



## Executive Summary

### 2023 Housing Indicator Tool Release

#### *Framing the HIT*

In March 2021, HAND released the Housing Indicator Tool (HIT), a platform intended to track local efforts to produce affordable rental housing in the Washington Region. The tool served as a response to the 2019 Urban Institute report that called for the production of 374,000 net new housing units between 2015 and 2030 (39% of which should be affordable to middle-income households, 38% affordable to low- income households) to adequately address the region’s affordable housing crisis. The targets used in the tool are benchmarked to locally produced demographic forecasts generated as part of the Metropolitan Washington Council of Government’s cooperative forecast. This is important because it means we are not dealing with new information. The tool is using what we already know: there is a severe shortage of housing affordable to low- and middle-income households. Thousands of homes will be needed in the coming decade in these price ranges. The HIT not only demonstrates how the region is collectively faring, but also how things are progressing at the local level. Equipped with the knowledge of where we stand in each jurisdiction, we can effectively pivot to increase the housing supply and create a more equitable region. It is our hope that by tracking local action from a regional lens, the HIT will yield more housing options, and facilitate cross-jurisdictional collaboration and participation from private and philanthropic organizations.

As part of HIT 2.0 released in 2022, we dove deeper into racial equity-focused policies to understand how housing has exacerbated the wealth and opportunity gap among Black and Brown communities. We know that housing plays a key role in addressing racial inequity throughout our region and our nation. Housing policy has created the racial and class divides we see even today, and housing policy can and should be the driver to achieving greater racial equity for black and brown communities.

#### *The first-of-its-kind*

To date, there has not been a tool like this within our region. Other affordable housing data tools provide information from several sources, but the data does not always capture the full picture of what is occurring within a given year. Additionally, many communities track their affordable housing data over time and display it in wide ranges of annual, bi-annual or five-year reports specific to one jurisdiction. The combination of data from twenty local jurisdictions within our region differentiates the HIT from other similar resources.

#### *HIT 3.0 - Expanding the Tool and Exploring New Policies*

We know that housing affordability knows no geographic bounds; it is a challenge that extends beyond the Capital Region and impacts the regions surrounding it in all directions. To further illustrate the need and begin expanding the table for this conversation, HIT 3.0 delves into the northern part of HAND's geographical footprint, Baltimore, by welcoming 5 new jurisdictions into the tool. HAND's goal over the next year is to further the conversation and build deeper relationships with the Baltimore region so that we can begin to really understand and solve for the need.

Along with the addition of these new jurisdictions, HIT 3.0 explores new policies focused on Environmental Justice. We know that housing has been inextricably linked with various public infrastructure policies over the years, and we have seen in the last century how this link has impacted health, well-being, and quality for many low-income communities and communities of colors. From the location of Black neighborhoods near industrial sites, to the prevalence of low-income communities in flood zones, we can no longer disregard the link between housing and the environment, particularly as the world reckons with climate change.

We have also revisited at a deeper level the issue of homeownership, particularly for Black and low/moderate income households. Individual and familial wealth has largely been tied to homeownership in the US, and we see from the ever-present racial wealth gap that we need to make deeper strides in helping individuals and families access homeownership and keep their homes so that they can pass wealth down through the generations.

Through data collection efforts, HAND dug deeper on several key issues that, based on conversations with policymakers and advocacy initiatives by practitioners and the broader community, have elevated in prominence since the launch of the tool. Working in partnership with Urban, HAND integrated several new questions into the survey issued to each jurisdiction to begin to capture a clearer picture on:

- Energy-efficiency requirements that are mandated for the construction of affordable rental housing
- Environmental-focused plans and policies at the jurisdictional level that influence broader development and policy decisions
- Efforts to mitigate environmental impacts for households with low/moderate incomes through educational resources
- Resources to support the rehabilitation and retrofitting of existing affordable housing to become more energy-efficient and environmentally sustainable, including installing renewable energy sources, replacing gas-powered appliances with electric ones, and making homes more energy efficient through weatherization and other upgrades

### ***2022 in Review***

What progress has been made?

- Collectively, the jurisdictions in the Greater DC region added 25,466 new units in 2022, meeting the annual target of 25,000 units. Cumulatively, since 2019, these jurisdictions have reported adding 91,251 new units.
- The Greater DC region produced fewer committed affordable units in 2022 (2,507) than in 2021 (3,030), and continues to fall well below the target of about 14,000 affordable units.
- All jurisdictions in the Greater DC region need to do more to produce affordable units, particularly the lowest cost units. In 2022, jurisdictions in the HIT only added 235 units affordable to households with incomes below 30 percent of the area median income (AMI), 588 units for those with incomes between 30-50 percent of AMI, and 1,684 units for those with incomes between 50-80 percent of AMI.
- Cumulatively, since 2019, Greater DC jurisdictions reporting in the HIT have added 10,990 new committed affordable units.

What's new on the tool?

- Five jurisdictions in the Greater Baltimore region have been added to the tool. Anne Arundel County, the City of Annapolis, Baltimore County, the City of Baltimore, and Howard County added 5,543 new units in 2022, 136 of which were new committed affordable units. These jurisdictions have their own dashboards to track their progress that includes data to help contextualize their housing markets.
- Jurisdiction dashboards were expanded to track affordable housing preservation to include both preservation of units with existing subsidies or covenants and units that were previously unsubsidized and now preserved as committed affordable. Across the Greater DC region, jurisdictions reported preserving 2,067 units with existing subsidies and 2,639 previously unsubsidized units. Anne Arundel County preserved 301 units with existing subsidies.
- The number of policies the HIT is tracking now includes several related to reducing greenhouse gas emissions and energy costs in housing and protecting vulnerable residents from the impacts of climate-related events.

### ***Outcomes and Highlights since the release of HIT 2.0 in 2022***

HAND knows the HIT is doing its job - jurisdictions are responding to the challenge at hand. We also know more can and needs to be done. Some of the local-level shifts that we have seen since the release of HIT 2.0 include:

- Arlington County approved "Missing Middle" zoning changes in March 2023; these changes will allow smaller multifamily housing developments to be built in traditionally single-family home neighborhoods.
- In March 2023, Montgomery County began exploring two separate rent stabilization bills proposing limits to rent increases in order to prevent displacement of renter households from dramatic rent increases.

- In February 2023, Prince George’s County passed a temporary rent stabilization bill to cap rent increases at 3% in an effort to protect renter households from dramatic rent increases.
- From January to March 2023, the Metropolitan Washington Council of Governments launched a 60-day public comment period and hosted several listening sessions to solicit input on the development of its Regional Fair Housing Plan to help ensure that local goals are consistent, collaborative, innovative, and more likely to be effective.
- In January 2023, the Loudoun County Board of Supervisors signed off on terms to sell part of the park-and-ride lot on Russell Branch Parkway to a developer planning to build 450 apartments, including more than 100 income-restricted apartments, thus leveraging public land to create more affordable housing.
- In November 2022, Loudoun County’s Planning Commission recommended the approval of the final three chapters of its 2040 Comprehensive Plan, which includes recommendations to increase density in rural areas and require 20% of all new developments across the county to include affordable housing units. An affordable housing ordinance is still in development and expected to provide further guidance on the County’s affordable housing goals and priorities.
- The District of Columbia launched the Black Homeownership Strike Force in June 2022 to provide recommendations for use of a \$10 million Black Homeownership Fund and the creation of a goal for increasing Black homeowners in DC by 2030.
- In April 2022, the Prince George’s County Housing Opportunities for all Workgroup concluded a 3-year long effort in assisting with the implementation of Housing Opportunity for All, the County’s Comprehensive Housing Strategy.

[Access the 2023 Housing Indicator Tool](#)