

Affordable Housing

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Basic Problem

- Young people can't afford to buy a house
- Low supply with high demand means high cost
- Housing is an increasing percent of income
- Workforce housing is expensive
- Makes it difficult to attract help
- Reduces economic growth

Economic Contributors

- Real wages flat for decades
- Houses have gotten bigger, more expensive
- Higher education more costly
- Student loans reduce funds for housing
- Globalization pushed semiskilled labor overseas
- Robotics contributing to loss of well paying factory work
- Economic gains retained by 1% of 1%

Tax Issues

- Super rich avoid tax via trusts
- Corporations avoid tax via overseas tax havens
- Kleptocrats, criminals also avoid tax
- Wealth buys investment housing, drives price up
- Lower classes can't compete
- City TIFs can subsidize gentrification
- See “Urban Renewal Programs” by David Zokaite March 3, 2020

Zoning

- Monoculture growth fixes a neighborhood
- Minimal opportunity for new construction
- Zoning encourages economic segregation
- New development mostly big new houses on big lots (residential suburban)
- Few new little houses on small lots (residential traditional)

Who Benefits?

- People with money benefit from unaffordable housing
- Current house owners like high prices
- Builders make more money with high housing costs
- If you can sell all your big new houses, no need to make small new houses

Subsidized Suburban Sprawl

- Government builds costly highways
- Subsidizes suburban sprawl
- New divisions hard to navigate
- Encourages car culture
- Discourages walking, public transportation
- Housing and auto industries benefit

Recommendations

- Determine if affordable housing is popular enough to implement
- Close down tax avoidance trusts
- Replace regressive taxation with progressive
- Prevent companies from buying multiple houses
- Encourage private home ownership, especially for starter houses
- Change zoning to build tiny houses and small houses in addition to big houses
- Stop subsidizing moving low income jobs to town

More Recommendations

- Replace monoculture zoning with mixed zoning
- Require some actual affordable houses and apartments (Current “affordable” is \$200,000)
- Scatter in some small businesses
- Encourage low impact development
- Provide micro parks
- City should plan sample developments
- See if building code prevents economical housing
- See “Progressive Housing” by myself June 9, 2020

Mixed Zoning

- Encourages mixing classes, races, income levels
- More community, less division
- Reduces barriers to home ownership
- Allows for gradual neighborhood transitions
- Good/bad areas will be smaller, more manageable
- Traditional zoning does build, fill, decline, replace
- Streets on a grid makes it easier for pedestrians, bikes, buses
- Incorporate bike lanes and trails with few stops

Enjoy Color

