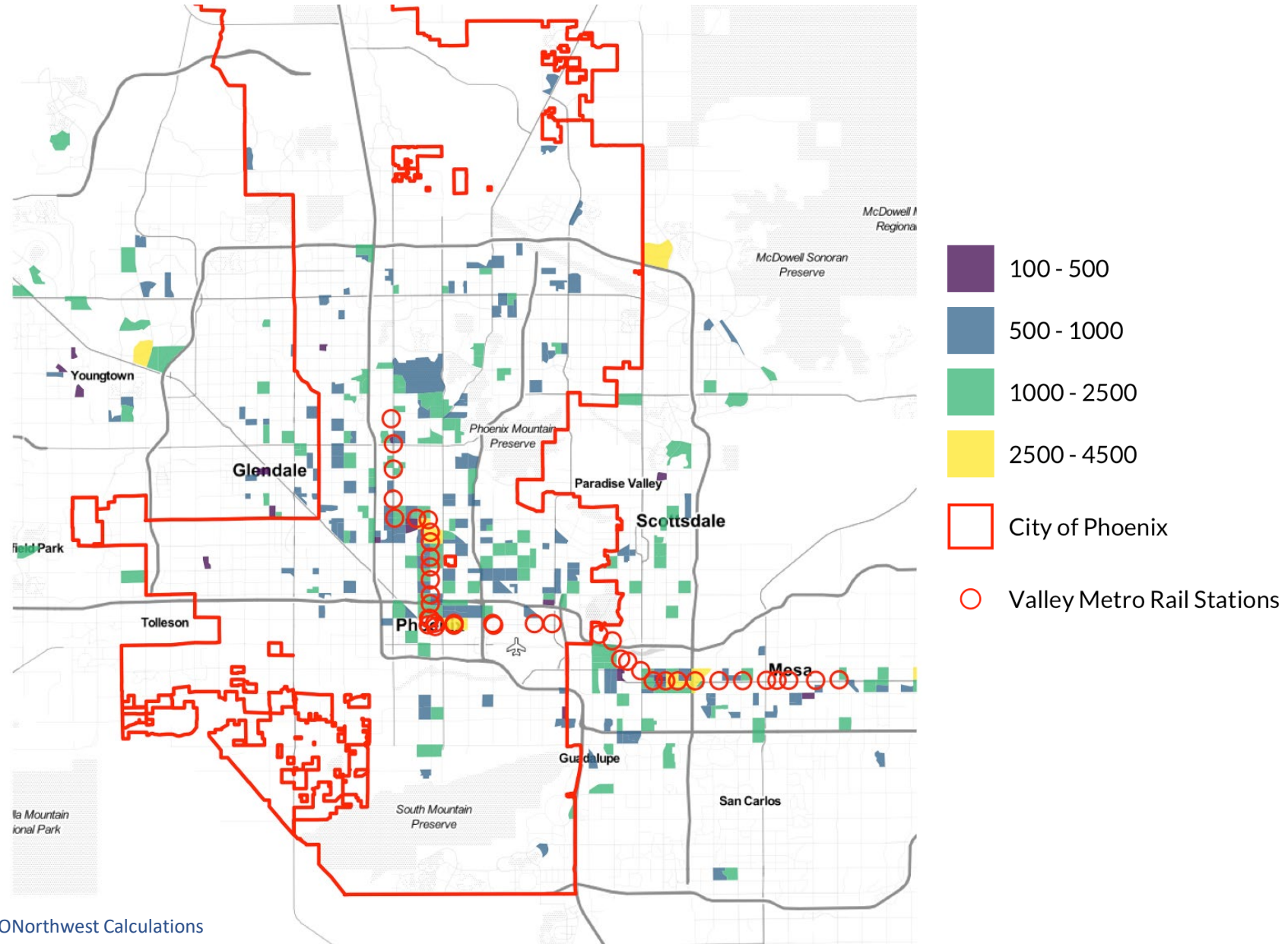


# Accessible Growth Shifts Production Towards Higher Density



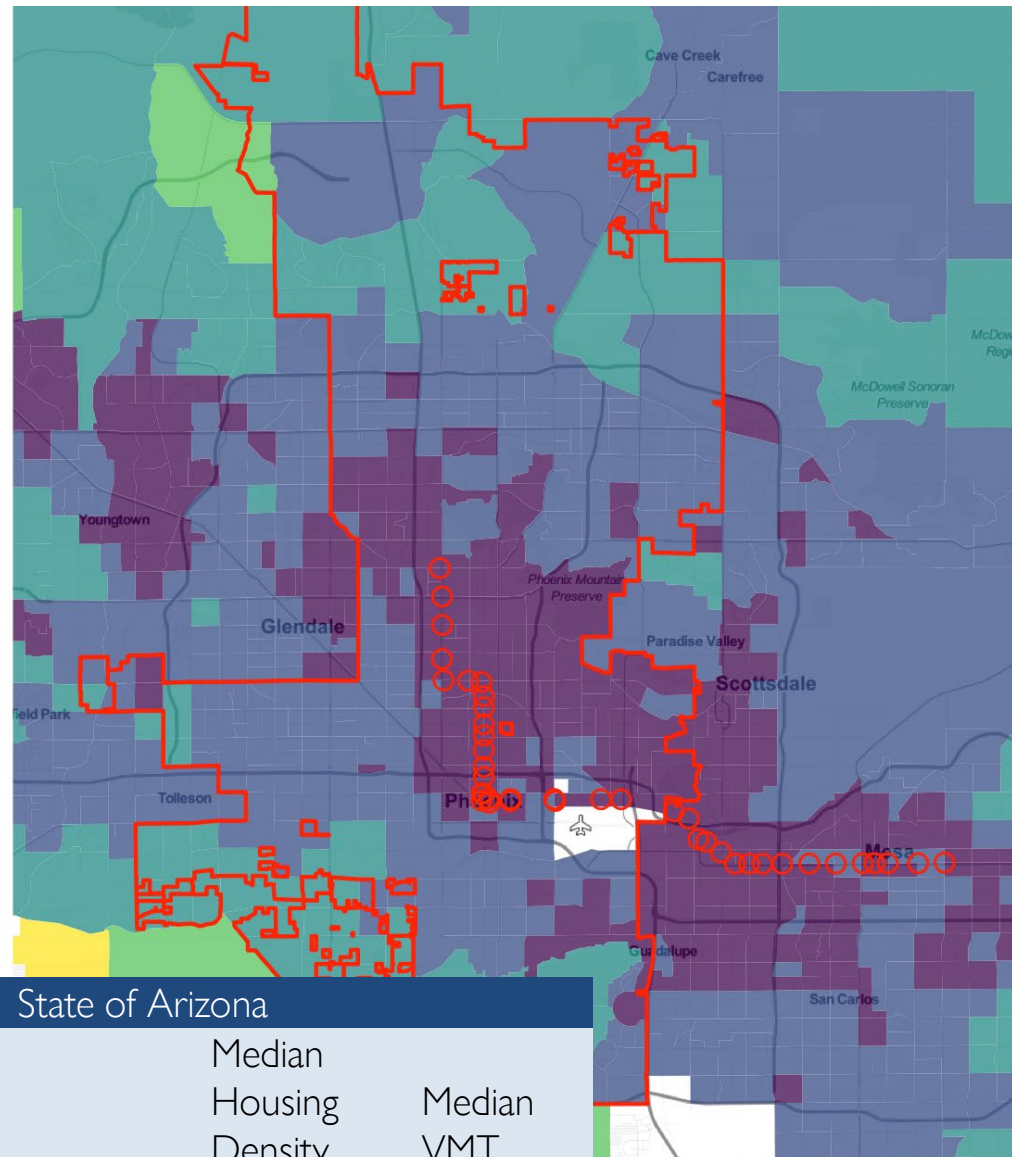
Building Under Produced Units:  
Target underutilized transit corridors, + high opportunity areas  
with low vehicle miles travelled

# Accessible Growth Targets Higher Opportunity Locations

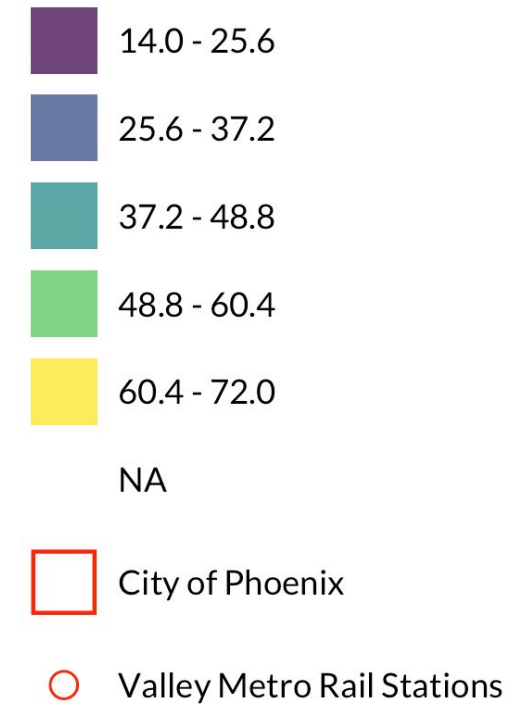


Source: ECONorthwest Calculations

# Accessible Growth Reduces Vehicle Miles Travelled by 22%



## Home-Based VMT per Housing Unit



State of Arizona		
	Median Housing Density	Median VMT
Outsie 1/4 Mile Transit Corridor	2.4	30
Inside 1/4 Mile Transit Corridor	4.0	20

Source: ECONorthwest Calculations

# Housing Underproduction in Arizona: Key Takeaways

- Long run affordability requires sustained production of housing units
- Building units at lower costs, in transit accessible, high opportunity neighborhoods key to improving equity in the region
- Leveraging existing infrastructure through accessible growth is fiscally sustainable for local governments

# HOUSING UNDERPRODUCTION IN THE U.S.

Economic, Fiscal, and Environmental Impacts of Enabling  
Transit-Oriented Accessible Growth to Address America's  
Housing Affordability Challenge



  
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