cogitatio

URBAN PLANNING

Housing Affordability Crisis: How Can We Address It?

Volume 9

2024

Open Access Journal
ISSN: 2183-7635

Edited by Ajay Garde and Qi Song

Urban Planning, 2024, Volume 9
Housing Affordability Crisis: How Can We Address It?

Published by Cogitatio Press
Rua Fialho de Almeida 14, 2º Esq.,
1070–129 Lisbon
Portugal

Design by Typografia®
http://www.typografia.pt/en/

Cover image: © Chalirmpoj Pimpisarn from iStock

Available online at: www.cogitatiopress.com/urbanplanning

Table of Contents

Urban Planning
2024 • Volume 9 • Article 9462
https://doi.org/10.17645/up.9462

EDITORIAL

Open Access Journal

Housing Affordability Crisis: How Can We Address It?

Ajay Garde and Qi Song

Department of Urban Planning and Public Policy, University of California – Irvine, USA

Correspondence: Ajay Garde (agarde@uci.edu)

Submitted: 23 October 2024 **Published:** 14 November 2024

Issue: This editorial is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

This thematic issue explores the dimensions of the housing affordability crisis from diverse perspectives. The six articles that comprise this issue differ in terms of their geographic context, challenges associated with housing unaffordability, range of research methods used, and solutions recommended to address the problems. The authors present findings from analyses of quantitative and qualitative data, discuss how to address the housing affordability crisis in a context-sensitive way, and provide policy implications. Taken together, the articles reveal the dimensions of the housing affordability crisis and the challenges of addressing this crisis in five Western countries. This editorial provides an introduction to the articles included in this thematic issue and concludes with a call for future research by scholars and professionals into the challenges presented by the housing affordability crisis.

Keywords

displacement; housing affordability crisis; housing policy; institutional barriers

1. Introduction

We live in a rapidly urbanizing world in which many cities face a housing affordability crisis. There is a shortage of all types of housing, particularly affordable housing, in fast-growing urban areas in several nations. Addressing the housing needs of different types of households—from families with children to the elderly and, especially, low-income households—is important for the planning and development of cities. Moreover, housing affordability is context sensitive and dependent on the type of development and jurisdiction, and the housing cost burden is distributed unevenly across households of different incomes and ethnicity (Anacker, 2019; Mukhija, 2022; Rosen et al., 2023).

There is an ongoing debate about the barriers to the housing supply. Several studies have examined the regulatory barriers that contribute to the housing shortage. Some researchers contend that the strictness of land use regulations, limited availability of developable land, and environmental laws are associated with high housing prices (Garde & Song, 2022; Glaeser & Gyourko, 2002; Lee et al., 2022). Others have noted that non-regulatory barriers and challenges, such as community opposition, referred to as Not-in-My Backyard, or NIMBY, to higher-density housing projects as well as the cost and availability of labor and construction materials also contribute to the housing affordability crisis (Garde et al., 2023; National Low Income Housing Coalition, 2022; Wetzstein, 2017). Advocacy groups assert that housing is a human right. This thematic issue, and the six articles that comprise it, asks, "What are the causes and consequences of the housing affordability crisis, and how might we address the problem?"

2. Overview of the Articles

The first two articles focus on housing affordability issues in the United States. In the first article, Dreier and Rodnyansky draw attention to affordable housing challenges across the nation to argue that a new federal government policy is needed to address the housing affordability crisis. The authors acknowledge that the supply of housing has not kept up with demand, especially for low- and moderate-income households, which has contributed significantly to the housing affordability crisis. They provide the broader context and emphasize that the construction of affordable rental units is unlikely to increase significantly to meet the demand; wages of low-income households are unlikely to increase to enable households to rent or own market-rate housing; and more subsidies are unlikely to be available from local or state governments to fill a substantial gap between supply and demand for low-income housing. They thus propose an innovative solution that they refer to as "EITC Plus" to address the housing affordability problem. The EITC Plus approach combines key features of two federal programs—the Earned Income Tax Credit (EITC) and Housing Choice Voucher (HCV)—to reduce the disparity between the rent and income of low-income households. The proposed solution, which combines the EITC program, supported by elected officials across the political spectrum, and the HCV program, which is severely underfunded, shifts the focus of the problem from an enduring undersupply of all types of housing to the inadequacy of federal government housing programs that support low-income households.

In the second article, Cianfarani et al. explore the mismatch between housing demand and supply in a rural but growing region in Oklahoma to recommend an expansion of the federal HCV program. In particular, the authors examine the demand and supply of housing for various income groups in a rural region that is currently experiencing economic growth and urbanization. The study employs gap analysis to reveal a significant mismatch between housing supply and demand for extremely low-income renters at the state level and within core-based statistical areas, as well as cluster analysis to identify geographic patterns in housing characteristics across the state. The authors find a notable gap in terms of the availability of studio and one-bedroom units, driven by shrinking household sizes and an increasing preference for smaller rental spaces. The authors conclude with policy recommendations that consider regional differences, including an expansion of the HCV program, to address the demand and strategies to maintain and diversify the housing stock to enhance supply.

Schnelzer, in the third article, focuses on Vienna, Austria. The author examines the experiences of middle-income tenants who sought formal counseling or legal assistance to cope with decreasing housing affordability and increasing displacement pressures in the context of rising rents in the private rental sector in Vienna. Schnelzer, using qualitative methods, conducted interviews to study how displacement pressure affects tenants' routine activities, everyday economic tradeoffs, and coping strategies to describe tenants' agency in addressing displacement. The author thus presents a nuanced understanding of a housing affordability crisis in a welfare-state context to argue that the diverse needs of tenants must be acknowledged to fully address the problems they face. The author concludes with recommendations for policy, specifically to implement rent caps in the private rental sector and to provide tenants with the necessary information on Vienna's housing market and the availability of support services to help them to navigate complex institutional structures.

In the fourth article, Winters et al. study the Flanders region in Belgium to explain the problem of the undersupply of low-income housing in the region. Typically, the gap between supply and demand for low-income housing is attributed to a lack of funding. The authors explain, however, that this is not the case in Flanders, which is one of Europe's most prosperous regions. Flanders is also the largest of the three Belgian regions where the need for low-income housing has been well known to authorities for some time, and funds are available in the budget but have not been allocated in a timely manner to address the problem. The authors draw attention to a long waiting list for "social housing," even though addressing the housing needs of low-income households was prioritized in the Flemish Housing Decree of 1997. Winters et al. analyzed administrative data, surveyed stakeholders, and conducted group interviews with representatives of social housing associations and municipalities and concluded that the delay in the supply of social housing is due partly to the challenges of multi-level governance and not primarily to a lack of funding. These multi-level governance challenges involve local, regional, and national authorities, each with its own roles and policies and, combined with institutional and socioeconomic context of the region and the overall planning process, explain the gap between the supply and demand for social housing.

Bergmann et al., in the fifth article, study housing in the suburban areas of the Munich Metropolitan Region of Germany to explain homeowners' reluctance to allow their unused or underused privately owned housing to go for below-market rents to increase opportunities for more affordable housing. Through in-depth interviews, the authors explored the perspectives and experiences of private suburban owners (PSOs) regarding the rental use of unused housing space in the region, revealing the challenges of making these units available for affordable housing. Homeownership represents a major life accomplishment for PSOs, and they prioritize security, peace of mind, and maintaining control over their property, which they fear tenants might compromise. To mitigate these perceived risks, PSOs often prefer tenants within their social networks, often renting housing at below-market rates. The study concludes by emphasizing the need for local policies that can effectively link PSOs with reliable, lower-income housing seekers to help address the ongoing housing affordability crisis in the region.

In the last article of this issue, Bricocoli and Peverini focus on Milan, Italy, for which they examine the housing affordability trends through an in-depth and contextualized quantitative analysis of labor and housing markets from 2015 to 2022. They find that housing prices and rents have risen significantly faster than have incomes and wages during this time, particularly for blue- and white-collar workers. As a result, housing in the city is becoming increasingly unaffordable, and the growing disparity between housing costs and labor market wages is contributing to the displacement of low-income workers and limiting their access to housing in the city. The authors also found that the broader context of real estate commodification and financialization further compounds the problem of housing unaffordability. The authors call for better integration of housing and labor policies.

3. Conclusion

Taken together, the six articles in this thematic issue reveal the impact of the housing affordability crisis across the cities and regions in five Western countries. The authors of each article articulate the challenges of addressing housing unaffordability and provide policy recommendations that are context sensitive. The broader implications of the housing affordability crisis in other cities and regions across the globe are likely to be similarly context sensitive and, as such, different from those included in this thematic issue. With this in mind, we invite scholars and professionals to engage in a deeper investigation of the challenges presented by the housing affordability crisis and to propose new ways to address this enduring problem.

Conflict of Interests

The authors declare no conflict of interests.

References

Anacker, K. B. (2019). Introduction: Housing affordability and affordable housing. *International Journal of Housing Policy*, *19*(1), 1–16. https://doi.org/10.1080/19491247.2018.1560544

Garde, A., Jamme, H.-T., Toney, B., Bahl, D., & Banerjee, T. (2023). Can TODs include affordable housing? *Journal of the American Planning Association*, *90*(2), 303–317. https://doi.org/10.1080/01944363.2023.2236586

Garde, A., & Song, Q. (2022). Housing affordability crisis and inequities of land use change: Insights from cities in the Southern California region. *Journal of the American Planning Association*, *88*(1), 67–82. https://doi.org/10.1080/01944363.2021.1911673

Glaeser, E. L., & Gyourko, J. (2002). *The impact of zoning on housing affordability* (Working Paper w8835). National Bureau of Economic Research.

Lee, Y., Kemp, P. A., & Reina, V. J. (2022). Drivers of housing (un)affordability in the advanced economies: A review and new evidence. *Housing Studies*, *37*(10), 1739–1752. https://doi.org/10.1080/02673037.2022.2123623

Mukhija, V. (2022). *Remaking the American dream: The informal and formal transformation of single-family housing cities*. MIT Press.

National Low Income Housing Coalition. (2022). *The gap: A shortage of affordable homes*. https://nlihc.org/sites/default/files/gap/Gap-Report_2022.pdf

Rosen, J., Ciudad-Real, V., Angst, S., & Painter, G. (2023). Rental affordability, coping strategies, and impacts in diverse immigrant communities. *Housing Policy Debate*, *33*(6), 1313–1332. https://doi.org/10.1080/10511482.2021.2018011

Wetzstein, S. (2017). The global urban housing affordability crisis. *Urban Studies*, *54*(14), 3159–3177. https://doi.org/10.1177/0042098017711649

About the Authors

Ajay Garde is associate professor and faculty director of the Master of Urban and Regional Planning Program in the Department of Urban Planning and Public Policy at the University of California, Irvine. His scholarship is in the multidisciplinary field of urban design. He is particularly interested in the diffusion of innovations in urban design, their impact on urban form, and its implications for public policy. His recent research focuses on zoning reform in the United States.

Qi Song is a researcher who recently completed her PhD in Planning, Policy, and Design from the Department of Urban Planning and Public Policy at the University of California, Irvine. Her research focuses on transportation planning, land use policy, housing development, urban design, and sustainability. Her dissertation examined the impact of transit-oriented developments (TODs) on household location affordability over time, as well as the efficacy of local TOD policies in facilitating equitable development outcomes in Southern California.

Urban Planning
2024 • Volume 9 • Article 8526
https://doi.org/10.17645/up.8526

ARTICLE

Open Access Journal

Earned Income Tax Credit Plus: A New Way to House the Working Poor

Peter Dreier and Seva Rodnyansky

Urban & Environmental Policy Department, Occidental College, USA

Correspondence: Peter Dreier (dreier@oxy.edu)

Submitted: 28 April 2024 **Accepted:** 8 August 2024 **Published:** 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

The housing affordability crisis is one of the defining features of the US today. The demand for housing subsidies outstrips supply by a factor of at least 4 to 1. Moreover, housing affordability varies greatly between and within metropolitan areas. This article proposes a new federal policy—the Earned Income Tax Credit (EITC) Plus—to decrease housing cost burdens for working households by combining aspects of two major federal programs, the EITC, a tax-based subsidy for low-income working households, and the Housing Choice Voucher, a subsidy that pays the difference between 30% of household income and rent. We propose an EITC housing supplement via the tax code for markets where income and current EITC benefits are below 30% of rent levels. It will reduce the housing affordability crisis and reduce the geographic disparities of the Housing Choice Voucher. We simulate the cost at $101 billion nationally (based on 2021 figures). Varying program rules and parameters can significantly reduce costs. Piggybacking on the EITC simplifies the proposal's implementation and increases its political palatability.

Keywords

earned income tax credit; housing affordability; housing choice voucher; low-income families

1. Introduction

In 2013, Shaun Donovan, then secretary of the U.S. Department of Housing and Urban Development (HUD), warned, "we are in the midst of the worst rental affordability crisis that this country has known" (Lowrey, 2013). Since then, conditions have worsened for rental and ownership housing alike.

Media reports and policymaker assessments tell a familiar story: Rents are high and unaffordable and future projections are not promising (Airgood-Obrycki et al., 2022). It has become harder for low-income and even middle-class families to purchase a home (Joint Center for Housing Studies, 2024). More households are competing for a scarce supply of rental housing, which has not kept pace with demand. The result is higher rents and, for many low- and moderate-income renters, eviction and displacement, overcrowding, and/or living in substandard conditions (Desmond, 2016).

US rental affordability is a national issue. Of the 131.2 million households in the US in 2022, 44 million (34%) are renters. Over half (51%, or 22.4 million renters) pay over 30% of their income for rent; 28% (12.1 million households) pay over half of their income on rent. One-third (33%) of all renters (14.4 million households) make under $30,000. Most (83%) pay at least 30% of their income toward rent and 65% pay over half their income on rent (Figure 1). Moreover, the crisis for low-income renters has gotten worse (Whitney, 2024).

Despite these trends, only one-quarter of low-income renters eligible for housing assistance (5.1 million households) receive help (Joint Center for Housing Studies, 2024). That is because only 10% of all rental units are supported by federal subsidies (HUD, 2022). These units include 2.6 million households with Housing Choice Vouchers [HCV] and 2.5 million households living in public housing, project-based subsidized housing, or housing subsidized through the Low-Income Housing Tax Credit (Alvarez & Steffen, 2023; Center on Budget and Policy Priorities [CBPP], 2021b; HUD, 2022). Having a job doesn't guarantee respite from the housing crisis. In no state can a minimum-wage worker working full time afford an apartment at the fair market rent (FMR). Nationally, renters must earn a wage of $32.11 per hour to afford a modest, two-bedroom apartment in 2024, up from $19.35 an hour in 2015; this "housing wage" is much higher in some areas (National Low Income Housing Coalition, 2015, 2024).

Three major factors contribute to this housing affordability crisis. First, the US has not produced enough housing relative to demand. Estimates suggest a nationwide shortfall of 1.5 to 5.5 million units during 2020–2022 (Kingsella et al., 2023; McCue & Huang, 2024). Rental unit production especially has not kept up with increased demand (Freddie Mac, 2016; Joint Center for Housing Studies, 2022b). Additionally, most

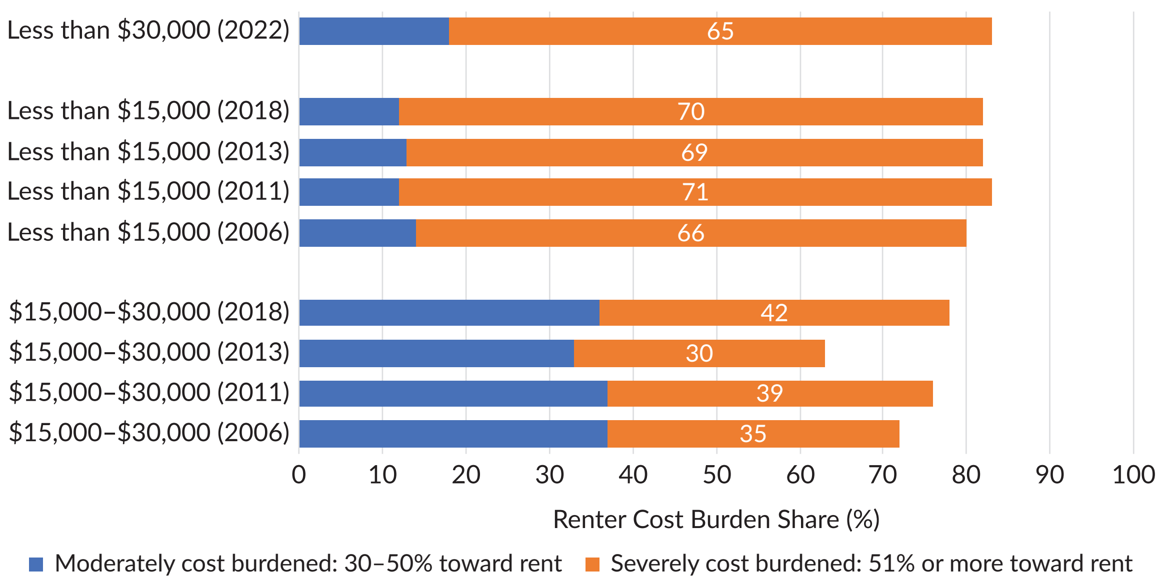


Figure 1. Share of low-income renters paying above 30% of their income on rent, 2006–2022. Sources: Joint Center for Housing Studies (2015, 2022a, 2024).

new rental units are targeted to affluent renters rather than low- or moderate-income renters (Veiga, 2023). Second, incomes have not kept up with housing price increases. Median rents increased 123% from 2000 to 2022 (Statista, 2024) while the consumer price index for US city average rents has increased 98% (U.S. Bureau of Labor Statistics, 2024). During that period, nominal income grew only 78% (U.S. Census Bureau, 2024a) and real income only increased 11% (U.S. Census Bureau, 2024b). Third, low-income renter households face the largest affordability challenges, given the paucity of both supply- and demand-based housing subsidies. For example, the number of households with "worst case" housing needs—very low-income families who don't receive rental assistance, pay more than half of their income for rent, and/or live in severely inadequate housing—stood at a near-record 8.53 million families in 2021, or 6.6% of all households (Alvarez & Steffen, 2023; R. Cox et al., 2019). Additionally, the foreclosure crisis following the Great Recession and its aftermath moved nearly 8 million homeowners into the rental market, forcing low- and moderate-income families to compete for increasingly scarce rental housing (Joint Center for Housing Studies, 2024).

The nation's housing crisis reflects a long-term trend that began in the early 2000s, exacerbated by the 2008 mortgage meltdown triggered by Wall Street's predatory and risky practices. From 2000 to 2016, the crisis worsened in 236 of 238 (99%) of the nation's metropolitan areas for the population with income in the bottom 40% (H. L. Schwartz et al., 2016). The crisis extends beyond just those with the lowest incomes.

The shortage of affordable housing forces families to choose between overcrowding, living in substandard housing, deciding which necessities to forgo, or potentially losing their housing. These renters suffer in the labor market because they have limited mobility, experience higher levels of stress and other health ailments, and, to the extent that they live in more distressed neighborhoods, have limited access to amenities (e.g., Breysse et al., 2004; Cutts et al., 2011; Rosenbaum, 1995; Steffen et al., 2015).

The housing crisis is not only a hardship for families but also a problem for business. Across the country, employers complain that high housing costs make it very difficult for them to attract and retain employees at all levels. Moreover, when families are paying so much of their incomes for housing, they have little income left to spend in local businesses (Chakrabarti & Zhang, n.d.; Dreier et al., 1988; Sisson, 2022).

1.1. Possible Solutions

There are three ways this problem could be solved. First, the nation could build substantially more affordable rental units. Second, wages, particularly for workers in the bottom half of the income distribution, could increase. Third, governments could provide more subsidies to reduce the gap between incomes and rents. In recent years, however, none of the three have occurred, except some wage improvements during and immediately after the Covid-19 pandemic because of a tight labor market and federal stimulus funding.

Reforms that increase the incentives to build housing, whether affordable or market rate, are particularly important to solve the lack of rental supply. This article does not directly address supply solutions; however, two stand out. First, Congress could strengthen the Low-Income Housing Tax Credit program, which provides tax breaks to high-income people and corporations to invest in low-income housing by increasing the volume of available credits and making the preservation of affordable housing, with an emphasis on social housing owned by nonprofit organizations, an acceptable use for credits (Dreier, 2018). Second, zoning, land use, and building code reforms can remove barriers to housing production in many communities, particularly affluent ones. Federal and state governments have tools to eradicate the "exclusionary zoning" rules which make it difficult or impossible for developers to construct rental housing.

Regarding wages, the federal government avoided taking direct action to affect levels of pay and household income until the pandemic hit. The federal minimum wage has remained at $7.25 an hour since 2009, despite widespread public support for its increase (Dunn, 2021). Instead, the federal government has adopted another approach to raise incomes: the Earned Income Tax Credit (EITC). An income supplement for the working poor, the EITC is popular with elected officials across the political spectrum. It has become, without much fanfare, the nation's most effective anti-poverty program (CBPP, 2023; Eissa & Hoynes, 2006; Hoynes, 2014). In 2022, 23 million working American families received about $57 billion in EITC benefits; the average annual benefit was $2,541 (U.S. Internal Revenue Service [IRS], 2023a). The Covid-19-era American Rescue Plan Act of 2021 increased EITC eligibility and benefits for childless workers (Crandall-Hollick, 2021; see Supplementary Material for details) and implemented the Child Tax Credit, which reduced the child poverty rate by one-third, from 12.4% to 8.4%, but Congress failed to reauthorize either after just one year (K. Cox et al., 2022; Parolin et al., 2022; Parrott, 2023).

The federal government's subsidized housing strategy has evolved over time. Initially in the 1930s, it funded public housing, run by local housing authorities, and later subsidized developments owned by for-profit and non-profit developers. In the 1980s, Congress introduced the Low-Income Housing Tax Credit program, which is now the largest program producing affordable units. Since the mid-1970s, however, the strategy has primarily shifted to a demand-side approach where the government provides vouchers, either to developers or to low-income families, to help low-income families pay rent (A. F. Schwartz, 2015). The HCV program is cheaper than building new apartment developments (Hetherington & Nugent, 2001; Olsen, 2014). Many countries are grappling with the optimal mix of supply- and demand-side subsidies, although most democracies devote significantly more resources than the US to provide affordable housing. In other democracies, affordable housing is primarily owned by government or nonprofit organizations, rather than for-profit businesses (Dreier, 2018; Pomeroy, 2016; Saiz, 2023; Salvi del Pero et al., 2016).

Through the EITC, HCV, and other housing and income subsidies (including food stamps, Medicaid, and public housing), the federal government—and thus taxpayers—are indirectly subsidizing employers who pay wages below the "housing wage," what some critics have called "corporate welfare" (Derysh, 2020). However it is defined, it is important to find the most effective and efficient way to help low-income families pay for housing.

Is there a way to combine the best features of the most popular wage program (EITC) and the main program for reducing the income–rent gap (HCV)? The answer is yes: by providing an EITC supplement to help cover the costs of housing. The US has long used the tax code to subsidize housing, especially for the most affluent, through tax breaks for homeowners. Revising the EITC provides another way to use the tax code to subsidize housing, except to target it to those who need it the most, based on both their incomes and the cost of housing where they live.

This article makes the case for our proposal, which we call EITC Plus. We focus on the EITC because of its wide reach, political popularity, and tractability. Government officials know how to implement both the EITC and HCV, which should reduce opposition and logistical breakdowns that could inhibit effective implementation.

We lay out the proposal, assess its feasibility, and provide a cost estimate. We close with a discussion of choices for policymakers who want to adopt some version of this program.

2. Program Basics

2.1. EITC Basics

First established in 1975, the EITC is a refundable tax credit that reduces tax burdens and supplements wages, especially for families with children. Workers who qualify for the EITC can get back some or all the federal income tax that was taken out of their pay during the year, and in some cases even get cash back. Even workers whose earnings are too small to owe income tax can get the EITC. EITC's goal was to create a long-term incentive to leave welfare for work and for low-wage workers to increase their work hours (Athreya et al., 2010). The EITC generates some $1.50 to $2 in economic activity for every $1 that goes to working families (Vallas et al., 2014) and is touted as one of the least expensive and most effective anti-poverty programs (Bastian & Jones, 2021).

Workers aged 25 to 65 with incomes up to $57,414 are eligible for the EITC and receive EITC benefits as soon as they report any income to the IRS. Benefits depend on the number of children, tax filing status, and household earnings. They are commensurate with reported earnings and increase up to a threshold, top out, and then decrease as incomes get above another threshold (CBPP, 2023). The maximum threshold varies depending on marital status and the number of dependent children (IRS, 2024b); $53,300 represents the highest maximum threshold the program permits (IRS, 2024b). Many households who receive EITC benefits have incomes above the official poverty threshold ($26,500 for family of four in 2021; U.S. Department of Health and Human Services, 2021) but still struggle to make ends meet. Under the EITC formula for 2021, a single parent with two children who earns $25,000 would receive $4,826; married couples with a combined $40,000 income would get $2,920. With the temporary increase from the American Rescue Plan Act, workers who have no children and have incomes below roughly $21,400 ($27,400 for a married couple) received a small EITC benefit (see Supplementary Materials for details). Workers eligible for other social assistance programs do not count EITC against eligibility, nor do social assistance programs count as earned income; but, disability and retirement payments are considered earned income for EITC until 65 years old (IRS, 2023b).

Workers claim the EITC credit when they file their annual income tax return and receive any refunds they are due as a lump sum after the IRS reviews and approves the filing. About 23% of workers who are eligible for the EITC, especially those whose income is below the minimum filing threshold (IRS, 2024a), don't participate. These workers cannot receive the credit unless they file a return.

Because the EITC rewards people who work, it is popular among Democrats and Republicans, and is not seen as a "welfare" program, subsidizing the so-called "undeserving poor" (Katz, 2013). EITC's operational ease is also popular politically. Funding happens "through the back door" as a tax break, not requiring annual appropriations, unlike food stamps, Medicaid, welfare, and housing vouchers, all of which are "front door" direct expenditures that often get caught in federal budget politics. Congress has expanded the EITC several times by raising benefit levels and expanding eligibility criteria. In 1986, Congress indexed the EITC for inflation, which it has refused to do for the minimum wage.

Despite less than full participation among the eligible population, the EITC is effective in reducing poverty and increasing labor supply and income (Bastian & Jones, 2021): “In 2018, the EITC lifted about 5.6 million people out of poverty, including about 3 million children. The credit reduced the severity of poverty for another 16.5 million people, including 6.1 million children” (CBPP, 2023).

2.2. HCV Basics

HCV, once known as the “Section 8” program, provides subsidies to low-income families so they don’t pay more than 30% of their incomes for housing. HCV is administered by 2,170 state and local public housing authorities (CBPP, 2021b). Program eligibility is limited to families with incomes below 50% of the area median income, though local public housing authorities are required to give 75% of their vouchers to families earning less than 30% of the area median income. In 2021, HCV recipients had an average annual household income of $15,577; 74% had incomes below $20,000 (HUD, 2021a). However, few vouchers serve low-income workers. Roughly three-quarters of voucher recipients do not work, primarily because they are elderly and/or disabled (HUD, 2021a).

HCV recipients pay 30% of their income on rent and the government makes up the difference between this amount and the unit’s rent. HUD sets a limit annually—the FMR—that landlords can charge, calculated at the 40th percentile of a metropolitan area’s two-bedroom apartment rent. FMRs for units of other bedroom sizes are determined by adjusting the baseline FMR using a set rule (HUD, 2021b). In 2021, the average monthly rent for voucher recipients was $1,139. Households contribute, on average, $395 a month towards rent. HUD makes up the difference, which averages $885 (HUD, 2021b).

Landlords do not have to participate in the program, and many do not. This is in part to avoid the program’s bureaucracy, which involves apartment inspections by public housing authorities to make sure they meet health and safety codes, reporting requirements to verify incomes, and other regulatory requirements.

One important difference between EITC and HCV is their reach into the population. EITC is an entitlement, available to all low-income households in which at least one person holds a job, benefiting about 25 million working families and individuals in 2020. By contrast, the level of funding available for federal housing assistance is sufficient for just one-quarter of those 19.3 million very low-income households eligible for assistance; only 13% receive a voucher (Alvarez & Steffen, 2023; CBPP, 2021b; HUD, 2022). In effect, the HCV program is a lottery, with only the lucky winners being able to enjoy its benefits.

Families with vouchers do not only save money on rent; they also live in better apartments in safer neighborhoods than comparable families without vouchers (Ellen et al., 2011a; Sard & Rice, 2016; H. L. Schwartz et al., 2016). However, the HCV program has not been a panacea. Some households with vouchers have trouble finding housing they can afford because of limited supply. Others face discrimination based on being a voucher holder. Also, while vouchers have enabled some families to move out of low-income neighborhoods, in practice many do not, because of such barriers as lack of transit access, and real estate agents who steer families, particularly Black and brown families, into low-income neighborhoods (Graves, 2016). Moreover, some don’t use their voucher at all. In 2017, about 90% of vouchers handed out nationally were actually used, but use was as low as 75% in Hawaii, according to our calculations based on data from the CBPP (2019). Ellen et al. (2022) find that voucher holders fare better in jurisdictions with laws prohibiting source of income discrimination. This suggests that additional incentives and constraints are needed to deconcentrate poverty through HCV.

Federal housing policy has never provided enough funding to serve all eligible families in need. Federally subsidized housing for the poor represents only 3.6% of the nation's 143 million housing units (HUD, 2022). In contrast, the federal government via the IRS provided about $73 billion in tax breaks for homeowners in 2024 ($31 billion for mortgage interest deduction and $42 billion for exclusion of capital gains on sales of principal residences; Joint Committee on Taxation, 2022). These primarily benefit the wealthiest Americans with the most expensive homes (Fischer & Huang, 2013; Hanson et al., 2014), even with the reduced value of the mortgage interest deduction, via the Tax Cuts and Jobs Act of 2017, which itself expires in 2025 (Joint Committee on Taxation, 2022).

Arguments against more expansive funding levels for subsidized housing initially focused on concerns about the government crowding out private development (Husock, 2000), but later turned into concerns that low-income families were either undeserving of help or that they would introduce crime and other dangers to "stable," middle class, white neighborhoods (Badger, 2015; de Souza Briggs & Dreier, 2008; Ellen et al., 2011b; Sard & Rice, 2014). Though the evidence regarding these latter claims is weak, they have been central in ongoing policy debates and have been a major barrier to maintaining, let alone increasing, funding for rental assistance.

3. Proposal: An EITC Housing Supplement

Both the EITC and the HCV programs have shortcomings. HCV does not reach everyone who is eligible due to insufficient funding, while EITC is fully funded for all those eligible. Conversely, EITC's benefit levels are the same across the country, even though the cost of living—especially for housing—varies dramatically, leading to tremendous geographic inequity. EITC's impact is much lower in hot and high-cost markets, because of a large difference between incomes and rents. In contrast, HUD's HCV program varies the subsidy amount to households based on local rents. For example, the 2021 FMR for two-bedroom apartments was $827 in Memphis and $1,424 in Los Angeles (HUD, 2021b). The household income needed to afford a typical two-bedroom apartment, while spending exactly 30% towards rent, ranged from $33,080 in Memphis to $56,960 in Los Angeles (Table 1, row A).

We propose that Congress combine the best components of each program: Revise EITC's benefit levels by accounting for geographic differences in housing costs, as HCV does. This approach would reach many more families, thereby reducing the extent to which housing benefits are a lottery and provide a comparable level of support for families regardless of where they live, thus addressing the inequity associated with the EITC program.

Cushing Dolbeare, founder of the National Low Income Housing Coalition, first proposed this idea in 2001 (Dolbeare, 2001). Stegman et al. (2004) explored it further, but it gained no political traction at the time. As the housing crisis has worsened, and the EITC has gained in popularity, it is time to give the idea another look and make it simpler.

Under our proposal—which we call EITC Plus—a family's benefit would be the standard refundable tax credit plus a new housing supplement. The housing supplement would be set at the difference between 30% of the household's income (including the EITC benefit) and the appropriate local FMR.

The total benefit a household receives under EITC Plus would be tied to its earnings and estimated housing costs. This blended approach introduces a degree of means testing to the benefit: A household would only receive the housing supplement if 30% of its income, including EITC, was less than the appropriate local FMR. This plan has no significant variation across metropolitan areas in the degree to which households would access the EITC Plus housing supplement. Table 1 illustrates this by showing the EITC Plus benefits that would be received by retail sales clerks (as single parents with two children and as married couples with two children) in four cities where wages vary slightly but rental housing costs vary dramatically.

Though we couch our proposal as adding a housing subsidy, this proposal could easily be framed as a cost-of-living income subsidy. The cost-of-living varies across cities and metropolitan areas driven in large part by housing cost variation, so the same low income in Memphis buys much more than it does in Los Angeles. Moreover, EITC Plus is not limited by actual rent payments, but functions more as a cost-of-living-adjusted universal basic income program. This differs from renters' tax credits, which provide tax refunds based on a share of rent paid, and in a way replaces the HCV program but lacks work requirements (Kimberlin et al., 2018).

Framed this way, is EITC the best vehicle to deliver a cost-of-living subsidy? Indeed, the EITC, and this proposal, does not provide any assistance to non-earners unlike renters' tax credits, and many low-income

Table 1. EITC Plus housing supplement example, four cities in 2021.

Calculation Step	Memphis		Phoenix		Chicago		Los Angeles	
	Single	Couple	Single	Couple	Single	Couple	Single	Couple
Work income (A)	$23,350	$46,700	$29,820	$59,640	$27,870	$55,740	$31,910	$63,820
FMR for 2-br/month (B)	$827	$827	$1,251	$1,251	$1,143	$1,143	$2,195	$2,195
FMR for 2-br/year (C = B * 12)	$9,924	$9,924	$15,012	$15,012	$13,716	$13,716	$26,340	$26,340
% income for rent (C / A)	42.5%	21.3%	50.3%	25.2%	49.2%	24.6%	82.5%	41.3%
EITC benefit (D)	$5,176	$1,522	$4,818	$0	$4,227	$0	$3,378	$0
Combined work income and EITC benefit (E = A + D)	$28,526	$48,222	$33,637	$59,640	$32,097	$46,343	$35,288	$63,820
30% annual income with EITC benefit (F = 0.3 * F)	$9,509	$14,467	$11,212	$17,892	$10,699	$16,722	$11,763	$19,146
EITC Plus housing supplement (C – F)	$415	None	$3,800	None	$3,011	None	$14,571	$7,188

Notes: These estimates are for a single retail cashier with two children and a married couple (both retail cashiers) with two children; retail cashiers are a common low-income occupation that exists in all areas with retail stores; the same analysis can be done for any occupation; FMR is the local FMR; 2-br = two-bedroom apartment.

individuals are non-earners (30% of those in poverty did not work in 2021 or 2022; Shrider & Creamer, 2023). Alternatively, cost-of-living adjustments could be implemented through many other social assistance programs, including unemployment insurance, supplementary nutrition assistance program, supplemental security income, and others that could result in more complete benefits for low-income individuals and families. Yet, we rely on the EITC, rather than suggesting dramatic cost-of-living increases for food stamps, unemployment insurance, and other anti-poverty programs, because the EITC reaches more households, has not faced the political opposition and budget cuts of other anti-poverty programs, and in fact has been expanded by Congress (Desmond, 2023). The desire for stability and security argues forcefully for using the tax code whenever possible.

3.1. Proposal Cost Estimate

What would such a program cost? We simulate costs using EITC eligibility parameters and tax filer data at the metropolitan level (Brookings Institution, 2016). We estimate the number of filers eligible for EITC benefits within various income bands, which is essentially a measure of program participation, and the additional income each family type receives from the EITC. Wage increases would reduce the cost of EITC Plus by narrowing the gap between wages and rents.

From here, we calculate the highest affordable rent price payable by a household using 30% of its income (inclusive of EITC) for each income band and family type and compare that value to the metropolitan area's FMR. The difference in these figures (when non-zero or non-negative) represents the EITC Plus housing supplement each family would receive under our proposal. Summing these for all families eligible to receive the EITC benefit and then multiplying by the participation rate gives us an estimate of the total cost of implementing our housing supplement program for each metropolitan area. Summing across all of our metropolitan areas yields the total national cost of the EITC Plus housing supplement. We estimate that the housing supplement would have cost $100.75 billion in 2021. To compare, HCV cost $25.7 billion and served one quarter of eligible households in 2022 (HUD, 2022).

Because our proposal ties benefits to costs in each metropolitan area, the benefit should be less significant in areas with lower housing costs. Table 2 shows the metropolitan areas where program costs (and costs per recipient) are on the low and high ends of the scale. Perhaps not surprisingly, high-cost urban coastal markets dominate this list. EITC Plus for the top 20 metropolitan areas would cost $62.7 billion (in 2021), covering the country's largest, most diverse, and most productive urban regions. Low-cost areas top the list of metropolitan areas with the highest proportion of families that would not receive an EITC Plus housing supplement.

In addition, we note that a fraction of EITC recipient households would not qualify for the housing supplement because their income is sufficiently high that 30% of it exceeds the market's FMR. Our simulation indicates that 6.6% of all EITC-eligible families would not have needed the EITC Plus housing supplement in 2021.

Figure 2 provides an example of how the housing supplement varies over metropolitan areas, including areas where the housing supplement is zero. Figure 2 is based on the average wage of a single cashier with two children in each metropolitan area and the appropriate FMR. In areas with a smaller difference between wages and housing costs, the housing supplement is lower or even zero. The map suggests that smaller and more rural areas would have zero supplement.

Table 2. List of metropolitan areas that would receive the most (Panel A) and least (Panel B) housing supplement from the proposed EITC Plus program, total cost ($ millions), and cost per recipient, based on simulation with 2021 data.

Ranking (A)	Highest Cost Metropolitan Area	Total Cost ($ millions)	Cost Per Recipient ($)
1	New York-Newark-Jersey City, NY-NJ-PA Metro Area	12,029	9,713
2	Los Angeles-Long Beach-Anaheim, CA Metro Area	11,322	13,400
3	San Francisco-Oakland-Berkeley, CA Metro Area	4,571	18,090
4	Miami-Fort Lauderdale-Pompano Beach, FL Metro Area	3,566	8,072
5	Boston-Cambridge-Newton, MA-NH Metro Area	2,963	10,106
6	Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area	2,961	8,066
7	Chicago-Naperville-Elgin, IL-IN-WI Metro Area	2,604	4,294
8	San Diego-Chula Vista-Carlsbad, CA Metro Area	2,596	12,341
9	Dallas-Fort Worth-Arlington, TX Metro Area	2,550	5,400
10	Houston-The Woodlands-Sugar Land, TX Metro Area	2,049	4,818
11	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area	1,981	5,164
12	Riverside-San Bernardino-Ontario, CA Metro Area	1,969	6,815
13	Seattle-Tacoma-Bellevue, WA Metro Area	1,948	8,431
14	Atlanta-Sandy Springs-Alpharetta, GA Metro Area	1,681	4,462
15	Phoenix-Mesa-Chandler, AZ Metro Area	1,630	5,397
16	Denver-Aurora-Lakewood, CO Metro Area	1,440	7,559
17	San Jose-Sunnyvale-Santa Clara, CA Metro Area	1,290	13,154
18	Tampa-St. Petersburg-Clearwater, FL Metro Area	1,208	5,531
19	Orlando-Kissimmee-Sanford, FL Metro Area	1,174	6,321
20	Portland-Vancouver-Hillsboro, OR-WA Metro Area	1,162	7,321
	Top 20 highest cost metropolitan areas	62,694	8,223
Ranking (B)	**Lowest Cost Metropolitan Area**	**Total Cost ($ millions)**	**Cost Per Recipient ($)**
1	Grand Island, NE Metro Area	9.5	1,777
2	Lewiston, ID-WA Metro Area	9.8	2,362
3	Pine Bluff, AR Metro Area	10.0	1,855
4	Cumberland, MD-WV Metro Area	10.7	1,773
5	Danville, IL Metro Area	10.7	2,203
6	Kokomo, IN Metro Area	11.0	1,889
7	Gadsden, AL Metro Area	11.1	1,738
8	Parkersburg-Vienna, WV Metro Area	11.5	1,951
9	Anniston-Oxford, AL Metro Area	12.1	1,666
10	Beckley, WV Metro Area	12.3	1,756
11	Midland, MI Metro Area	12.5	2,378
12	Great Falls, MT Metro Area	12.6	2,178
13	Dubuque, IA Metro Area	12.7	1,930
14	Hinesville, GA Metro Area	12.7	2,375
15	Casper, WY Metro Area	12.8	2,469
16	Pocatello, ID Metro Area	12.9	2,189
17	Carson City, NV Metro Area	12.9	3,102
18	Lima, OH Metro Area	13.0	1,839
19	Rome, GA Metro Area	13.2	2,188
20	Bloomsburg-Berwick, PA Metro Area	13.3	2,434
	Top 20 lowest cost metropolitan areas	237	2,103

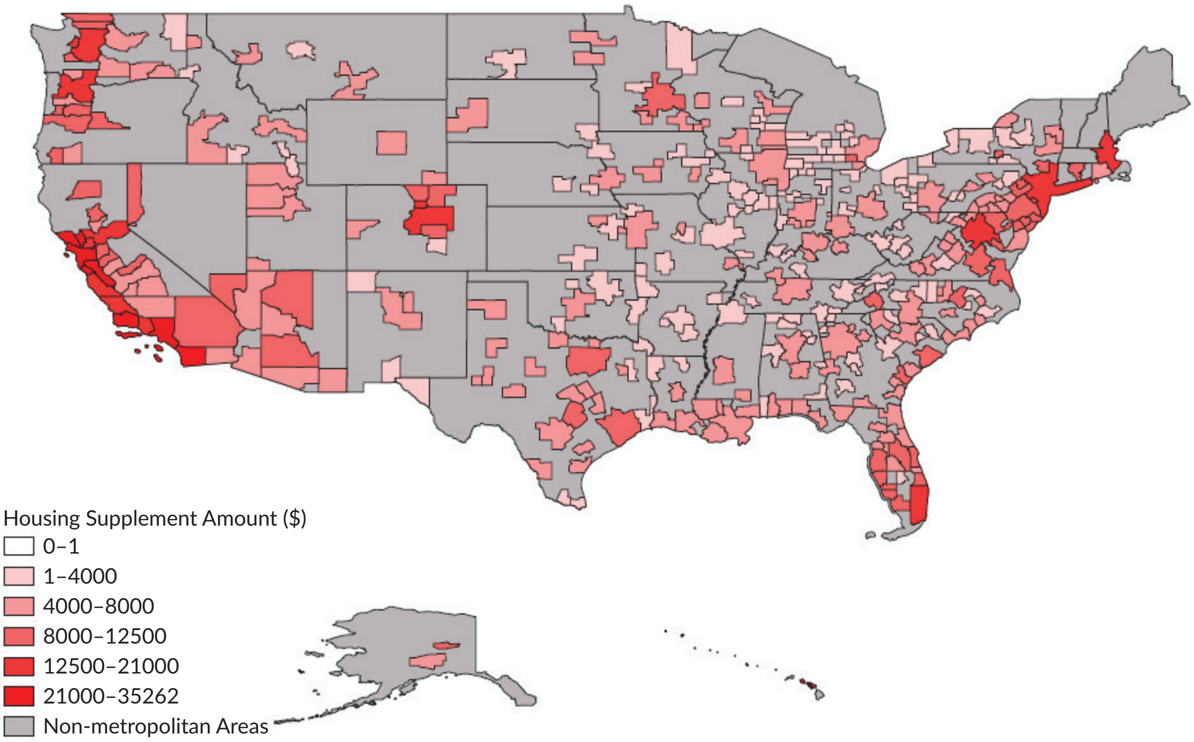


Figure 2. Housing Supplement Amount in Metropolitan Areas. Note: Calculated for a cashier making the mean annual wage in each metropolitan area, filing single with two children (two bedrooms) in 2021. Sources: Mean annual wages for cashiers (U.S. Bureau of Labor Statistics, 2021), Fair Market Rent (HUD, 2021b), EITC parameters 2021 (Urban Institute & Brookings Institution, 2021).

3.2. Implementation Choices

For some perspective on our proposal's cost ($101 billion in 2021), recall that federal programs provided $73 billion in homeowner support in 2022, with benefits highly concentrated among the well-off. Thus, this additional benefit is relatively large compared to what is already spent to support housing and targets those who need it most. We would hope that the proposal would be fully funded to match the need but have calculated alternative approaches to limit the total cost, each of which reduces the benefits of the program. We consider the cost implications of pursuing several approaches:

- Tying benefits to a rent lower than the FMR (we look at 80% and 90% of FMR);
- Assuming families will pay more than 30% of income for housing (we look at 40% of income);
- Basing the housing supplement on a studio FMR instead of one-bedroom housing for singles with no children;
- Using the marriage rates by income bins from the US American Community Survey family type data, instead of the same rate across all income bins;
- Capping the housing supplement amount at the median amount for each metropolitan area.

Applying these approaches to our simulation shows that program costs can be reduced, depending on the levels of support offered by each policy. The largest reductions are associated with supporting rents below FMR or assuming families will pay up to 40% of their income for housing (Table 3).

Table 3. Sensitivity analysis of the EITC Plus proposal's cost.

EITC Plus Proposal Variation	Total Cost ($ billions)
Baseline program cost	100.75
Adjust marriage rate in calculation to reflect metro-level variation instead of national average	101.00
Assume single-person households with no children are allocated to a studio-priced rental unit (lower price than 2-bedroom)	98.99
Cap housing supplement at the local median benefit	94.58
Set housing support at 90% of FMR (instead of 100%)	83.31
Set housing share at 40% of income (instead of 30%)	78.83
Set support at 80%of FMR (instead of 100%)	66.88
Set support at 90% and housing share at 40% (instead of 100% and 30%)	64.05

EITC Plus would increase incomes for lower-income households in high-cost places. Increased housing supply would certainly boost EITC Plus effectiveness, but even at current supply levels, the supplement makes lower-income households more competitive in the rental market.

The benefits of this proposal will skew heavily towards the urban, high-cost portions of the country, which could generate some resistance from members of Congress who do not represent such areas. The political calculation here is whether the benefits provide relief to enough households in relatively low-cost areas that members of Congress, local officials, and various interest groups can see its impact—for example, an increase in consumer dollars flowing to local businesses by EITC Plus recipients who now have more money to spend. Moreover, the highest-cost areas are distributed throughout the country (West Coast, Texas, Florida, Northeast, etc.).

Aside from these political risks, there are other potential issues to consider. A major concern is that the housing supplement would swamp the benefits associated with the current EITC program. Indeed, under a simple "all or nothing" rule for the supplement, workers earning $10 in a year would be entitled to receive effectively the entire relevant FMR as a tax refund. Some members of Congress and others might view this level of subsidy as too generous or as weakening a major argument on behalf of the EITC, that being its work incentive.

Some might balk at a program that does not directly help unemployed Americans, who are not eligible for the EITC. Also excluded would be low-income older (above 65 years of age) families without dependent children. Some version of the existing HCV program, and/or a renters' tax credit, will still be needed, targeted to those who do not work or qualify for the EITC (Fischer et al., 2017). A small share of EITC Plus recipients may choose to strategically double up to reduce housing expenditures, which they would be free to do provided they don't violate local occupancy standards.

There are three operational issues associated with the proposal that deserve comment. First, our proposal is easier to implement than the HCV program. Unlike the HCV program, the housing supplement of the EITC Plus program would require little bureaucracy to implement. To receive the EITC, families simply fill out an income tax form. Depending on their income, they either pay less in taxes or receive a reimbursement check in the mail that would mechanically incorporate any benefits that come from the EITC Plus housing supplement. Local housing agencies would not be required to inspect and approve any apartments. We view this as a major advantage to the program.

A second operational issue is logistical. Families receive EITC as an annual lump sum when they get their income tax refund. However, lump sum payments tend not to be used exclusively to smooth consumption (Barrow & McGranahan, 2000), and qualitative evidence suggests recipients' desire for advanced payments to relieve real and perceived financial stressors (Greenlee et al., 2021). EITC had an advanced payment option until 2010, when it was eliminated due to underuse (3% takeup) and frequent noncompliance with requirements (U.S. Government Accountability Office, 2007). Because housing expenses recur monthly, advanced payment of the housing supplement would make EITC Plus more effective. Holt (2009) proposed using estimated earnings, prior year earnings, and current family composition to implement advanced payments, based on comparable international examples. Any periodic payments feature would need to consider the needs of the many lower-income workers who are employed irregularly or who have fluctuating income which may complicate advanced payments execution.

The third logistical/regulatory consideration is whether the housing subsidy would count as income when determining eligibility for other programs. Our view is that, like the current EITC, the housing subsidy should *not* count as additional income that would reduce other safety net payments. Such an approach would undermine the purpose of the supplement. Indeed, it has been shown that program designs where additional income results in a (dollar-for-dollar) reduction in benefits acts as a disincentive for program participants, such that they are less inclined to work and approach self-sufficiency (Riccio & Babcock, 2014). Further, 30 states, the District of Columbia, and Puerto Rico offer a supplemental EITC program (CBPP, 2021a). We would encourage federal rules to be established such that program participants are not penalized if their states decide to be generous and offer complementary supplemental benefits.

4. Conclusion

More than seven decades after the Housing Act of 1949 established as a national objective the achievement of "a decent home and a suitable living environment for every American family," we are far from reaching that goal. In fact, US federal housing policy is currently skewed toward the affluent, who receive far more (overall and per capita) in government housing subsidies than the working and low-income families who need help the most. Adding a housing supplement to the popular EITC can get us closer to that goal by helping the working poor pay the rent.

Our proposed EITC Plus program accomplishes that goal by revising the EITC's benefit levels through incorporating the HCV program's approach of accounting for geographic differences in the cost of living, particularly housing costs. Such benefit adjustments would mean the program would now provide a comparable level of support for families regardless of where they live, thereby increasing program equity. Though it is not cheap—we estimate a fully-implemented program would cost $101 billion in 2021—we offer ways to reduce costs to make the program more fiscally palatable.

Our proposal has important advantages, including the benefit of political tractability. While virtually every anti-poverty program that is funded through annual appropriations has come under threat of reduction at some point over the past 15 to 20 years, the EITC has received consistent support and even been expanded.

In addition, there is a long and successful history of experience implementing the elements of this program, so operational feasibility is quite high. Moreover, we have presented potential program modifications that can address various concerns that may be raised about the program's design and implementation.

Despite increasing the purchasing power of low-income families and giving them a wider range of choices regarding housing and other goods, our proposal has limitations. Notably, it does not address the undersupply of housing generally, or for low-income households specifically. Also, it does not serve those who are not working, which includes older adults and individuals with disabilities. Other policies will be needed to supplement this to ensure that all families with low incomes can make ends meet in ways that promote well-being, health, and safety.

Decisions about specific program design, its interaction with the existing HCV program, identifying funding, and operationalizing advance payments are important considerations beyond the scope of the article. Updated data on detailed income bins and by number of children would strengthen the cost simulation. Future work can focus on how program design could prevent perverse incentives for recipients and landlords.

Acknowledgments

We gratefully acknowledge Raphael Bostic for thoughtful conversations and contributions to this article. Jada Ho, Gene Burinskiy, and Anthony Orlando provided exemplary research assistance. Earlier versions of this article benefitted from feedback from Margery Turner, Richard Rothstein, Mindy Ault, Barbara Sard, Daniel McCue, and Steve Holt. We are also grateful to Hilary Hoynes for providing clarity on details regarding EITC.

Conflict of Interests

The authors declare no conflict of interests.

Data Availability

Data for replication is available from authors on request.

Supplementary Material

Supplementary material for this article is available online in the format provided by the authors (unedited).

References

Airgood-Obrycki, W., Hermann, A., & Wedeen, S. (2022). "The rent eats first": Rental housing unaffordability in the United States. *Housing Policy Debate*, *33*(6), 1272–1292. https://doi.org/10.1080/10511482.2021.2020866

Alvarez, T., & Steffen, B. L. (2023). *Worst case housing needs: 2023 report to Congress*. U.S. Department of Housing and Urban Development. https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs-2023.html

Athreya, K., Reilly, D., & Simpson, N. B. (2010). Earned income tax credit recipients: Income, marginal tax rates, wealth, and credit constraints. *Economic Quarterly*, *96*(3), 229–258. https://www.richmondfed.org/~/media/richmondfedorg/publications/research/economic_quarterly/2010/q3/pdf/athreya.pdf

Badger, E. (2015, June 15). How Section 8 became a 'racial slur.' *The Washington Post*. https://www.washingtonpost.com/news/wonk/wp/2015/06/15/how-section-8-became-a-racial-slur

Barrow, L., & McGranahan, L. (2000). The effects of the earned income credit on the seasonality of household expenditures. *National Tax Journal*, *53*(4), 1211–1243.

Bastian, J. E., & Jones, M. R. (2021). Do EITC expansions pay for themselves? Effects on tax revenue and government transfers. *Journal of Public Economics*, *196*, Article 104355. https://doi.org/10.1016/j.jpubeco.2020.104355

Breysse, P., Farr, N., Galke, W., Lanphear, B., Morley, R., & Bergofsky, L. (2004). The relationship between housing and health: Children at risk. *Environmental Health Perspectives*, *112*(15), 1583–1588. https://doi.org/10.1289%2Fehp.7157

Brookings Institution. (2016). *Earned Income Tax Credit (EITC) interactive and resources* [Data set]. https://www.brookings.edu/articles/earned-income-tax-credit-eitc-interactive-and-resources

Center on Budget Policies and Priorities. (2019). *National and state housing fact sheets & data*. https://www.cbpp.org/research/housing/national-and-state-housing-data-fact-sheets

Center on Budget Policies and Priorities. (2021a). *Policy basics: State Earned Income Tax Credits*. https://www.cbpp.org/research/state-budget-and-tax/state-earned-income-tax-credits

Center on Budget Policies and Priorities. (2021b). *Policy basics: The Housing Choice Voucher program*. https://www.cbpp.org/research/policy-basics-the-housing-choice-voucher-program

Center on Budget Policies and Priorities. (2023). *Policy basics: The Earned Income Tax Credit*. https://www.cbpp.org/research/federal-tax/the-earned-income-tax-credit

Chakrabarti, R., & Zhang, J. (n.d.). *Unaffordable housing and local employment growth* (Working Paper 10-3). New England Public Policy Center. https://www.bostonfed.org/economic/neppc/wp/2010/neppcwp103.pdf

Cox, K., Jacoby, S., & Marr, C. (2022). *Stimulus payments, child tax credit expansion were critical parts of successful Covid-19 policy response*. Center on Budget and Policy Priorities. https://www.cbpp.org/research/federal-tax/stimulus-payments-child-tax-credit-expansion-were-critical-parts-of-successful

Cox, R., Henwood, B., Rodnyansky, S., Rice, E., & Wenzel, S. (2019). Road map to a unified measure of housing insecurity. *Cityscape*, *21*(2), 93–128.

Crandall-Hollick, M. L. (2021). *The "childless" EITC: Temporary expansion for 2021 under the American Rescue Plan Act of 2021 (ARPA; P.L. 117–2)* (Report IN11610). Congressional Research Service. https://crsreports.congress.gov/product/pdf/IN/IN11610

Cutts, D. B., Meyers, A. F., Black, M. M., Casey, P. H., Chilton, M., Cook, J. T., Geppert, J., Ettinger de Cuba, S., Heeren, T., Coleman, S., Rose-Jacobs, R., & Frank, D. A. (2011). US housing insecurity and the health of very young children. *American Journal of Public Health*, *101*(8), 1508–1514. https://doi.org/10.2105/ajph.2011.300139

de Souza Briggs, X., & Dreier, P. (2008, July 23). Memphis murder mystery? No, just mistaken identity. *Shelterforce*. http://www.shelterforce.org/article/1043/memphis_murder_mystery_no_just_mistaken_identity

Derysh, I. (2020, December 12). Government study shows taxpayers are subsidizing "starvation wages" at McDonald's, Walmart. *Salon*. https://www.salon.com/2020/12/12/government-study-shows-taxpayers-are-subsidizing-starvation-wages-at-mcdonalds-walmart

Desmond, M. (2016). *Evicted: Poverty and profit in the American city*. Crown Publishing Group.

Desmond, M. (2023). *Poverty by America*. Crown Publishing Group.

Dolbeare, C. (2001). Housing affordability: Challenge and context. *Cityscape*, *5*(2), 111–130. https://www.huduser.gov/periodicals/cityscpe/vol5num2/dolbeare.pdf

Dreier, P. (2018, April 16). Why America needs more social housing. *The American Prospect*. https://prospect.org/infrastructure/america-needs-social-housing

Dreier, P., Schwartz, D., & Greiner, A. (1988). What every business can do about housing. *Harvard Business Review*, *66*(5), 52–61.

Dunn, A. (2021, April 22). Most Americans support a $15 federal minimum wage. *Pew Research Center*. https://www.pewresearch.org/short-reads/2021/04/22/most-americans-support-a-15-federal-minimum-wage

Eissa, N., & Hoynes, H. W. (2006). Behavioral responses to taxes: Lessons from the EITC and labor supply. *Tax Policy and the Economy*, *20*, 73–110.

Ellen, I. G., Lens, M. C., & O'Regan, K. (2011a). Do vouchers help low-income households live in safer neighborhoods? Evidence on the Housing Choice Voucher program. *Cityscape*, *13*(3), 135–159.

Ellen, I. G., Lens, M. C., & O'Regan, K. (2011b). *Memphis murder mystery revisited: Do housing vouchers cause crime?* U.S. Department of Housing and Urban Development. https://www.huduser.gov/publications/pdf/Ellen_MemphisMurder_AssistedHousingRCR07_v2.pdf

Ellen, I. G., O'Regan, K. M., & Harwood, K. W. (2022). Advancing choice in the Housing Choice Voucher program: Source of income protections and locational outcomes. *Housing Policy Debate*, *33*(4), 941–962. https://doi.org/10.1080/10511482.2022.2089196

Fischer, W., & Huang, C.-C. (2013). *Mortgage interest deduction is ripe for reform*. Center on Budget and Policy Priorities. https://www.cbpp.org/research/mortgage-interest-deduction-is-ripe-for-reform

Fischer, W., Sard, B., & Mazzara, A. (2017). *Renters' credit would help low-wage workers, seniors, and people with disabilities afford housing*. Center on Budget and Policy Priorities. https://www.cbpp.org/research/housing/renters-credit-would-help-low-wage-workers-seniors-and-people-with-disabilities

Freddie Mac. (2016). *Multifamily outlook 2016*. https://mf.freddiemac.com/docs/freddieMac_mf_outlook_2016.pdf

Graves, E. (2016). Rooms for improvement: A qualitative metasynthesis of the Housing Choice Voucher program. *Housing Policy Debate*, *26*(2), 346–361. https://doi.org/10.1080/10511482.2015.1072573

Greenlee, A., Kramer, K., Andrade, F., Bellisle, D., Blanks, R., & Mendenhall, R. (2021). Financial instability in the Earned Income Tax Credit program: Can advanced periodic payments ameliorate systemic stressors? *Urban Affairs Review*, *57*(6), 1626–1655. https://doi.org/10.1177/1078087420921527

Hanson, A., Brannon, I., & Hawley, Z. (2014, Spring). Rethinking tax benefits for home owners. *National Affairs*. https://www.rstreet.org/wp-content/uploads/2018/04/20140320_HansonBrannonHawley-1.pdf

Hetherington, M. J., & Nugent, J. D. (2001). Explaining public support for devolution: The role of political trust. In J. R. Hibbing & E. Theiss-Morse (Eds.), *What is it about government that Americans dislike?* (pp. 134–151). Cambridge University Press.

Holt, S. (2009). Beyond lump sum: Periodic payment of the Earned Income Tax Credit. *Community Investments*, *21*(1), 26–40. https://www.frbsf.org/wp-content/uploads/Holt_Steve.pdf

Hoynes, H. W. (2014, Summer). A revolution in poverty policy: The Earned Income Tax Credit and the well-being of American families. *Pathways*. https://inequality.stanford.edu/sites/default/files/media/_media/pdf/pathways/summer_2014/Pathways_Summer_2014_Hoynes.pdf

Husock, H. (2000, Autumn). Let's end housing vouchers. *City Journal*. https://www.city-journal.org/article/lets-end-housing-vouchers

Joint Center for Housing Studies. (2015). *America's rental housing: Expanding options for diverse and growing demand*. https://www.jchs.harvard.edu/sites/default/files/media/imp/America%27s%20Rental%20Housing%202015_WEB.pdf

Joint Center for Housing Studies. (2022a). *America's rental housing 2022*. https://www.jchs.harvard.edu/americas-rental-housing-2022

Joint Center for Housing Studies. (2022b). *The state of the nation's housing 2022*. https://www.jchs.harvard.edu/state-nations-housing-2022

Joint Center for Housing Studies. (2024). *America's rental housing 2024*. https://www.jchs.harvard.edu/americas-rental-housing-2024

Joint Committee on Taxation. (2022). *Estimates of federal tax expenditures for fiscal years 2022–2026* (JCX-22-22). https://www.jct.gov/publications/2022/jcx-22-22

Katz, M. B. (2013). *The undeserving poor: America's enduring confrontation with poverty* (2nd ed.). Oxford University Press.

Kimberlin, S., Tach, L., & Wimer, C. (2018). A renter's tax credit to curtail the affordable housing crisis. *RSF: The Russell Sage Foundation Journal of the Social Sciences*, *4*(2), 131–160. https://doi.org/10.7758/rsf.2018.4.2.07

Kingsella, M., Kolachalam, A., & MacArthur, L. (2023). *Housing underproduction in the U.S. 2023*. Up for Growth. https://upforgrowth.org/apply-the-vision/2023-housing-underproduction

Lowrey, A. (2013, December 9). With rental demand soaring, poor are feeling squeezed. *The New York Times*. https://www.nytimes.com/2013/12/10/business/economy/the-poor-are-squeezed-as-rental-housing-demand-soars.html

McCue, D., & Huang, S. (2024, January 29). Estimating the national housing shortfall. *Housing Perspectives*. https://www.jchs.harvard.edu/blog/estimating-national-housing-shortfall

National Low Income Housing Coalition. (2015). *Out of reach 2015*. https://nlihc.org/sites/default/files/oor/OOR_2015_FULL.pdf

National Low Income Housing Coalition. (2024). *Out of reach 2024*. http://nlihc.org/oor

Olsen, E. O. (2014, March 27–28). *Alleviating poverty through housing policy reform* [Paper presentation]. Innovating to End Urban Poverty, Los Angeles, CA, United States. https://socialinnovation.usc.edu/files/2014/01/Reforming-Housing-Policy.pdf

Parolin, Z., Collyer, S., & Curran, M. A. (2022). *Sixth child tax credit payment kept 3.7 million children out of poverty in December* (Poverty and Social Policy Brief Vol. 6 No. 1). Columbia University Center on Poverty and Social Policy. https://static1.squarespace.com/static/610831a16c95260dbd68934a/t/61ea09926280d03df62aa31d/1642727841927/Monthly-poverty-December-2021-CPSP.pdf

Parrott, S. (2023, September 12). *Record rise in poverty highlights importance of child tax credit* [Press release]. Center for Budget and Policy Priorities. https://www.cbpp.org/press/statements/record-rise-in-poverty-highlights-importance-of-child-tax-credit-health-coverage

Pomeroy, S. (2016). *Optimizing demand and supply side housing assistance programs*. Canada Mortgage and Housing Corporation. https://eppdscrmssa01.blob.core.windows.net/cmhcprodcontainer/sf/project/archive/research_2/optimizing_demand_and_supply.pdf

Riccio, J. A., & Babcock, E. D. (2014). *The bridge to family self-sufficiency (BridgeFSS) demonstration*. U.S. Department of Housing and Urban Development. https://www.huduser.gov/portal/sites/default/files/pdf/BridgeFSS.pdf

Rosenbaum, J. E. (1995). Changing the geography of opportunity by expanding residential choice: Lessons from the Gautreaux program. *Housing Policy Debate*, *6*(1), 231–269.

Saiz, A. (2023). *The global housing affordability crisis: Policy options and strategies* (IZA Policy Paper No. 203). IZA – Institute of Labor Economics. https://docs.iza.org/pp203.pdf

Salvi del Pero, A., Adema, W., Ferraro, V., & Frey, V. (2016). *Policies to promote access to good-quality affordable housing in OECD countries* (OECD Social, Employment and Migration Working Papers No. 176). OECD Publishing. https://doi.org/10.1787/5jm3p5gl4djd-en

Sard, B., & Rice, D. (2014). *Creating opportunity for children: How housing location can make a difference*. Center for Budget and Policy Priorities. http://www.cbpp.org/research/creating-opportunity-for-children?fa=view&id=4211

Sard, B., & Rice, D. (2016). *Realizing the housing voucher program's potential to enable families to move to better neighborhoods*. Center on Budget and Policy Priorities. http://www.cbpp.org/research/housing/realizing-the-housing-voucher-programs-potential-to-enable-families-to-move-to

Schwartz, A. F. (2015). *Housing policy in the United States* (3rd ed.). Routledge.

Schwartz, H. L., Bostic, R. W., Green, R. K., Reina, V. J., Davis, L. M., & Augustine, C. H. (2016). *Preservation of affordable rental housing: Evaluation of the MacArthur Foundation's Window of Opportunity initiative*. RAND Corporation. https://www.rand.org/pubs/research_reports/RR1444.html

Shrider, E. A., & Creamer, J. (2023). *Poverty in the United States: 2022* (Report P60-280). U.S. Census Bureau. https://www.census.gov/content/dam/Census/library/publications/2023/demo/p60-280.pdf

Sisson, P. (2022, June 1). High housing costs challenging corporations in search of new homes. *Bisnow*. https://www.bisnow.com/national/news/top-talent/high-housing-costs-also-hurting-corporations-chances-of-finding-new-homes-113232

Statista. (2024). *Monthly median asking rent for unfurnished apartments in the United States from 1980 to 2023* [Data set]. https://www.statista.com/statistics/200223/median-apartment-rent-in-the-us-since-1980

Steffen, B. L., Carter, G. R., Martin, M., Pelletiere, D., Vandenbroucke, D. A., & Yao, Y.-G. D. (2015). *Worst case housing needs: 2015 report to Congress*. U.S. Department of Housing and Urban Development. https://www.huduser.gov/portal/publications/pdf/worstcaseneeds_2015.pdf

Stegman, M. A., Davis, W. R., & Quercia, R. (2004). The Earned Income Tax Credit as an instrument of housing policy. *Housing Policy Debate*, *15*(2), 203–260. https://doi.org/10.1080/10511482.2004.9521500

U.S. Bureau of Labor Statistics. (2021). *Occupational employment and wage statistics, May 2021* [Data set]. https://www.bls.gov/oes/special-requests/oesm21all.zip

U.S. Bureau of Labor Statistics. (2024). *Consumer Price Index for all urban consumers: Rent of primary residence in U.S. city average* [Data set]. Federal Reserve Economic Data. https://fred.stlouisfed.org/series/CUUR0000SEHA

U.S. Census Bureau. (2024a). *Median household income in the United States* [Data set]. Federal Reserve Economic Data. https://fred.stlouisfed.org/series/MEHOINUSA646N

U.S. Census Bureau. (2024b). *Real median household income in the United States* [Data set]. Federal Reserve Economic Data. https://fred.stlouisfed.org/series/MEHOINUSA672N

U.S. Department of Health and Human Services. (2021). *Annual update of the HHS poverty guidelines* (Federal Register Doc. 2021–01969). https://www.federalregister.gov/documents/2021/02/01/2021-01969/annual-update-of-the-hhs-poverty-guidelines

U.S. Department of Housing and Urban Development. (2021a). *Assisted housing: National and local* [Data set]. HUD User. https://www.huduser.gov/portal/datasets/assthsg.html

U.S. Department of Housing and Urban Development. (2021b). *Fair market rents (40th percentile rents)* [Data set]. HUD User. https://www.huduser.gov/portal/datasets/fmr.html

U.S. Department of Housing and Urban Development. (2022). *Office of Public and Indian Housing Tenant-Based Rental Assistance*. https://www.hud.gov/sites/dfiles/CFO/documents/8_2022CJ-TBRA.pdf

U.S. Government Accountability Office. (2007). *Advance Earned Income Tax Credit: Low use and small dollars paid impede IRS's efforts to reduce high noncompliance* (GAO-07-1110). https://www.gao.gov/products/gao-07-1110

U.S. Internal Revenue Service. (2023a). *EITC reports and statistics*. https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/eitc-reports-and-statistics

U.S. Internal Revenue Service. (2023b). *Publication 596 (2023), Earned Income Credit (EIC)*. https://www.irs.gov/publications/p596

U.S. Internal Revenue Service. (2024a). *EITC participation rate by states tax years 2013 through 2020*. https://www.eitc.irs.gov/eitc-central/participation-rate-by-state/eitc-participation-rate-by-states

U.S. Internal Revenue Service. (2024b). *Who qualifies for the Earned Income Tax Credit (EITC)*. https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/who-qualifies-for-the-earned-income-tax-credit-eitc

Urban Institute, & Brookings Institution. (2021). *EITC parameters, 1975–2024* [Data set]. Tax Policy Center. https://taxpolicycenter.org/statistics/eitc-parameters

Vallas, R., Boteach, M., & West, R. (2014). *Harnessing the EITC and other tax credits to promote financial stability and economic mobility*. Center for American Progress. https://www.americanprogress.org/issues/poverty/report/2014/10/07/98452/harnessing-the-eitc-and-other-tax-credits-to-promote-financial-stability-and-economic-mobility

Veiga, A. (2023, July 30). Biggest apartment construction boom in decades likely to bring renters uneven relief. *PBS News*. https://www.pbs.org/newshour/economy/biggest-apartment-construction-boom-in-decades-likely-to-bring-renters-uneven-relief

Whitney, P. (2024, January 19). More than 42 million US households were cost burdened in 2022. *Housing Perspectives*. https://www.jchs.harvard.edu/blog/more-42-million-us-households-were-cost-burdened-2022

About the Authors

Peter Dreier is the E. P. Clapp distinguished professor of politics and professor of urban and environmental policy at Occidental College. He has been involved in urban policy as a scholar, government official, reporter, and advocate for 30 years. He writes widely on American politics and public policy, specializing in urban politics and policy, housing policy, community development, and community organizing, and is engaged in civic and political efforts at the national and local levels.

Seva Rodnyansky is assistant professor of urban and environmental policy at Occidental College. His research focuses on urban policy related to housing, transportation, residential mobility, and neighborhood change. His ongoing research examines the impact of landlord size and scale on tenant habitability and affordability, evaluating state and federal affordable housing programs, the impact of natural disasters on housing affordability, rural housing subsidies, and residential mobility and transit.

Urban Planning
2024 • Volume 9 • Article 8636
https://doi.org/10.17645/up.8636

ARTICLE

Open Access Journal

Identifying the Affordable Housing Shortage: A Study for Oklahoma

Francesco Cianfarani, Shawn Schaefer, and Kalyan Mutukundu

Christopher C. Gibbs College of Architecture, The University of Oklahoma, USA

Correspondence: Francesco Cianfarani (francesco.cianfarani@ou.edu)

Submitted: 7 May 2024 **Accepted:** 28 August 2024 **Published:** 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

The study provides an analysis of affordable housing in Oklahoma, US. Like the rest of the country, the state's housing stock does not meet the affordable housing demand, especially for low-income households. The mismatch is currently aggravated by steady population and employment growth, rising housing costs, and a slowdown in housing construction due to high inflation. First, we introduce the topic with an overview of Oklahoma's housing inventory, providing information on recurring development patterns and building types. We discuss main household characteristics and compare state-level data with national trends. Second, we analyze the gap between household demand and affordable housing supply across the state and its 22 core-based statistical areas. Using an algorithm running the Department of Housing and Urban Development and US Census Bureau datasets, the gap analysis evaluates household groups by income, comparing them to the distribution of housing units based on tenure, monthly housing costs, and unit size. The results are examined through a cluster analysis, which leads to the development of a classification of housing gaps across the state. We conclude by identifying the composition of the housing stock needed to address the mismatch between supply and demand and discuss policy implications. This research presents findings from a statewide housing needs assessment conducted by a cross-disciplinary team from the University of Oklahoma, and sponsored by the Oklahoma Housing Finance Agency, a state organization that offers affordable housing resources, including loans and rental assistance.

Keywords

affordable housing; cluster analysis; gap analysis; housing shortage; Oklahoma; US

1. Introduction

1.1. Problem

The shortage of affordable housing is a long-standing challenge in the US, historically concentrated in coastal areas. Recently, however, this problem has spread to the interior regions of the country (Badger & Washington, 2022). Factors such as rising construction costs, lagging household incomes exacerbated by the Covid-19 pandemic, inflation, and persisting barriers to new development—including restrictive zoning laws and NIMBYism—have been aggravating the mismatch between housing demand and supply, especially in the rental market (Joint Center for Housing Studies of Harvard University, 2023; McCue & Huang, 2024).

Several studies have discussed housing shortages at the national level, with a focus on low-income households (National Low Income Housing Coalition, 2024; Office of Policy Development and Research, 2023). Many have investigated the inefficiency of the housing system in large coastal cities such as New York (Ward et al., 2023), San Francisco (Hwang & Shrimali, 2021), and Los Angeles (Zhu et al., 2021). However, little has been studied on the housing market characteristics and affordability challenges in the US's central states. Therefore, an analysis of the housing affordability of Oklahoma—a landlocked state in the South-Central region of the US—offers an opportunity to document current US housing trends from the perspective of a non-coastal state. Indeed, Oklahoma exemplifies the characteristics of a traditionally rural region (Iowa State University, 2024), now experiencing economic growth and urbanization.

This study is part of an ongoing, comprehensive statewide housing needs assessment conducted by a team of faculty and students at the University of Oklahoma, and commissioned by the Oklahoma Housing Finance Agency (OHFA). OHFA is the state organization that manages public funds and resources to develop low-income rental housing, administering federal initiatives such as the Low-Income Housing Tax Credit (LIHTC) program—the nation's largest source of affordable housing financing—as well as rental assistance and homebuyers programs (Schwartz, 2021).

In this article, we present the methods and results of a gap analysis, a comparative tool used to calculate the mismatch between affordable housing supply and demand, investigating the housing shortage across the state and its 22 core-based statistical areas (CBSAs), including both metropolitan and micropolitan areas (United States Census Bureau, 2022). Additionally, we study these results through cluster analysis, grouping the examined geographies according to common housing market characteristics. We conclude by discussing policy implications to bridge the gap between supply and demand and determine the initiatives to meet the demand in the state.

1.2. Information on Case Study

Oklahoma has a population of 4 million people, grouped in approximately 1.5 million households, and a housing stock of about 1.7 million homes, with 34% of occupied units being rented (United States Census Bureau, n.d.). The median age of the state's housing stock is roughly 40 years, aligned to national data (United States Census Bureau, 2021c). When compared to the overall US housing inventory, Oklahoma's housing supply includes higher shares of single-family units—specifically detached single-family homes—as well as mobile/manufactured homes, revealing the state's predominantly rural and suburban culture

(Table S1, in Supplementary File). Small‐scale multifamily structures, such as duplexes, triplexes, and fourplexes, are relatively uncommon and are mostly present in urban areas, particularly in Oklahoma City (OKC)—the state capital—and Tulsa, the two most populous cities in the state (United States Census Bureau, 2021e).

The median household size stands at nearly 2.5 people, with 29% of the state's households consisting of one person, closely mirroring national data (United States Census Bureau, n.d., 2021h). However, the physical characteristics of Oklahoma's housing stock do not parallel the state's demographic profile. Notably, 1.9% of the overall supply consists of no‐bedroom units (studios), 8.8% are one‐bedroom units, and 23.4% are two‐bedroom units. Consequently, almost two‐thirds of the state's housing stock (65.9%) comprises units with three or more bedrooms (United States Census Bureau, 2021d). According to the 2021 American Community Survey (ACS) estimates by the United States Census Bureau, Oklahoma's housing vacancy rate is 13.7%, 2.5 percentage points higher than national statistics. Similarly, a high proportion of the state's housing stock (7%) is classified by the Census as "other vacant"—a category including abandoned units, units in need of repair, properties in foreclosure, or units used as storage. The proportion of such vacancy type in Oklahoma is 3 points higher than national data, making it the 5th highest rate in the US. Approximately 237,800 units in the state are vacant, with 122,700 categorized as "other vacant" units (United States Census Bureau, 2021a, 2021b).

The state hosts 22 CBSAs, which include five metropolitan areas and 17 micropolitan areas. Together, these CBSAs house 85% of the state's population, with 61% concentrated in OKC and Tulsa metropolitan areas (United States Census Bureau, 2021e). Traditionally linked to the petroleum and agriculture industries, Oklahoma's economy increasingly relies on the transportation, government, and finance sectors, reflecting the economic development of neighboring Texas. Yet, in 2021, the state median household income was $56,956, significantly below the national data of $69,021, with approximately 15% of the population living in poverty (United States Census Bureau, 2021f, 2021g). Despite revealing lower incomes and higher poverty rates than national averages, Oklahoma has historically been one of the most affordable states in the US. According to the Census Bureau (Figure 1a), as of 2021, the state has one of the lowest rates of cost‐burdened households in the US (United States Census Bureau, 2021d). Using Census estimates, Figure 1b illustrates changes in the percentage of cost‐burdened households in the state from 2011 to 2021.

It is interesting to compare ACS estimates with statistics released by the US Federal Department for Housing and Urban Development (HUD) on housing affordability over the past decades. Table 1 shows Oklahoma's affordability level change from 2000 to 2020, categorized by tenure. According to HUD data, the percentage of cost‐burdened households in 2020 was lower than 2010 rates for both renters and homeowners. However, when compared to 2000, 2020 rates are about 1.7 points lower for owners but almost 6.5 points higher for renters (Office of Policy Development and Research, 2024a). Such statistics reveal a widening gap between the number of cost‐burdened homeowners and renters in the state over the past two decades. This gap was generated by increasing rental costs, as well as declining mortgage rates and tighter credit standards, particularly between the post‐recession years and the Covid‐19 pandemic. Moreover, as noted by literature at the national scale (McClure & Schwartz, 2024), Table 2 illustrates that the state's housing production boomed from 2000 to 2010, generating a surplus that persists to this day.

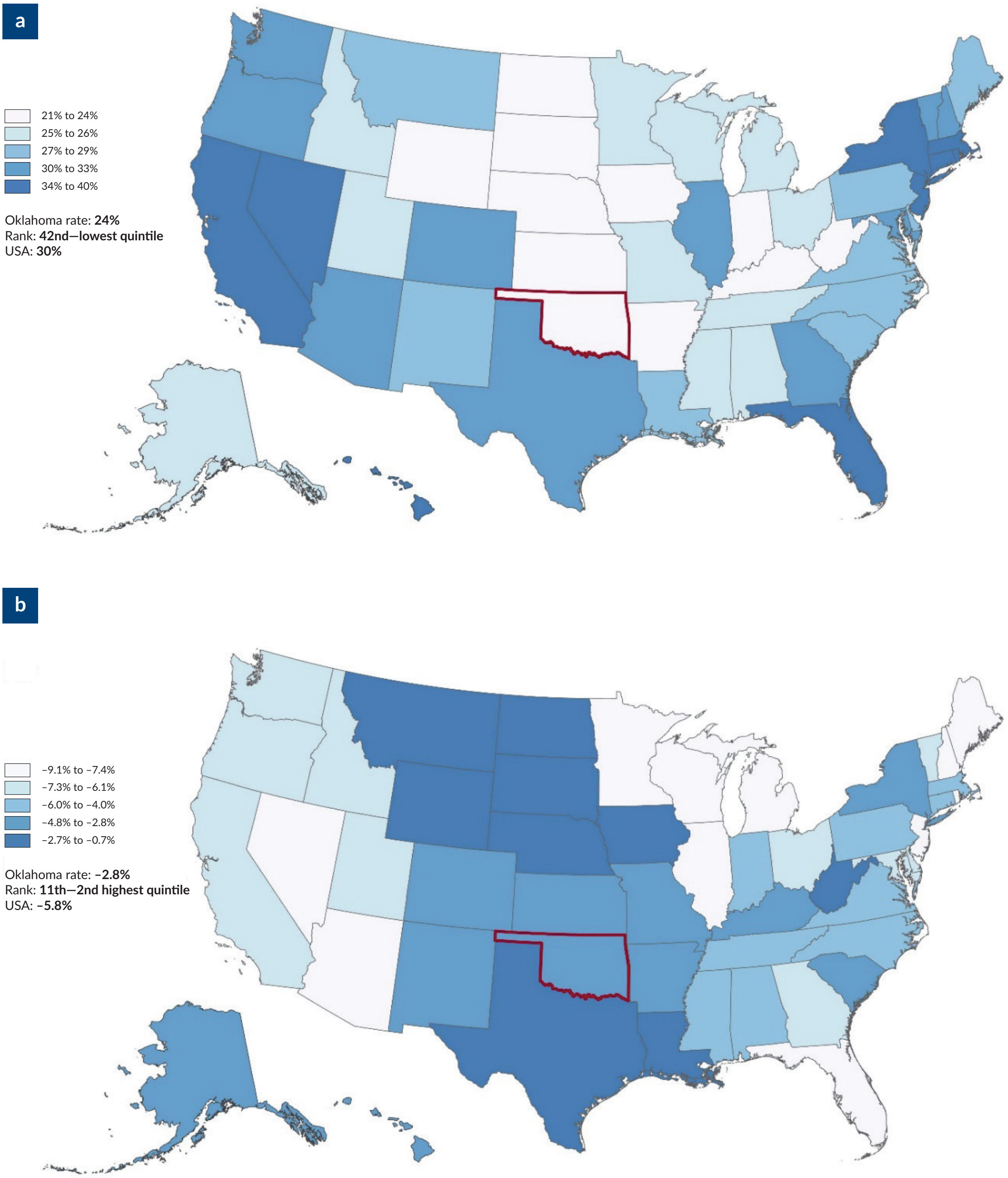


Figure 1. 2021 percentage of housing units with monthly costs greater than 30% of income by quintile in the US (a) and 2011–2021 percent change of housing units with monthly costs greater than 30% of income by quintile in the US (b). Note: Oklahoma is the state outlined in red. Source: United States Census Bureau, 2011, 2021d.

Table 1. Cost-burdened households in Oklahoma from 2000 to 2020.

Cost-burdened households in Oklahoma (2000–2020)	Year			Change in numbers and percentage points		
	2000	2010	2020	2000–2010	2010–2020	2000–2020
No. of households	1,341,891	1,421,705	1,493,570	79,814	71,865	151,679
No. of cost-burdened households	287,165	362,845	341,060	75,680	−21,785	53,895
% of cost-burdened households	21.40%	25.52%	22.84%	4.12%	−2.68%	1.44%
No. of renter households	423,771	451,745	507,015	27,974	55,270	83,244
No. of cost-burdened renter households	132,217	176,620	191,000	44,403	14,380	58,783
% of cost-burdened renter households	31.20%	39.10%	37.67%	7.90%	−1.43%	6.47%
No. of owner households	918,120	969,960	986,555	51,840	16,595	68,435
No. of cost-burdened owner households	155,162	186,230	150,065	31,068	−36,165	−5,097
% of cost-burdened owner households	16.90%	19.20%	15.21%	2.30%	−3.99%	−1.69%

Source: Office of Policy Development and Research (2024a).

Table 2. Housing units and vacancies in Oklahoma from 2000 to 2020.

Housing units and vacancies in Oklahoma (2000–2020)	Year			Change in numbers and percentage points		
	2000	2010	2020	2000–2010	2010–2020	2000–2020
No. of housing units	1,514,400	1,664,378	1,746,807	149,978	82,429	232,407
No. of vacant housing units	172,107	203,928	210,977	31,821	7,049	38,870
% of vacant housing units	11.36%	12.25%	12.08%	0.89%	−0.17%	0.72%
No. of on-market vacant units *	88,118	93,057	107,849	4,939	14,792	19,731
% of on-market vacant units *	5.82%	5.59%	6.17%	−0.23	0.58	0.35

Note: * On-market vacant units are all the vacant units for rent, for sale, rented-not-occupied, and sold-not-occupied, according to Census definitions. Source: United States Census Bureau (2000a, 2000b, 2010a, 2010b, 2020a, 2020b).

1.3. Federal and State Programs for Affordable Housing

Today, low-income housing in the US is mainly created by the private market through federal, state, and local government subsidies. On the demand side, federal programs managed by state agencies like OHFA provide vouchers to eligible low-income households, including the Section 8 Housing Choice Voucher Program, to help cover rental costs in the private market (Schwartz, 2021). More in detail, such rental assistance programs require participating households to find a rental unit that meets program standards with a landlord who has agreed to accept the voucher. Households then pay a limited share of their monthly income for rent—about 30%—while the remaining rental costs are covered by local housing authorities using federal funds.

On the supply side, local public housing agencies no longer finance and build low-income housing solely as public entities, as they did in the past. Instead, they frequently form public–private partnerships to convert, manage, and maintain their housing stock. Consequently, only 1 million public housing units are available in the US today, accounting for approximately 0.7% of the country's housing inventory (Fischer et al., 2021; United States Census Bureau, 2024). Most of the US public housing is located in neighborhoods with high poverty rates, often in need of maintenance, and under the threat of environmental hazards such as flooding (Urban Institute, n.d.).

In Oklahoma, OHFA has been managing the LIHTC program, which provides state agencies funds to issue tax credits for building, rehabilitating, or acquiring rental housing for low-income households (Schwartz, 2021). In 2024, OHFA started administering the Housing Stability Program, a state initiative that grants zero-interest loans to developers for building affordable for sale and rental housing (OHFA, 2024a). Local governments, including counties and municipalities, provide a range of housing programs, such as emergency rent and utility assistance. Cities also play a role in affordable housing, primarily through the administration of federal funds, such as the Community Development Block Grant, and the Home Investment Partnership Program, aiming at expanding the multifamily housing portfolio (Schwartz, 2021).

2. Methods and Data

2.1. Methods for Calculating Affordability

One of the core analyses we conduct for the assessment of housing demand and supply in the state is the gap analysis. This analysis is a macroeconomic tool that compares household income distributions with housing unit distributions based on monthly housing costs at a given point in time. The goal of a gap analysis is to identify household groups that lack affordable housing adequate to their income. While there is no international consensus on the definition of housing affordability, the US housing policy generally considers a home as affordable if a household spends no more than 30% of its gross income on housing costs, including payments for rent or mortgages, fees, or taxes, insurance, and utilities (Herbert et al., 2018; Joice, 2014; Jones et al., 1997; Stone, 2006). Our method for calculating the mismatch between affordable housing supply and demand refers to the 30% affordability threshold for both renters and homeowners.

Affordability thresholds determine the demand for different household income groups. For this analysis, we study household groups targeted by OHFA for rental assistance services, LIHTC programs, and first-time homebuyer loans. Since income levels vary periodically across geographies in Oklahoma, we establish median income thresholds using annual OHFA tax credit income and rent limit tables (OHFA, n.d.). OHFA tables are derived from HUD formulas that set an Area Median Family Income Limit (HAMFI) for each statistical area in the US, based on household size. Therefore, to ensure accuracy in our analysis, we use HAMFI values corresponding to each geography's median household size. We then calculate the number of units affordable to each household income group, by summing units with housing costs below their affordability threshold (Office of Policy Development and Research, 2024b; OHFA, n.d.).

We structure the gap analysis around three major assessments. First, for the housing supply assessment, we examine all the units on the market, as classified by the ACS estimates from the Census Bureau. For rental units, this includes no-cash rent units and on-market vacant homes, such as vacant-for-rent units and rented-not-occupied units. Similarly, for owner-occupied units, we consider on-market vacant homes, which encompass on-sale units and sold-not-occupied units. Second, for the demand assessment, we assume that the number of households matches the overall housing demand. Thus, the housing demand assessment does not comprise the homeless population—approximately 4,000 individuals in the state (Office of Community and Planning Development, 2023)—as well as the relatively few, but growing cases, of households sharing a dwelling unit, particularly in large metropolitan areas (Office of Policy Development and Research, 2021). Once units and households are calculated, we compare them to determine whether there is a surplus or gap. A surplus of affordable housing exists if the overall supply in each housing cost group exceeds the number of households in each income group. Conversely, there is a gap if the demand exceeds the supply.

2.2. Data Aggregation and Datasets

Building on methods drafted by recent regional housing needs assessments (Mid-America Regional Council, 2023; URBNRX & Community Builders Network, 2021), we have developed two types of gap analysis that share calculation formulas, assumptions, and datasets but differ in the level of the data aggregation employed.

The first type, which we refer to as the "aggregated gap analysis," calculates the mismatch between housing supply and demand according to tenure and income groups only. We apply this analysis to the state as a baseline for our considerations. Given that a statewide gap or surplus may hide significant variations among local markets, we also apply this analysis to all the state's CBSAs. Figures 2 and 3 below illustrate the aggregated gap analysis algorithm for rental and owner-occupied units.

For the second type of analysis, defined as the "disaggregated gap analysis," we focus exclusively on the rental housing market for both the state and its CBSAs. We calculate the mismatch by income groups and unit types categorized by number of bedrooms—no-bedroom, one-bedroom, two-bedroom, and three-or-more-bedroom units—to define the types of rental homes most needed in the market, according to unit size.

Figure 4 presents the flowchart detailing the process used in the disaggregated gap analysis, while tables S2 and S3 in the Supplementary File list the datasets with raw data used for both gap analyses. When we developed the gap analysis in July 2023, the latest Census Bureau and HUD datasets were updated to 2021.

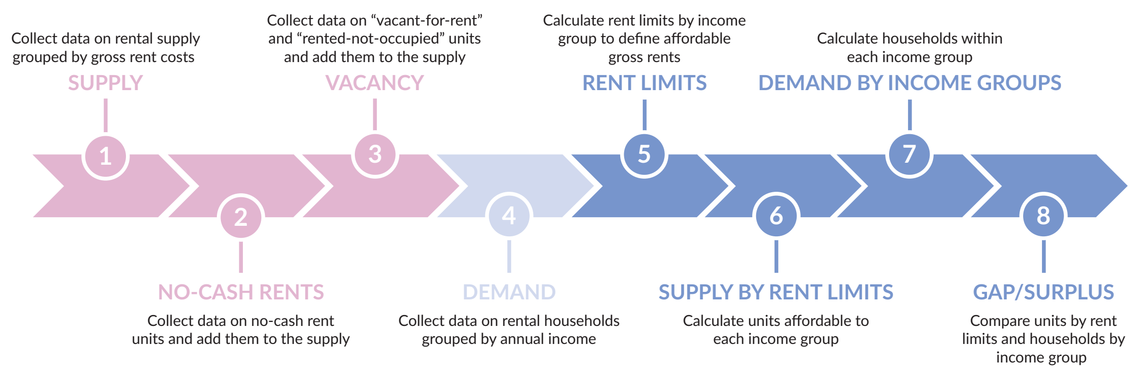


Figure 2. Workflow for aggregated gap analysis (rental housing).

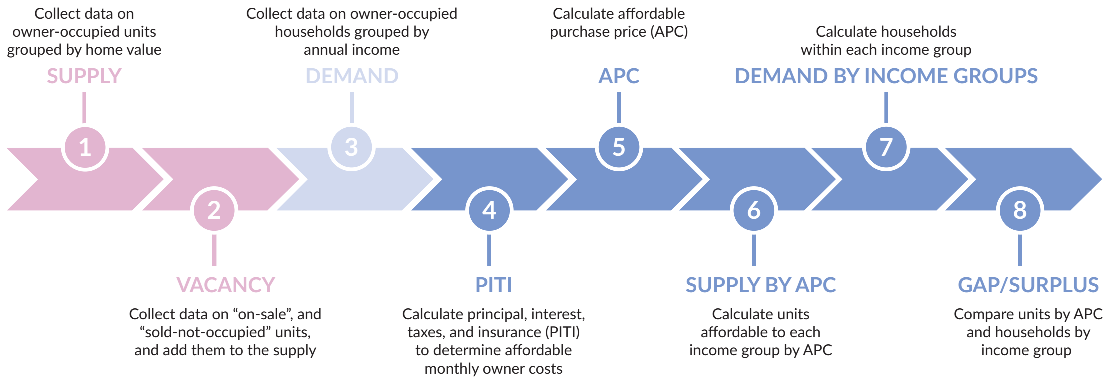


Figure 3. Workflow for aggregated gap analysis (owner-occupied housing).

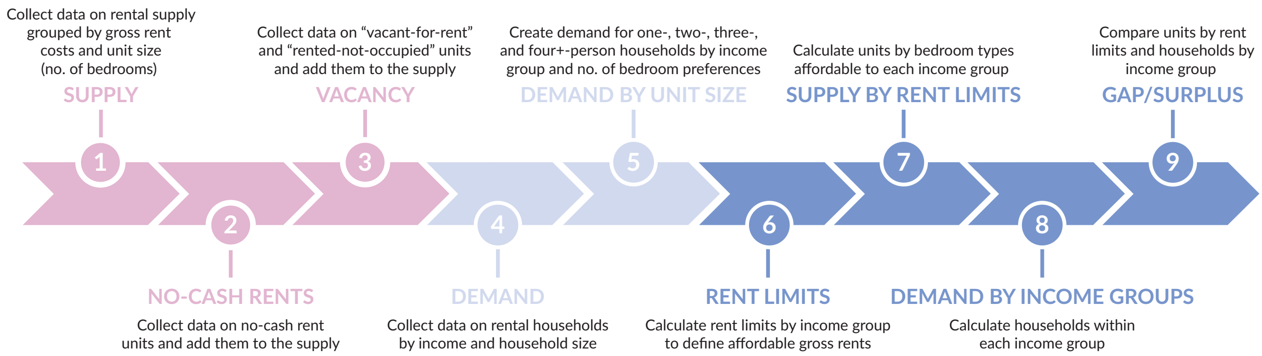


Figure 4. Workflow for disaggregated gap analysis (rental housing).

2.3. Assumptions

For our calculations, due to the complexity of the phenomenon analyzed, we have established assumptions, summarized as follows: First, we identify housing demand with the total number of households and supply as the total number of occupied units plus on-market vacant homes. A unit is considered affordable if a household spends no more than 30% of its pre-tax income on housing costs, which are gross rent costs for renters and PITI for homeowners. Affordability thresholds vary across CBSAs, with a state average for affordable gross rent and affordable purchase price for a middle-income household of about $1,400 and $195,000.

We classify household groups according to the following income levels: households earning less than 30% of HAMFI (roughly equivalent to the poverty level), or extremely low-income (ELI) households; households earning between 30% and 50% of HAMFI, or very low-income (VLI) households; households earning between 50% and 60% of HAMFI, or VLI households, calculated as the upper limit for income eligibility to LIHTC programs (VLI-LIHTC); households earning between 60% and 80% of HAMFI, or low-income (LI) households; households earning between 80% and 100% of HAMFI, or moderate-income (MI) households; households earning between 100% and 120% of HAMFI, or middle-income (MIDI) households; households earning more than 120% of HAMFI, or high-income (HI) households. All these seven income levels are considered in the aggregated gap analysis. Due to data availability, for the disaggregated gap analysis we cannot calculate the rental housing mismatch for MI, MIDI, and HI households. Thus, we combine them into a single household group, defined as households earning more than 80% of HAMFI (LI+). Additional assumptions for the gap analysis are reported in Table S4, in the Supplementary File.

3. Results

3.1. Major Surpluses and Shortages Identified

Our analysis focuses on establishing a baseline, running first an aggregated gap analysis for the entire state. Overall, the aggregated gap analysis shows a surplus of units. This is expected for real estate markets examined as a whole. However, as anticipated by national academic studies and regional assessments on the topic, our results reveal a clear mismatch between household income and housing cost distributions (McClure & Schwartz, 2024; Mid-America Regional Council, 2023; URBNRX & Community Builders Network, 2021).

Starting from rental housing, there are more affordable units than households at all but the lowest and highest costs. As most of the rental housing stock concentrates within the 30% and 80% of HAMFI, we find a significant mismatch at the ends of the income spectrum, for both ELI and MIDI households and higher. Specifically, only 7.70% of Oklahoma's overall 560,844 rental housing units are affordable to ELI households. Approximately 30% of the rental market is affordable to households earning less than 50% of HAMFI, while almost 76% is affordable to households earning less than 80% of HAMFI. A notable gap—71,268 units—is for ELI households seeking rent below $427. As a result, about 62% of ELI renter households in Oklahoma occupy units that are unaffordable for their income. Similarly, there is a deficit of 86,240 rental units for households earning more than 120% of HAMFI. Although this mismatch at the high end of the income spectrum does not truly represent a shortage—as higher-income households can afford housing at lower income levels—it indicates that over 74% of HI households occupy rental units affordable to lower-income households. Consequently, this condition further reduces the availability of affordable housing for lower-income groups.

We observe similar patterns when analyzing the rental housing gap at the CBSA level. All the 22 metropolitan and micropolitan areas surveyed show a housing shortage for ELI renters. The percentage of demand met for this income group significantly varies across CBSAs, ranging from low rates (Stillwater, 17%) to very high proportions (the rural area of Woodward, 98%), with an average rate of 42% excluding outliers. Interestingly, the three most unaffordable geographies in the state for ELI renters include very diverse CBSAs, such as the micropolitan areas of Stillwater (a college town, home of the Oklahoma State University), Durant (a fast-growing suburban area gravitating around the Dallas-Fort Worth region), and the metropolitan area of OKC. Similarly, shortages are recorded for rental households earning less than 50% of HAMFI. Out of the 22 CBSAs, 12 do not have enough affordable supply for rental households earning less than the VLI threshold. As registered at the state level, we find a shortage of affordable rental housing for MIDI households and higher across all the CBSAs, except for the micropolitan area of Stillwater. Shortages are not registered for LI rental markets and are rare for MI rental households. Only four CBSAs—all small rural micro areas—reveal a gap for MI households.

For owner-occupied homes in Oklahoma, out of 1,023,740 units, around 14% are affordable to ELI households. Almost 30% are affordable to households earning less than 50% of HAMFI, while 52% are affordable to households earning less than the LI threshold. The state has a housing gap only for HI-owner households. Yet, such a mismatch is significant, as the number of units affordable exclusively to HI households is less than one-half of the demand. Further proof of the gap for owner-occupied housing towards the higher income end is the limited surplus of owner-occupied units for MIDI—1,143 units, exceeding the demand by only 1.3%. Interestingly, there is a surplus of owner-occupied units for lower-income households, probably due to high rates of aging properties and mobile/manufactured homes in the market. However, members of this group may struggle to acquire credit and save for a down payment of a unit. As a result, lower-income owner households may be forced into the rental market, which is already tight. This could lead to cost burdens, overcrowding, and exposure to unhealthy living conditions. In some cases, homelessness may be the result.

Findings for CBSAs are consistent with state results. All the CBSAs show a shortage of affordable owner-occupied homes for HI households. However, compared to state data, we find an exception for MIDI households. Differently from state results, we identify a housing gap for households earning between 100% and 120% of HAMFI in 12 micropolitan areas.

Vacancy does not significantly impact the gap analysis at this scale. While including on-market vacant units in the housing supply calculation increases the surplus, there are no significant changes from gaps to surpluses across income groups once these units are added. The only notable exception is registered at the state level for the MIDI owner-household group, where we found a surplus turning into a shortage once we excluded vacant homes from the supply. Note that the state's rate of on-market rental vacant units is 8.98%. For CBSAs, rates range significantly, from 4.34% to 19.25%. Similarly, vacancy rates for owner-occupied housing vary for CBSAs, from very low (0.77%) to high rates (12.61%), with a state rate of 2.96%. Figures 5a and 5b present a series of bar charts displaying the aggregated gap analysis results for the state, showing demand, supply, and mismatches by income levels for both rental and owner-occupied housing.

The disaggregated gap analysis provides details on rental housing affordability in relationship to units by number of bedrooms. We run this second examination to have a more nuanced idea of the gap for rental housing by considering the variables of unit and household sizes.

As shown in Figure 6, statewide, the demand for studios and, especially, one-bedroom units exceeds supply. We find a housing surplus of such units only for households earning between 30% and 60% of HAMFI. In contrast, the supply of two-bedroom units exceeds demand, except for households earning less than 30% and more than 80% of HAMFI. Similarly, the supply of three or more-bedroom units exceeds demand, except for households earning less than 30% of HAMFI. Among all categories, the highest demand is for one-bedroom units for households earning more than 80% of HAMFI (approximately 78,500 households). However, the highest supply in the market is for three or more-bedroom rental units affordable to households earning more than 80% of HAMFI (around 95,000 units). This is likely due to the large number of detached large single-family homes offered for rent in the state.

At the CBSA level, all income groups assessed, we find a gap for studios in 19 out of 22 metropolitan and micropolitan areas. While there is a mismatch of one-bedroom units across all CBSAs, we always register a surplus of two-bedroom and three-or-more-bedroom units. This significant discrepancy between demand and supply aligns with national trends of shrinking household sizes and a growing preference for smaller rental units, also due to affordability concerns (Joint Center for Housing Studies of Harvard University, 2023).

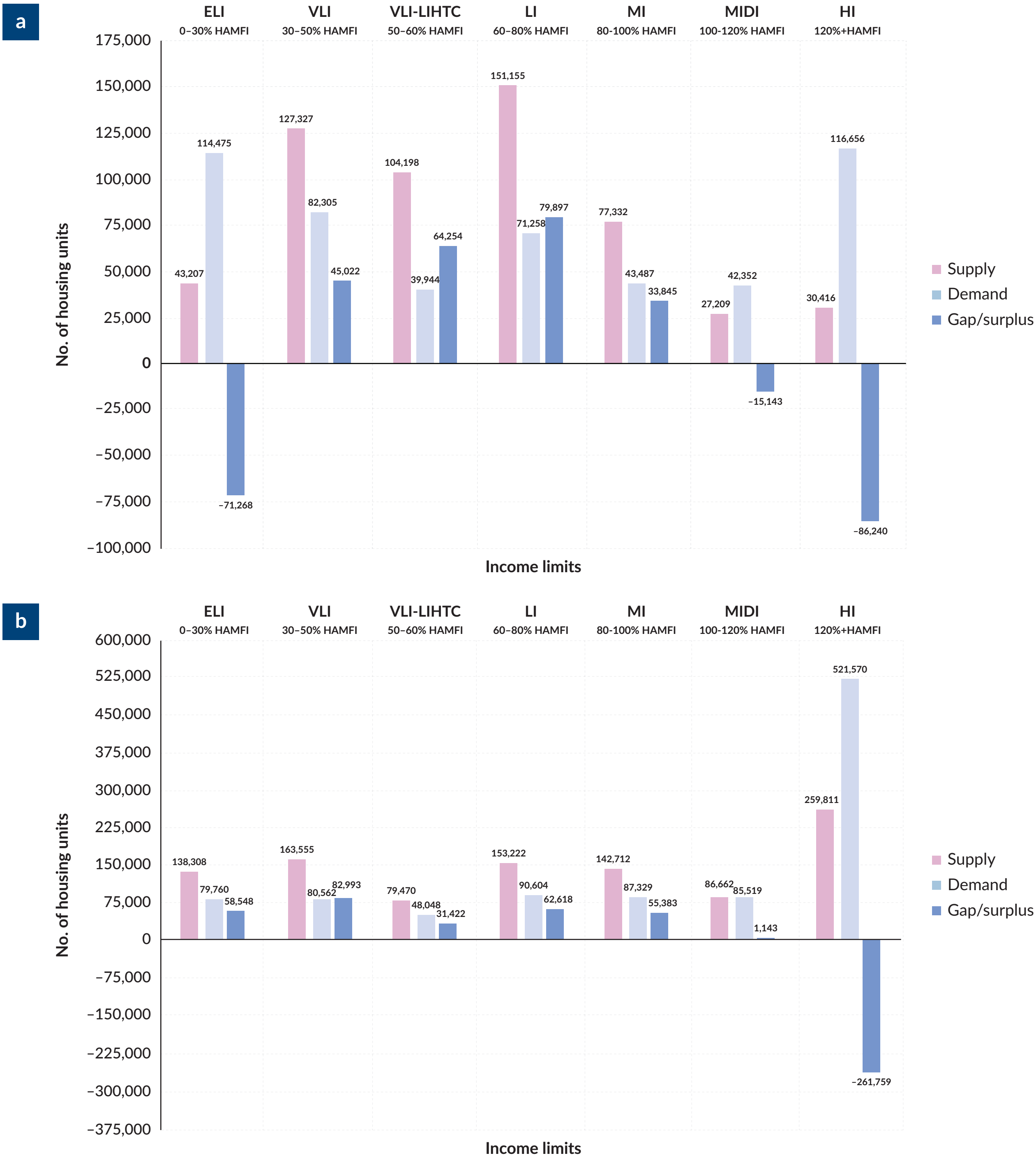


Figure 5. Aggregated gap analysis results for the state of Oklahoma (rental housing) (a) and Aggregated gap analysis results for the state of Oklahoma (owner-occupied housing) (b). Notes: The x-axes in the graphs represent the income levels, while the y-axes denote the number of units; for each bar, the numbers shown represent, respectively: the total of housing units in the respective housing cost group (supply bar), the total of households in the corresponding income group (demand bar), and the surplus or gap in units (gap/surplus bar).

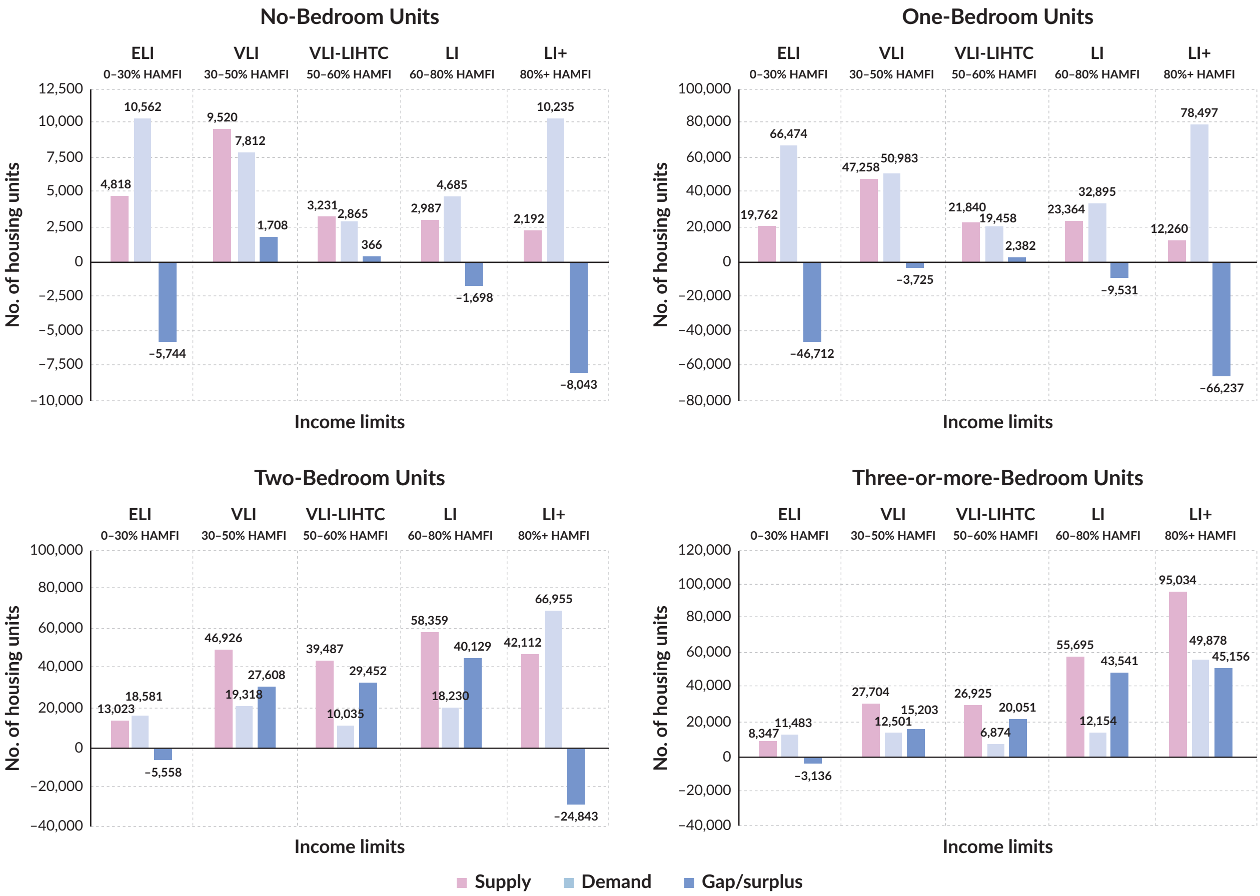


Figure 6. Gap analysis results for the state of Oklahoma by number of bedrooms (rental housing only). Notes: The x-axes in the graphs represent the income levels, while the y-axes denote the number of units; for each bar, the numbers shown represent, respectively: the total of housing units in the respective housing cost group (supply bar), the total of households in the corresponding income group (demand bar), and the surplus or gap in units (gap/surplus bar).

3.2. Clustering

To further investigate the results of the gap analysis, we perform a cluster analysis. This examination aims to look for geographic patterns of housing demand and supply across Oklahoma. If clusters are identified, they can be described and used to characterize specific needs and targeted policy approaches. Indeed, the gap analysis is a macroeconomic tool that does not capture the main similarities and differences in demand and supply across CBSAs.

Therefore, for the cluster analysis, we collect key affordability indexes resulting from the gap analysis, such as the median home value to median income ratio, the median gross rent to the median monthly income ratio, and the percentage of affordable units to total units for LI households. We then compare them to typical demand and supply indicators. For demand clustering, we use data on population, and percentages of household change, income change, and employment change over 10 years (2011–2021). For supply, we analyze rental and ownership supply elasticity over the same period, as well as vacancy rates and diversity indexes.

A diversity index is a measure of heterogeneity that considers the number of categories analyzed and the relative abundance of each category. This index calculates the probability that two randomly selected observations within an area will be of the same type. Diversity indexes can capture the mix of housing types in a given area, as well as unit types by the number of bedrooms (Chakraborty & McMillan, 2022). For our cluster analysis, we use the Simpson Diversity Index to evaluate the variety of units by bedroom count in each CBSA.

The list of supply, demand, and affordability indicators, along with their corresponding datasets, is reported in Table S5 of the Supplementary File. We use IBM SPSS Statistics software for calculations and testing different clustering techniques, including K-means and hierarchical clustering. Additionally, we run multiple trials setting a different number of clusters to determine the optimal number that could summarize the key differences in the state's housing market. Ultimately, we opt for Ward's method with hierarchical cluster analysis and squared Euclidean distance, as it provides the most consistent results in relationship to our knowledge of the study area.

The dendrogram reported in Figure 7 displays the results of the analysis with a possible cut-line, which identifies three clusters and an outlier corresponding to the micropolitan area of Stillwater. We adopt the

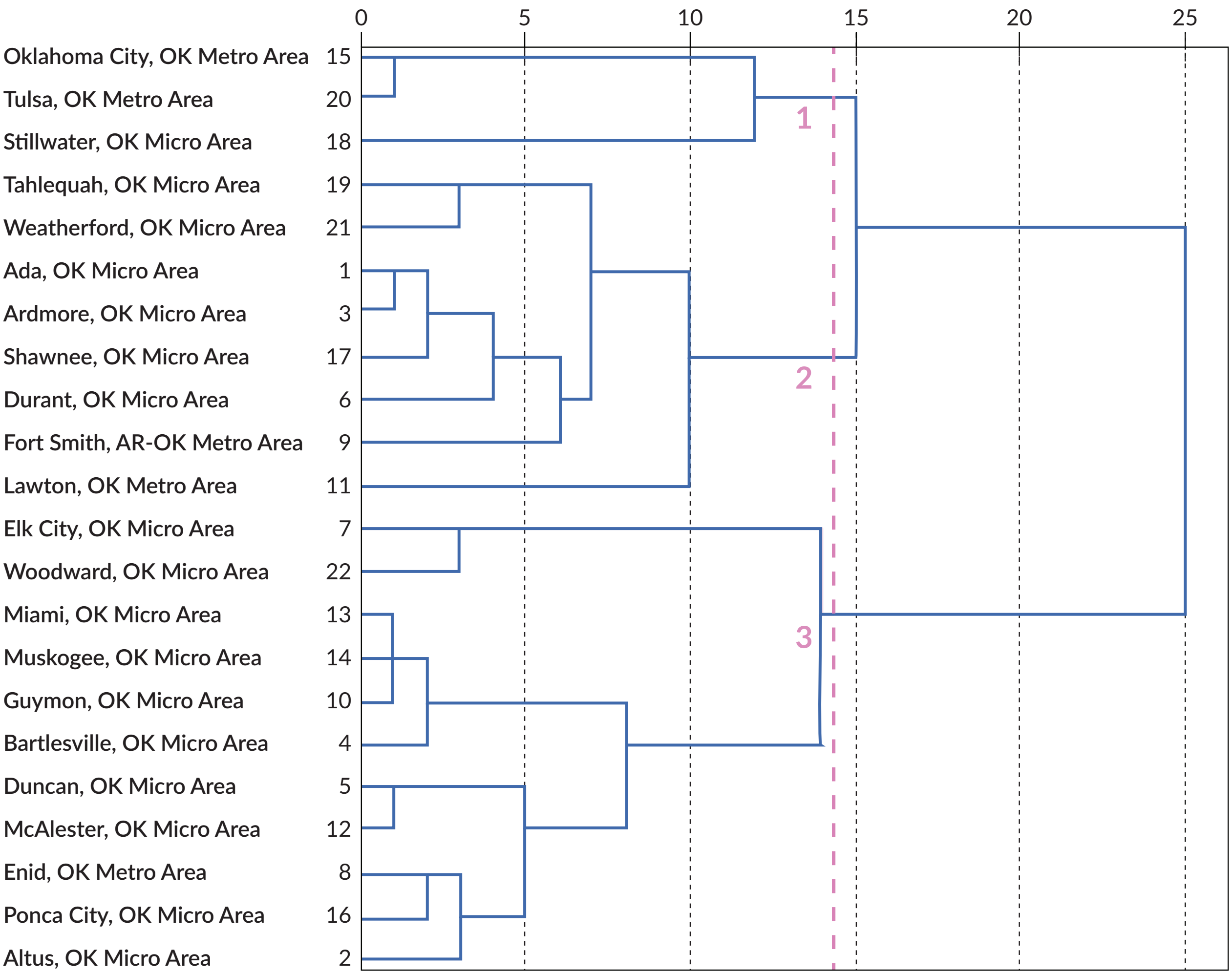


Figure 7. Dendrogram with Oklahoma's CBSAs clustered according to the proposed cut-line.

division into three clusters and assign the outlier to the closer cluster, considering its unique geographic, economic, and social characteristics. We name the clusters by their proximity to the main urban centers of the state—OKC and Tulsa—as follows: *Central Cities*, *Adjacent Centers*, and *Rural Outposts*. Table S6 in the Supplementary File lists the cluster memberships for all the examined CBSAs, while Figure 8 illustrates the three clusters on a state map, providing a geographic interpretation of demand, supply, and affordability indicators from the gap analysis. The map reveals how different economic patterns and urbanization phenomena coexist within Oklahoma. In particular, the cluster analysis clearly distinguishes two *Central Cities* from the other CBSAs. These two metropolitan areas include Oklahoma's five most populated cities—OKC, Tulsa, Norman, Broken Arrow, and Edmond—and feature the state's highest household and employment growth rates. *Central Cities* are characterized by an inelastic market, especially for ownership, which limits the access and affordability of owner-occupied housing. Additionally, on average this cluster reveals lower rental affordability indexes for lower-income households when compared to the other two clusters in the state. Such data are somewhat balanced by a more diverse housing stock and healthier lower vacancy rate than the state average—approximately 10%.

The *Adjacent Centers* cluster comprises predominantly metropolitan and micropolitan areas located along major interstates and highways—such as Lawton, Enid, Stillwater, and Shawnee—in proximity to the two *Central Cities*. Exceptions include the micropolitan areas of Ardmore and Durant, close to the southern border adjacent to Texas, within a 100-mile distance from the fast-growing cities of Dallas and Fort Worth. *Adjacent Centers* reveal higher household, income, and employment growth rates than the state average.

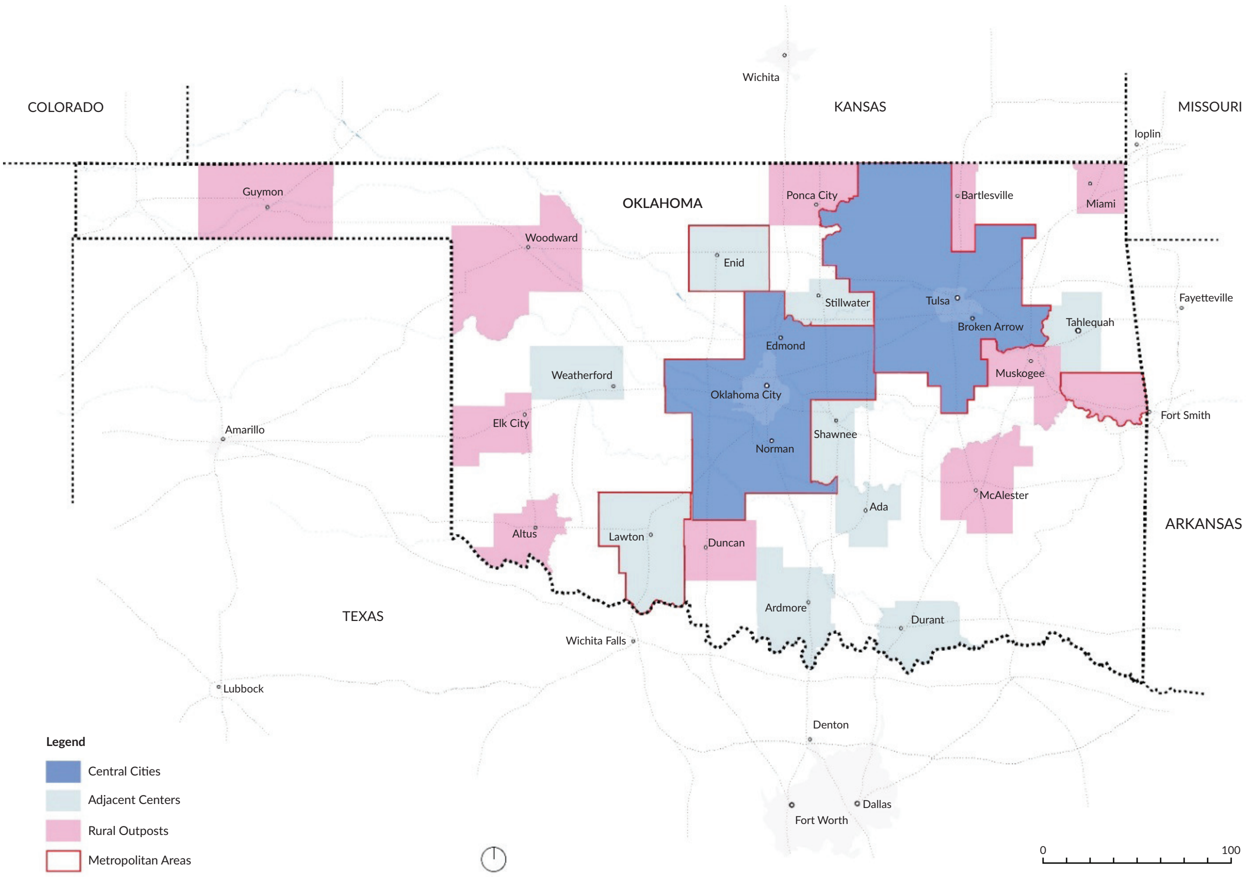


Figure 8. The geographic location of the state's CBSAs (grouped in three clusters).

Additionally, they show lower rental and owner-occupied housing elasticity than the state average and a more unaffordable ownership market for LI households. Finally, unlike the *Central Cities* cluster, the *Adjacent Centers* present a higher proportion of single-family housing supply, and larger units, resulting from higher housing diversity indexes.

The *Rural Outposts* cluster presents a declining population, stable income levels but job losses, and a homogenous aging housing stock, mostly comprised of standalone single-family houses and mobile/manufactured homes. The *Rural Outposts* CBSAs are the most affordable in the state, showing higher vacancy and supply elasticity rates when compared to the *Adjacent Centers*. Geographically, these areas are scattered, mostly located on the outskirts of the state.

4. Conclusions and Policy Implications

4.1. Key Findings

Oklahoma's rental housing market is squeezed from both ends of the household income spectrum. As most of the rental housing stock across the state falls within 30%–80% of the HAMFI range, there is a gap in affordable rental housing for ELI, MIDI, and HI households. Approximately 62% of ELI households in Oklahoma occupy units unaffordable for their income, while over 74% of HI households rent units affordable to lower-income households, creating pressure on lower-income market segments. The mismatch is more severe for rental studios and particularly for one-bedroom units, reflecting national trends in housing availability. Results for CBSAs offer a more nuanced assessment than state data, as they additionally show rental housing shortages for households earning less than 50% of HAMFI (in more than half of the analyzed geographies) and MI households (in four micropolitan areas). There is sufficient affordable owner-occupied housing in the state from the ELI to the MI levels. The surplus for MIDI households is tight, while there is a significant gap for HI households.

Through cluster analysis, we identify three distinct housing submarkets in Oklahoma. Besides the growing urban areas of OKC and Tulsa, we found stable CBSAs near the major centers of the state and the Dallas-Fort Worth area. The remaining micropolitan areas are mostly characterized by population, employment, unit loss, and high vacancy rates. These clusters show the multifaced nature of Oklahoma's housing market, characterized by simultaneous phenomena of economic growth, stagnation, and decline.

4.2. Limitations to the Study

While this study offered a comprehensive analysis for calculating and interpreting housing mismatches, there are limitations worth noting.

The first set of limitations pertains to data. To align all the demand and supply datasets used in the project to a similar timeframe, we used statistics updated to 2021. However, much of these data were collected during the Covid-19 pandemic, which may not accurately reflect the current state of Oklahoma's economy, particularly in demand categories such as employment. Another limitation is that most of the supply and demand datasets were provided by Census and HUD in aggregated form rather than disaggregated raw data. Consequently, for the gap analysis, we adopted assumptions related to the data distribution of households and unit groups to align the Census and HUD data groups to the household and income categories defined by OHFA. Moreover, while reasonable in 2021, some assumptions may now be outdated. For instance, we assumed lower mortgage interest rates than current rates to calculate monthly housing costs for measuring the gap of owner-occupied housing. The significant increase in interest rates since 2021 has resulted in a more conservative analysis of the owner-occupied housing gap compared to today, especially for MIDI households.

A second group of limitations relates to the adopted method. First, to calculate the housing mismatch, we assumed that all households within a given income range could afford all units identified as affordable for that range. However, this assumption does not recognize that households at the lower end of an income range may not be able to afford homes that are only affordable to those at the higher end. As a result, our estimates should be considered conservative. Second, for this project, we focused on the concept of housing affordability only. Due to a lack of accessible and updated data, we could not assess the availability of affordable homes in the state. The literature typically defines available, affordable housing as the number of units affordable, vacant, or occupied by households with income less than or equal to the income threshold in question (Joice, 2014). According to research on housing affordability in the US, such as the periodic The Gap reports by the National Low Income Housing Coalition, the shortage of affordable housing—especially for the lowest-income renters—becomes even more severe when availability is considered (National Low Income Housing Coalition, 2022). Indeed, tight housing markets often result in higher-income households occupying homes affordable to lower-income households, thereby further reducing the supply of available affordable housing for lower-income groups.

The geographic level of analysis provides a final important caveat to discuss. As recently noted by the literature (Freemark, 2024; McClure & Schwartz, 2024), there are limitations when the shortage of affordable housing is investigated at the CBSA scale. Indeed, metropolitan and micropolitan areas can present significant variations in terms of housing supply and demand within the same geography. These variations are influenced by uneven access to jobs and transportation, as well as differing levels of housing quality and desirability. However, an underpinning principle of urban economics is that cities are primarily labor markets, as modern labor is highly mobile and metropolitan areas compete for workers. Within these labor markets, commuting distance or commute time from workplaces determines the primary housing market areas. Smaller areas, while useful for the valuation of properties, are not particularly well-suited for market area comparison.

4.3. Policy Implications

The Oklahoma housing market is not homogenous. Cluster analysis reveals significant differences between rural, suburban, and urban trends. Subtle differences exist in rural areas with larger towns in micropolitan areas or with proximity to metropolitan areas diverging from more remote agricultural areas. A statewide housing policy should have provisions that adapt to differences between clusters.

The findings of this research indicate that in all the state's CBSAs, the housing problem is strongly related to a mismatch between household incomes and housing costs. Therefore, policymakers should consider increasing public funds to address this mismatch. For rental housing, programs supporting the demand of lower-income households to bridge the gap between incomes and rents should be expanded, starting from the cluster where the proportion of affordable housing for lower-income households is below the state average, such as the

Central Cities cluster. As most of the stock today is in the 30%–80% of HAMFI pricing range, policymakers should contemplate expanding the Housing Choice Voucher program to all the lower-income households who qualify. Currently, only a fraction of qualified households receive vouchers, due to funding limitations of the program.

The rental market in Oklahoma is also squeezed from the upper end of the income spectrum, as few higher-rent units are built because higher rents are close to the costs of owner-occupied units. Meanwhile, the availability of owner-occupied units may be limited because many are occupied by households that could afford to upsize or, most likely, downsize but choose not to due to low diversity in supply. Therefore, alternative types of both rental and owner-occupied units are needed to better meet households' expectations. Especially in the *Central Cities* and *Adjacent Centers* clusters, relaxing zoning ordinances and creating flexible development standards can help diversify the housing stock to better meet the demand for both rental and owner-occupied housing.

Another group of solutions to the affordable housing problem in Oklahoma should focus on maintaining the existing supply. Housing needs and desires are not always concomitant with increased demand in housing markets. For instance, regions may have an aging housing stock in need of renovation or replacement. This need may be addressed when population and employment decrease and incomes stagnate. Understanding the characteristics of these units is key information for assessing innovative solutions to a more affordable housing market, especially in geographies in the *Rural Outposts* cluster.

Finally, given the data from most of Oklahoma's CBSAs, community leaders should identify programs to tackle housing vacancies. Specifically, one of the primary goals for these initiatives should be reclaiming vacant units held off the market but still suitable for occupancy. Recognizing that homeownership implies both rights and responsibilities towards the public, these programs should incentivize the reuse of off-market vacant homes through a balanced combination of rewards and penalties. Incentives could include, for example, economic benefits like low-interest loans for homeowners who commit to renovating and bringing their vacant properties back into the affordable housing market. Conversely, penalties, such as higher property taxes for long-term vacancy, could encourage homeowners to sell or rent.

The breadth of these considerations suggests that achieving affordable housing in a state like Oklahoma requires a comprehensive strategy that encompasses multiple policies. While increasing supply through new construction is necessary to improve affordability, it is equally important to focus on the sustainable reuse of housing stock, as well as on financial resources that support the housing demand of lower-income households.

Acknowledgments

We express our gratitude to OHFA, for their continuous support during the research, and particularly to Housing Development Programs Director Darrell Beavers, Housing Development Supervisor Corey Bornemann, Housing Development Allocation Supervisor Danette Carr, Executive Director Deborah Jenkins, and all the OHFA Board of Trustees. We also thank the University of Oklahoma Development Team, led by professors Ronald Barnes, Joseph Havlicek, and Shane Hampton, and the students Rajith Kumar Kedarisetty, Bhavesh Kilaru, Inamullah Mohammad, Vasu Dev Janapala, and Preslie Watkins Anderson. Additionally, we thank the National Low Income Housing Coalition, represented by Senior Vice President for Research Andrew Aurand, who provided validation resources to our gap analysis. Finally, we are grateful to the three anonymous reviewers and the editors for the constructiveness of their input throughout the revision process of this article.

Funding

This research is supported by a grant from the Oklahoma Housing Finance Agency.

Conflict of Interests

The authors declare no conflict of interests.

Data Availability

Links to raw data associated with the analysis presented in the article are listed in the Supplementary File.

Supplementary Material

Supplementary material for this article is available online in the format provided by the authors (unedited).

References

Badger, E., & Washington, E. (2022). The housing shortage isn't just a coastal crisis anymore. *The New York Times*. https://www.nytimes.com/2022/07/14/upshot/housing-shortage-us.html

Chakraborty, A., & McMillan, A. (2022). Is housing diversity good for community stability? Evidence from the housing crisis. *Journal of Planning Education and Research*, *42*(2), 150–161. https://doi.org/10.1177/0739456X18810787

Fischer, W., Acosta, S., & Bailey, A. (2021). *An agenda for the future of public housing*. Center on Budget and Policy Priorities.

Freemark, Y. (2024). What is a housing shortage? *Housing Policy Debate*. Advance online publication. https://doi.org/10.1080/10511482.2024.2334019

Herbert, C., Hermann, A., & McCue, D. (2018). *Measuring housing affordability: Assessing the 30 percent of income standard*. Joint Center for Housing Studies of Harvard University. https://www.jchs.harvard.edu/sites/default/files/media/imp/Harvard_JCHS_Herbert_Hermann_McCue_measuring_housing_affordability.pdf

Hwang, J., & Shrimali, B. P. (2021). *Constrained choice. Gentrification, housing affordability, and residential instability in the San Francisco Bay area*. Federal Reserve Bank of San Francisco.

Iowa State University. (2024). *Urban percentage of the population for states, historical* [Data set]. https://www.icip.iastate.edu/tables/population/urban-pct-states

Joice, P. (2014). Measuring housing affordability. *Cityscape: A Journal of Policy Development and Research*, *16*(1), 299–308.

Joint Center for Housing Studies of Harvard University. (2023). *The state of the nation's housing 2023*. https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2023.pdf

Jones, T., Pettus, W., & Pyatok, M. (1997). *Good neighbors: Affordable family housing*. McGraw-Hill.

McClure, K., & Schwartz, A. F. (2024). Where is the housing shortage? *Housing Policy Debate*. Advance online publication. https://doi.org/10.1080/10511482.2024.2334011

McCue, D., & Huang, S. (2024, January 29). Estimating the national housing shortfall. *Housing Perspectives*. https://www.jchs.harvard.edu/blog/estimating-national-housing-shortfall

Mid-America Regional Council. (2023). *Assessing the affordable housing gap*. https://storymaps.arcgis.com/stories/4e1137ba32fc4add805280517f8e174c

National Low Income Housing Coalition. (2022). *The gap: A shortage of affordable homes* (April 2022). https://nlihc.org/sites/default/files/gap/Gap-Report_2022.pdf

National Low Income Housing Coalition. (2024). *The gap: A shortage of affordable homes* (March 2024). https://nlihc.org/sites/default/files/gap/2024/Gap-Report_2024.pdf

Office of Community and Planning Development. (2023). *The 2023 annual homelessness assessment report (AHAR) to Congress. Part 1: Point-in-time estimates of homelessness*. US Federal Department for Housing and Urban Development. https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf

Office of Policy Development and Research. (2021). *Assessments of shared housing in the United States*. US Federal Department for Housing and Urban Development. https://www.huduser.gov/portal/sites/default/files/pdf/Insights-of-Housing.pdf

Office of Policy Development and Research. (2023). *Worst case housing needs*. US Federal Department for Housing and Urban Development. https://www.huduser.gov/portal//portal/sites/default/files/pdf/Worst-Case-Housing-Needs-2023.pdf

Office of Policy Development and Research. (2024a). *Consolidated planning/CHAS data* [Data set]. US Federal Department for Housing and Urban Development. https://www.huduser.gov/portal/datasets/cp.html#year2006-2020

Office of Policy Development and Research. (2024b). *Income limits* [Data set]. US Federal Department for Housing and Urban Development. https://www.huduser.gov/Portal/datasets/il.html

Oklahoma Housing Finance Agency. (n.d.). *Tax credit income/rent limits*. https://www.ohfa.org/tax-credit-income-rent-limits

Oklahoma Housing Finance Agency. (2024a). *Oklahoma housing stability program*. https://www.ohfa.org/housingstability

Schwartz, A. F. (2021). *Housing policy in the United States* (4th ed.). Routledge.

Stone, M. E. (2006). What is housing affordability? The case for the residual income approach. *Housing Policy Debate*, *17*(1), 151–184. https://doi.org/10.1080/10511482.2006.9521564

United States Census Bureau. (n.d.). *QuickFacts. Oklahoma; United States*. https://www.census.gov/quickfacts/fact/table/OK,US/PST120218

United States Census Bureau. (2000a). *H001 housing units* [Data set]. https://data.census.gov/table/DECENNIALSLDH.H001?q=2000%20housing%20units&g=040XX00US40

United States Census Bureau. (2000b). *H005 vacancy status* [Data set]. https://data.census.gov/table?q=H005%20vacant%20housing&g=040XX00US40&y=2000

United States Census Bureau. (2010a). *H1 housing units* [Data set]. https://data.census.gov/table/DECENNIALCD1162010.H1?q=housing%20units&g=040XX00US40

United States Census Bureau. (2010b). *H5 vacancy status* [Data set]. https://data.census.gov/table/DECENNIALCD1132010.H5?q=2010%20vacancy%20status&g=040XX00US40&d=DEC%20113th%20Congressional%20District%20Summary%20File

United States Census Bureau. (2011). *DP04 selected housing characteristics* [Data set]. https://data.census.gov/table/ACSDP5Y2011.DP04?q=housing%20units&g=010XX00US,$0400000&y=2011&moe=false

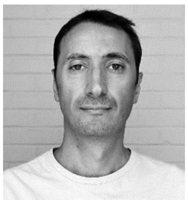
United States Census Bureau. (2020a). *H1 housing units* [Data set]. https://data.census.gov/table?q=housing%20units&g=040XX00US40

United States Census Bureau. (2020b). *H5 vacancy status* [Data set]. https://data.census.gov/table?q=H5%20vacancy%20status&g=040XX00US40

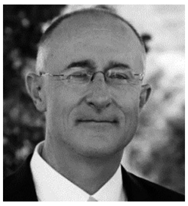
United States Census Bureau. (2021a). *B25001 housing units* [Data set]. https://data.census.gov/table/ACSDT5Y2021.B25001?q=housing%20units&g=010XX00US_040XX00US40&y=2021&moe=false

United States Census Bureau. (2021b). *B25004 vacancy status* [Data set]. https://data.census.gov/table/ACSDT5Y2021.B25004?q=%20B25004:%20Vacancy%20Status%20&g=010XX00US_040XX00US40&moe=false
United States Census Bureau. (2021c). *B25035 median year structure built* [Data set]. https://data.census.gov/table/ACSDT5Y2021.B25035?q=median%20year%20built&g=010XX00US_040XX00US40&y=2021&moe=false
United States Census Bureau. (2021d). *DP04 selected housing characteristics* [Data set]. https://data.census.gov/table/ACSDP5Y2021.DP04?q=Dp04&g=010XX00US,$0400000&y=2021&moe=false
United States Census Bureau. (2021e). *DP05 demographics and housing estimates* [Data set]. https://data.census.gov/table/ACSDP5Y2021.DP05?q=dp05%20population%20&g=040XX00US40$3100000_160XX00US4055000,4075000&moe=false
United States Census Bureau. (2021f). *S1701 poverty status in the past 12 months* [Data set]. https://data.census.gov/table/ACSST5Y2021.S1701?q=Poverty&g=010XX00US_040XX00US40&moe=false
United States Census Bureau. (2021g). *S1901 income in the past 12 months (in 2021 inflation-adjusted dollars)* [Data set]. https://data.census.gov/table/ACSST5Y2021.S1901?q=income%20oklahoma&g=010XX00US
United States Census Bureau. (2021h). *S2501 occupancy characteristics* [Data set]. https://data.census.gov/table/ACSST5Y2021.S2501?q=Household%20Size%20and%20Type&g=010XX00US_040XX00US40&y=2021&moe=false
United States Census Bureau. (2022). *Glossary*. https://www.census.gov/programs-surveys/geography/about/glossary.html
United States Census Bureau. (2024). *National, state, and county housing unit totals: 2020–2023* [Data set]. https://www.census.gov/data/tables/time-series/demo/popest/2020s-total-housing-units.html
Urban Institute. (n.d.). *The future of public housing*. https://www.urban.org/policy-centers/metropolitan-housing-and-communities-policy-center/projects/future-public-housing
URBNRX, & Community Builders Network. (2021). *St. Louis affordable housing report card. A brief synopsis*. https://static1.squarespace.com/static/60eddb50269142014fbe288a/t/618ef5c62a24101b11a8945c/1636758995120/AHTF_ReportCard_FINAL_web.pdf
Ward, J. M., Zuo, G., & Katz, Y. (2023). *Supporting housing affordability in New York City through increased housing production* (Policy brief). Rand Corporation.
Zhu, L., Burinskiy, B., De la Roca, J., Green, R. K., & Boarnet, M. G. (2021). Los Angeles' housing crisis and local planning responses: An evaluation of inclusionary zoning and the transit-oriented communities plan as policy solutions in Los Angeles. *Cityscape: A Journal of Policy Development and Research*, *23*(1), 133–160. https://www.huduser.gov/portal/periodicals/cityscpe/vol23num1/ch5.pdf

About the Authors



Francesco Cianfarani is an architect and educator, currently working as an assistant professor of Architecture at the Christopher C. Gibbs College of Architecture, University of Oklahoma. He earned his PhD in Architectural and Urban Design from Sapienza's DiAP Department in Rome. Cianfarani's research lies at the intersection of architecture and urban design, focusing on housing. At the University of Oklahoma, his research and teaching activity explore sustainable urban design practices and infill low-rise housing for the urban core of OKC.



Shawn Schaefer is associate director of Planning, Landscape Architecture, and Design, and a faculty member of the Christopher C. Gibbs College of Architecture. Professor Schaefer holds professional degrees in architecture and urban design. He is licensed to practice architecture and interior design in the State of Oklahoma and is board-certified by the National Council of Architectural Registration Boards, and the American Institute of City Planners as a city planner, and as a Certified Urban Designer. Professor Schaefer is a founding principal of PLACES LLC, Oklahoma's first urban design consulting practice.

Kalyan Mutukundu is a graduate student in the Division of Planning, Landscape Architecture, and Design, pursuing a Master's degree in Regional and City Planning at the Christopher C. Gibbs College of Architecture, University of Oklahoma. He holds a Bachelor's degree in Urban and Regional Planning from JNAFAU, Hyderabad, and has two years of professional experience in India. Kalyan completed an internship with the City of Madras, focusing on municipal code updates, housing action plans, and zoning permits. His research interests include affordable housing, community development, municipal code reform, and transportation planning.

Urban Planning
2024 • Volume 9 • Article 8718
https://doi.org/10.17645/up.8718

ARTICLE

Open Access Journal

Un/doing Displacement in Vienna: Tenants' Agency and Their Co-Produced Spatio-Temporal Experiences Under Economic Pressure

Judith Schnelzer

Institute for Urban and Regional Research, Austrian Academy of Sciences, Austria

Correspondence: Judith Schnelzer (judith.schnelzer@oeaw.ac.at)

Submitted: 20 May 2024 **Accepted:** 3 September 2024 **Published:** 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

Since the Covid-19 pandemic, the ongoing housing crisis has escalated for tenants in Vienna, Austria. Embedded in a welfare-state environment that hinders eviction, this article considers under-explored everyday forms of displacement and tenants' agency in "un/doing" displacement. It draws on interviews with tenants in the commodified private rental sector who experience displacement pressure through increasing rents and who have sought different forms of counselling or help in that regard. Results reveal the ways in which tenants enact adaptive and interventive practices. Not only do these practices contribute to or counteract the progress of displacement, but they also shape the spatio-temporal effects relating to various dispossessions. Attempts to alleviate these effects result in modes that "dictate" tenants' everyday lives through materialities, human bodies, mental activities, and spatio-temporal configurations. Overall, this article provides a relational understanding of subtler forms of displacement, which are co-produced by the affected tenants.

Keywords

agency; Austria; displacement; economic pressure; housing affordability; housing inequality; private rental sector

1. Introduction

As a symptom of the housing affordability crisis and neoliberal urbanisation, increasing rents continue to place urban tenants under enormous pressure (Wetzstein, 2017). Economic pressure has increased in European countries following the Covid-19 pandemic and other ongoing geopolitical crises. The limited body of related research that has been done until now acknowledges the prevailing influence of economic forms of (gentrification-induced) displacement in European cities (Beran & Nuissl, 2024; Pull & Richard, 2021). This growing body of literature links displacement (pressure) and decreasing housing affordability to processes of globalisation, financialisation, and de- and reregulation (Madden & Marcuse, 2016). This qualitative study expands scholarship on the far-reaching effects of crisis-related dynamics, due to which tenants face experiences of economic displacement pressure because of rent increases (see Pull & Richard, 2021). By connecting the constructivist debate in gentrification scholarship (Baker, 2021; Elliott-Cooper et al., 2020) with the quantitative housing affordability literature (Haffner & Hulse, 2021; Lee et al., 2022), I close a gap by considering the under-explored connection between tenants' experiencing reduced rental-sector affordability and the formation of displacement pressure.

This contribution considers tenants who have sought formal counselling or (legal) assistance owing to the burden of sharply rising rental costs in the private rental sector (PRS) in Vienna, Austria. Research on Vienna's housing market has primarily emphasized its social housing provision and extensive welfare-state support (e.g., Litschauer & Friesenecker, 2021; Reinprecht, 2014). Recent studies on gentrification in Vienna have scrutinised the ongoing deregulation and commodification of the PRS as drivers of displacement pressure and gentrification-like transformations of the built environment (Banabak et al., 2024; Kadi, 2015; Musil et al., 2022). Qualitative studies on the implications for tenants in the PRS have remained scarce, both in Vienna and in urban scholarship generally (see Rinn et al., 2022). However, in Vienna, rents have continuously been exceeding incomes or social benefits since the 2000s (Tockner, 2017). Between 2022 and 2023, rents in the PRS increased by up to 24%, mainly due to inflation adjustments after the Covid-19 pandemic (Putschögl & Zoidl, 2023). Raising energy costs and Austria's high inflation rate (11.6% in 2022; Eurostat, 2024) have further intensified the pressure on tenants. In response, the City of Vienna introduced several new measures to counteract displacement pressure, including the state-funded *Wohnschirm* (umbrella for the house/home) to support tenants with rental or energy debts. These measures prevent evictions, which is reflected in the consistently low number of eviction notices, as tenants tend to move "voluntarily" before being served such a notice.

I address emergent (economic) displacement pressure relationally as the individually felt experiences of the "changing affective relation between time, space, [and the self]" (Baker, 2021, p. 10). In doing so, I expand Marcuse's (1985) work, which directly links neighbourhood upgrading and displacement with rent increases. While the connection between gentrification and displacement-as-mobility has overlooked notions of "place," I align with Davidson's (2009) argument that displacement is an ongoing and lived experience. Therefore, I focus on everyday displacements, which Stabrowski (2014, p. 808) refers to as the "loss of people's agency and place-making abilities." As tenants actively deal with displacement pressure, I argue that displacement is a co-produced process, in which tenants' agency (and lack thereof) contributes to heterogeneous efforts of "un/doing displacement." While previous qualitative studies have primarily focused on the most extreme forms of displacement, such as eviction or displacement-induced homelessness (Baker, 2021), my work explores how displacement pressure affects everyday life. This approach contributes to a better understanding of the often under-researched, subtle, and everyday forms of displacement.

Displacement pressure is shaped not only by welfare-state interventions but also by various other (exploitative) power relations, e.g., the landlord-tenant relationship (Rinn et al., 2022). These dynamics position tenants along markers of inequality such as class, race/ethnicity, or gender (Aigner, 2019). Tenants are reconfigured within housing economies depending on their social positionalities and resources, while power relations dispossess them. Austria, like other European countries, is a shrinking middle-class society with increasing socio-spatial inequalities (Kadi et al., 2022). Economic displacement increasingly influences society and makes class boundaries permeable. Research on gentrification-induced displacement has mainly focused on low-income tenants and the urban poor (Baker, 2021). However, this article includes experiences of middle-class/middle-income tenants facing displacement pressure, a growing concern highlighted in the housing affordability literature (Haffner & Hulse, 2021; Winke, 2021).

This article explores how the ongoing housing crisis unfolds in the everyday lives of tenants. It examines their agency, applying the following research questions: (a) How do tenants navigate (and ideally stabilise) their situation when subjected to economic displacement pressure? And (b) how do their continuous efforts to navigate the changing situation translate into their spatio-temporal experiences of everyday life? The aim of this contribution is twofold: first, to make a conceptual distinction between "adaptive" and "interventive" practices, as each contributes to "un/doing displacement" in their own way. Second, it will demonstrate how the interaction of these practices (while being subjected to power relations) co-shape tenants' experiences as specific modes of "dictating" space and time. Overall, this article presents a nuanced understanding of the ways in which tenants are central to co-producing their displacement experiences while being subjected to the ongoing dynamics of the housing affordability crisis.

2. Theoretical Reflections on Tenants' Agency, Displacement Pressure, and Housing-Affordability

This article centres around tenants' agency, reflecting the epistemological shift in displacement research towards analysing subjective experiences (Baker, 2021; Elliott-Cooper et al., 2020). A constructivist perspective of "un/doing" displacement creates an understanding of the relational co-production of displacement through the ambivalent practices that tenants employ when subjected to increasing rents. Tenants continuously navigate economic displacement pressure by enacting, negotiating, or contesting power relations. In doing so, those facing displacement conceptually shift from being passive bodies that are socio-spatially repositioned to becoming active agents who shape their everyday lives. In the following sections, I will discuss the nexus of tenants' broader experiences of living under the threat of displacement, their strategies for addressing rising rents, and their reactions to decreasing housing affordability.

2.1. Tenants' Housing Experiences Under Power Relations

Qualitative displacement studies have focused on the traumatic experiences of residents when gentrification exerts violence against them and severs their connections to spaces or communities (Elliott-Cooper et al., 2020). Tenants experience feelings of loss, emotional distress, or rupture (Hubbard & Lees, 2020; Valli, 2015). Conceptually, these studies have expanded the understanding of displacement beyond the notion of mobility (Shaw & Hagemans, 2015), where the changing meaning of home leads to feelings of alienation (Madden & Marcuse, 2016). These feelings emerge because the extractive logic of commodified housing as an economic asset enters the phenomenological understanding of the lived, abstract space of the home (Davidson, 2009). In a similar vein, Atkinson (2015) described "un-homing" (Elliott-Cooper et al., 2020) as the changing social, psychological, and symbolic effects of tenants experiencing rent increases in gentrifying neighbourhoods. Atkinson, however, views tenants as passive and powerless "victims" in relation to their changing neighbourhoods.

Home as a site of struggle and oppression stands at the core of qualitative displacement experiences (Atkinson, 2015; Porteous & Smith, 2001; Pull & Richard, 2021). When experiencing alienation or processes of un-homing, home and the security it should provide become destroyed. The dynamic aspects of home as an ongoing practice are reflected in "un-making" processes (Baxter & Brickell, 2014; Nowicki, 2014). Tenants act within the im/material components that make up the home and that become "damaged or destroyed" (Baxter & Brickell, 2014, p. 134). The degrees of violence and the temporality of this destruction differ (Sakizlioğlu, 2014), depending on whether the home is left behind voluntarily or by force. Home-making and un-making take place simultaneously. Although home is a scale-independent concept, it often overlaps with the physical dwelling unit as the main site of everyday life (Baxter & Brickell, 2014). Practices of home-*un*-making are situated in space and time. As they unfold, practices connect to materialities, mental activities, and tenants' bodies (Schatzki, 2001).

Dimitrakou and Hilbrandt (2022) have outlined the importance of material dispossession in displacement, e.g., giving up belongings that are central to practices constituting home. Material dispossession can foster agency, e.g., repairing broken things rather than replacing them. Materialities and more-than-human agents are assigned meaning, connecting to tenants' socio-cultural norms that constitute their homes. The loss of materialities and respective practices severs emotional relations to home spaces but also to the (class) identity and sense of belonging grounded therein. Feminist scholarship has connected home to bodies, which are intimate places of suffering and wounding (Philo, 2005). Dispossession phenomena such as grief or stress inscribe themselves into bodies, which in turn relates to tenants' (mental) health and well-being. Broader effects arise for tenants' loss of their spatialised subjectivities, expressed as the feeling of being "out of place" (Porteous & Smith, 2001). These overlapping dispossessions hinder tenants' social, cultural, or symbolic reproduction.

Among others, Kern (2016) has argued that gentrification is a process that "takes" both place and time or even destroys the spatio-temporal configurations of everyday life (Hubbard & Lees, 2020; Sakizlioğlu, 2014). In their study, Pull and Richard (2021) identified and detailed a series of spatial and temporal dispossessions from tenants living in Swedish neighbourhoods that were undergoing renewal. Spatial dispossessions refer to the shrinking sense of home and tenants' diminishing entitlements. Temporal dispossessions create a state of limbo by putting tenants' lives on hold and erasing their past and memories. Other scholars have argued that not only does displacement have an effect on spatialities, but a series of micro-events can also stretch time (Elliott-Cooper et al., 2020; Sakizlioğlu, 2014). Agency relates to configurations of space-time, such as the duration and intensity of displacement and dispossession processes. As crisis-generated dynamics may gradually colonise everyday life, tenants rely on their ability to cope with and reduce the economic pressure they face.

2.2. Tenants' Strategies Towards Increasing Rents and Decreasing Housing Affordability

Agency has been a key factor in resisting gentrification (Lees & Robinson, 2021). Few gentrification studies, however, have addressed the topic of rising rents and tenants' reactions to them. Newman and Wyly (2006) distinguish between low-income renters' "private strategies," (e.g., overcrowding) and "public interventions" (e.g., installing public housing programmes when facing rent increases). They argued that low-income renters can become spatially trapped as they struggle to stay put without affordable alternatives. In the European context, Baeten et al. (2017) have investigated the effects of displacement pressure on low-income renters in the context of large-scale Swedish housing renovations. They outlined the pressuring tactics of landlords to force tenants to move out by creating anxiety, e.g., through spreading rumours about rent increases. Their study established a link between upgrading dynamics and rent increases, as tenants were willing to pay more for increased quality (see Beran & Nuissl, 2024, for Berlin). Bengtsson and Bohman (2021) adapted the consumer-related exit-voice-loyalty concepts (which are equivalent to the outcomes: relocation – protesting or negotiations – staying put) to tenants' reactions to housing renovations. Some strategies rely on solidarity from affected neighbours and them forming a collective. Meuth and Reutlinger (2023) have distinguished between multiple strategies of tenants whose rental contracts have been cancelled (e.g., making compromises) and modes that underly them (e.g., strategic vs. spontaneous practices). Although their study did not focus on displacement, Rinn et al. (2022) outlined four tenant strategies in response to rent increases in gentrified neighbourhoods in Berlin. These include de-problematisation, unwilling consent, changing the field of action, and seeking confrontation. The strategies consider tenants' normative evaluation and available options. While these studies provide valuable insights into residents' experiences when responding to neighbourhood gentrification or housing renovation, they often overlook smaller consequences for tenants' everyday lives.

The effects of rising rents on renters' everyday lives have been extensively discussed in housing affordability literature, with scholars controversially debating the measurable connection between rent burden and poverty. This quantitatively oriented body of research seeks to establish normative and objective standards for housing costs and their burden (see Anacker, 2019, for an overview). Scholarship has agreed that housing stress arises when a household's rent-to-income ratio exceeds 30%, whereas severe stress emerges beyond 50%. When households suffer from housing-cost overburden, research suggests that they compensate by reducing non-housing-related expenses (Haffner & Hulse, 2021; Newman & Wyly, 2006). Tenants may reduce their expenses, for example, by altering their consumption habits or generating additional income, e.g., working increased hours (Anacker, 2019). These trade-offs between quality and affordability affect essential expenses such as food, energy, and transport. The adjustments are either temporary or permanent. However, the impact on health, social reproduction, and educational outcomes is severe (Rosen et al., 2023). Scholars have argued that households are unevenly rent-burdened along markers of inequality, such as racial groups, immigration background, and socio-economic status (Lee et al., 2022; Rosen et al., 2023). Winke (2021) has suggested that low- and middle-income tenants possess differing abilities to absorb rent increases, which affect their access to housing options and relocation patterns. These quantitative debates offer important insights into how rent burdens affect tenants' everyday lives. Affordability relates to the living standards that households seek to maintain, yet that which is considered satisfactory, and the extent to which compromises can be made, remain highly subjective. Discussions on housing affordability have overlooked tenants' cumulative strategies (or lack thereof) relating to personally felt and embodied experiences of displacement pressure.

3. The Unlikely Case of Vienna

Vienna is a city of tenants (76% of the population), with a large de-commodified housing stock (21% limited-profit housing associations and 22% council housing; Reinprecht, 2014). About one-third of the population lives in the commodified PRS, which is divided into two subsectors: the historic-regulated (22%) and the unregulated sectors (11%). The historic housing stock of the PRS dates back to the *Gründerzeit* (1840–1914) and is largely concentrated in the city centre. This sector is regulated by rent caps and is subject to the tenancy law (*Mietrechtsgesetz*), which enforces fixed-term contracts and only allows rents to be adjusted for inflation. The unregulated PRS (de jure since 1945, de facto since the 1990s) operates under civil law, allowing for free-market rents that are deemed "appropriate," but with less tenant protection (Tockner, 2017).

The repositioning of the historic PRS has increased commodification and has posed challenges to housing affordability since the 1980s. First, ongoing housing-market liberalisation began with the Viennese Soft Urban Renewal programme (1985) to counteract decades of disinvestment in the historic housing stock, which was caused by high tenant protection with rent caps (Kadi, 2015). Although this intervention was intended to prevent the displacement of sitting tenants, many landlords renovated cheap substandard apartments and withdrew them from the housing market once the mandatory, yet temporary, rent cap ended. Second, rental deregulation of the historic stock changed from categories to a fictional reference-value system in 1994 (Kadi, 2015). This new system allowed for time-limited contracts (minimum 3 years) and regular inflation adjustments, making it easier for landlords to adjust rents after leases expired. Within this system, landlords can add location premiums to the reference value, leading to non-transparency and overcharging, especially in inner-city areas. Currently, about two-thirds of the PRS contracts are time-limited (Tockner, 2017). Third, following the geopolitical repositioning of Vienna, the city has experienced continuous urban growth through immigration, creating an excess demand for flats. Fourth, since the 2000s, Vienna has experienced a house-price boom due to low interest rates, making the historic PRS a lucrative investment option and commodified product. Investors have developed two strategies to circumvent strict rent regulation and exploit value or rent gaps (Musil et al., 2022). They either legally transform apartment buildings from rental to home-ownership units, or demolish historic buildings to construct new, smaller apartments, regulated under the reference-value-system. Fifth, the PRS has relatively increased, driven by commercial actors amidst an ongoing construction boom. The City of Vienna ceased building council housing between 2004 and 2018 and shifted the responsibility of de-commodified housing provision to limited-profit housing associations (Litschauer & Friesenecker, 2021).

In Vienna's unitary housing market, financial, social, or regulatory access criteria differ across sectors, making permeability between the sectors difficult. In the PRS, access barriers to other housing segments are comparatively low. Landlords decide whom they would rent to, charging them a deposit and, until 2023, also a mandatory real-estate agent fee. Due to its flexibility, low-income tenants are overrepresented in the PRS, which might lead to their becoming trapped there (Banabak et al., 2024). The quality of the PRS is heterogeneous, ranging from insecure and precarious low-quality options to units in the luxury segment. In 2006, council housing was opened to non-Austrians. Interest in accessing council housing has increased, resulting in long waiting times (Reinprecht, 2014). Access criteria for people of legal age include income limits, and having lived at the same Viennese address for at least two years. Limited-profit housing is relatively accessible, but tenants need an average down payment of €500/m² (Litschauer & Friesenecker, 2021). Housing market segmentation and increased rents contribute to the exclusionary displacement of tenants.

4. Methods, Sample, and Data Analysis

Between 2023 and 2024, interviews were conducted with 18 self-identified tenants who have been affected by economic displacement pressure across both PRS sub-sectors in Vienna. Participants (referred to as "IV") had to meet the criteria of living in the PRS in Vienna, having experienced rent increases that affect everyday life, and seeking some form of help or counselling, i.e., advice on tenancy law or rental debts, access to council housing, support in securing flats in the PRS, etc. For their participation, the tenants received shopping vouchers. To access potential interviewees, I used the help of gatekeepers: NGOs, associations, and (public) institutions in the field of housing. Some gatekeepers handed out flyers while others let me approach their clients in their waiting rooms before or after their appointments. Twenty-seven short impromptu talks (referred to as "IVN") were recorded in field notes with those who had no time or energy to participate but were willing to talk while waiting for their appointments. Interviewees had experienced rent increases over time, with some facing gradual increases and others encountering them more abruptly. The duration of displacement pressure experienced by individuals ranged from years (in the historic PRS) to a few months (in the unregulated PRS). Although I attempted to include individuals who had not sought any form of help/counselling, gatekeepers informed me that these individuals were unwilling to participate in the study.

I used maximum variation sampling to explore the range of everyday forms of crisis-generated displacement and to identify commonalities among affected tenants. The sample included tenants between the ages of 21 and 83. Twelve were identified as female and six were Austrian natives. The sample varied from marginal-middle-class individuals with medium-sized incomes to highly vulnerable and marginalised tenants living below the poverty line (for a one-person household in 2023: 1592€). Most participants have been subjected to high rent burdens from the beginning of their tenancy, which ranged from 50% to 100% of their income at the time of the interviews. The household composition of the interviewees was as follows (number of interviewees in brackets): single persons (10), single parents (2), single earners (3), and multi-child families (3). Some interviewees faced additional challenges, such as job loss (1), separation (2), or former roommates moving out (2). Tenants were living across Vienna in both subsectors of the PRS: 10 in the historic sector (3 with fixed-term contracts) and 8 in the unregulated sector.

All tenants faced comparable issues because once the rent became unaffordable, the distinctions between market sub-sections became irrelevant. While the transition to more severe forms of displacement may occur more quickly, vulnerable tenants also experience everyday forms of displacement. Similarly, middle-class tenants carrying a high housing cost burden can accumulate rent arrears and face eviction. However, tenants living in the historic stock with fixed-term contracts are often willing to make greater sacrifices to stay longer, which can, in turn, lead to more severe forms of displacement. At the time of the interview, only one participant had transitioned to living with her family because her landlord threatened her regarding rental arrears. The limitation of the study was that people with a migration background were more inclined to participate, while the most vulnerable Austrian natives, as well as the Turkish community, remained inaccessible. Due to a lack of funding, I, as a privileged white researcher, could only include those who spoke German or English. For one interview, a colleague assisted with translation. Those who had been denied institutional help, such as council housing or rental allowance, were the most willing to participate.

This research is based on narrative-biographical interviews lasting two to three hours each. This open form of interview relies on the narratives that the participants provide and on whether they revealed their experiences in-depth. Each participant was given the same prompt: to speak freely about their experiences of housing/renting in Vienna throughout their lives with a focus on displacement pressure. Follow-up questions would clarify ambiguities in the narrations and help participants to explicate further. The transcribed interviews were coded following the constructivist grounded theory (Charmaz, 2014). While the overall life story was important for understanding the emergence of participants' housing situations, episodes in which participants talked about displacement pressures were crucial for reconstructing their agency to deal with their changing situation and the unfolding of their displacement experiences. The first round of open (inductive) coding was linked very closely to the spoken words. Thematic categories were derived from inductive coding. Here, the meaning-marking process and the agency of tenants were analysed within the unique life and housing situation (e.g., dissatisfaction with changing situations). Categories were coded axially to determine their relationships to other categories, as well as the contrasts between them. Lastly, theoretical coding of these categories aided the identification of common yet grounded patterns throughout the empirical data. Using the circular process of abduction, I generated and reassessed hypotheses about "un/doing displacement" from the interviews, e.g., contributing to/or counteracting the process. In particular, I investigated participants' agency while under displacement pressure, the effects deriving therefrom, as well as the consequences for space and time. By using abductive hypothesising, I reconstructed an understanding of "un/doing displacement" at the nexus of tenants' agency and the changing affective relations between space, time, and themselves.

5. Results

5.1. Tenants' Agency Under Economic Displacement Pressure

I shall now distinguish tenants' efforts towards un/doing displacement into "adaptive" and "interventive" practices, which are intertwined and constrained by power relations. To establish agency, tenants experience economic displacement pressure as they become emotively aware of their changing situation (Baker, 2021; Valli, 2015). Respondents have described their feelings about rent increases or steeply rising energy costs as being "surprised" (IV-15), "cornered" (IV-08), or feeling that they "did not expect to pay so much more" (IV-02). One elderly tenant, who had been living in the historic PRS for decades, described how the shock of price increases "came gradually, as there was less and less left [which eventually turned into a moment] where it clicked for me: it's impossible [to sustain payments]" (IV-05). Some tenants in the unregulated sector described the increases as being "hefty" (IV-17). They added that the cost-benefit ratios became "exorbitant" (IV-06) and that they felt "swamped" (IV-07) because the increases "came so suddenly, one month after signing the contract" (IV-17), or because costs "have become more every month" (IV-23), "it came so fast" (IV-04), or that "you don't know when it will stop" (IVN-001).

The ways in which feelings related to these changes translate into agency vary significantly. Un/doing displacement is a gradual and continuous negotiation process that operates at the level of everyday life through smaller "adaptive practices" while tenants consider their limits. It describes a set of practices that tenants can enact by themselves, with household members, or using the resources, skills, and knowledge at their disposal. Tenants negotiate by deciding where to cut back expenses (IV-42) to manage the increased rent, since "you can't control the expenses for the flat" (IV-17). Examples of these practices include lowering living standards by reducing expenses (cf. Haffner & Hulse, 2021), such as not heating the flat (IV-05), eating lower-quality food (IV-10), organising expenses (IV-20), or selling off valuable assets, like cars (IV-04), to gain economic leeway. This may impact support for others; some reported reducing financial assistance, such as alimony (IV-29), to ensure their survival. Adaptive practices are immediate responses to economic pressure faced by tenants. However, adaptive practices have a defined endpoint, either when the landlord issues an eviction notice, when the lease ends (IV-02 and IV-13), or when tenants determine the endpoint themselves. The limits of adaptive practices are influenced by tenants' social positionality and their perceptions of their changing situation. Adaption possibilities fade when all resources have been exhausted or when they never were available in the first place. Willingness to adapt depends on how "forced" the process feels (IV-19), the expected duration of the situation (IV-23), and the severity of the adaptive constraints (IV-29). In worst cases, vulnerable participants reported self-exploitation, such as severely rationing food (IV-23) or resorting to stealing (IV-28). Adaptive limits involve "untouchable" expenses (IV-03), e.g., medical and educational expenses, including tutoring and private doctors, or smaller "luxury" expenses (IV-08), such as smoking (IV-02) or children's entertainment (IV-16 and IV-28). These practices lead to altered everyday life situations that must be "endured" (IV-07) over varying periods.

Un/doing displacement also operates as larger "interventive" practices that require the help of other actors and depend on their willingness to assist in resisting financial erosion. Experiencing varying degrees of agency loss beyond their control can make tenants feel unable to survive alone due to a lack of resources, skills, and knowledge. Feelings related to the changing situation intensify, highlighting the importance of agency, as reflected in one tenant's statement: "I have to act, not just talk" (IV-05). In contrast to adaptive practices, interventive practices require tenants to interact beyond the household and unlock resources while involving third parties. Interventive practices typically start with low-threshold-options, such as shifting energy plans (IV-03), asking the family "whether they could advance some money" (IV-02, IV-16, and IV-31) or negotiating with the landlord to pay rent in instalments (IV-08, IV-15, and IV-20). Tenants in the historic PRS avoid negotiating rent increases because they are aware of the higher rents their neighbours pay for similar flats under newer contracts (IV-03 and IV-05). Formal or institutional interventive practices are determined by the urgency and necessity perceived by tenants. Unlike adaptive practices, interventive practices are less dynamic and involve more time-intensive commitments. Whereas some tenants wanted to remain independent as long as possible, vulnerable tenants rely on various interventive practices, such as using rent allowances or social benefits, to circumnavigate eviction or even homelessness.

While interventive practices aim to achieve long-term outcomes (cf. Beran & Nuissl, 2024; Meuth & Reutlinger, 2023; Rinn et al., 2022), including staying put or relocating, they are embedded in wider socio-political processes, e.g., the unfolding of racialised and discriminatory power relations. Apart from proactively claiming rights, such as contesting overcharged rent or seeking legal help (IV-06), interventive practices involve a shift in power relations and social positionality. Tenants adopt a "defence position," finding themselves in a "subjugated [situation], where you cannot support yourself" (IV-20). Participants described a discrepancy between their realisation of the situation and their belated reactive interventions: "I was so shocked that I didn't act immediately" (IV-05) or "I had already realised it, but only did something about it much later" (IV-02). Some middle-class tenants find themselves in such a situation for the first time. In contrast to tenants who already depend on social aid, a lack of institutional experience can delay the interventive practices: "I had no idea where to go for help" (IV-07).

Tenants in the historic PRS often want to keep their flats as long as possible, underestimating the situation and its effects: "I thought that maybe it would get better again, all this whitewashing, but it didn't get any better. It just became worse" (IV-05). Consequently, tenants make significant adaptions:

> At first, I thought that I could manage, but now it's a bit tight. It's increased a lot, you could say by around €100 in two years. It's hard for me to afford the rent now because my salary is €1,500, the rent is €950 and electricity is €300, so it's actually difficult to get by on a day-to-day basis. (IV-08)

Middle-class tenants in the unregulated PRS relate their expenses to what they get in return when expenses exceed their monetary thresholds: "And I knew I could go up to €700 because otherwise, it would be really difficult. I really can't afford it now and don't want to. [After three increases, I'm paying] €1000 just for the flat. For 47m², that's no palace" (IV-10). Thresholds relate to tenants' savings, which had to be used for purposes other than intended: "For food and gas and electricity [the savings] were not intended" (IV-05). Tenants with time-limited rental contracts relate their situation to both the landlords' willingness to compromise and the perceived quality of the flat:

> [The landlord] said at the last second, "No, that's too little now, I need €750." I said, "Your flat is shit, always dirty, the windows are always leaking. I pay €1000 a month with electricity and gas. What is little?" (IV-14)

Socially disadvantaged and ethnicised tenants reflect on their position of having to accept the changing situation and wait it out: "You just can't negotiate with the landlord. Well, because we have no choice. We need to stay somewhere. So we take it like this" (IV-29). Confronting landlords often emerge out of tenants' relatively privileged situation, either when they are moving out soon (IV-06) or have the support of a social network (IV-02 and IV-31).

Tenants seek formal or institutional interventive practices based on the degree of urgency or threat they perceive in their changing situation, or when adaptive practices reach their limits of alleviating the changing situation. These practices include using services such as the *Wohnschirm*, accessing council housing, or finding other more affordable accommodations. They feel that they have "no other choice" (IV-23) or that "something has to happen because it can't go on like this" (IV-05). Before reaching a perceived state of absolute necessity, other formal or institutional interventions tend to be circumvented or they "get lost in everyday life" (IV-41). Participants have stated that they have "no nerves, energy, or time" (IV-02 and IV-07) for the administrative effort required or to create additional sources of income, e.g., due to fulfilling childcare responsibilities (IV-29) or due to the limited size of the flat, which makes subletting impossible (IV-10). When tenants find themselves in these tight situations, they need free-of-charge help, whereas some tenant protection associations create barriers due to their membership fees. However, moving flats within a tight housing market does not seem to be a viable option. Within the PRS, "you simply pay more when you move'' (IV-02), and "you can't get much cheaper [in a comparable quality in the PRS]" (IV-32). Alternatively, moving from the historic sector to the unregulated PRS "I could only reduce the size" (IV-03). This lack of willingness to move "unnecessarily" carries the risk that tenants may no longer be able to afford a move (IV-23 and IVN-001) unless they can access council housing, which does not require a deposit. Regarding formal or institutional help, applications for council housing or rent allowances are desired options because they are not only socially accepted but also open to broad sectors of society. However, they require tenants to meet certain access and eligibility criteria. Less vulnerable tenants or those experiencing displacement for the first time may only require isolated (monetary) intervention to alleviate economic pressure. In contrast, tenants who are more vulnerable or facing more severe situations often depend on continuous institutional support to survive. This may include monthly aid payments (IV-29) or psychological consultations (IV-05).

When tenants rely on continuous interventive practices, their dependencies can become entrenched in their daily survival (IV-16 and IV-29). Marginalised tenants (IV-13 and IV-28) often have to rely on their social networks because institutional gaps cannot provide support. For instance, a landlord made a young woman with a migration background and no German skills a target of exploitation. When this minimum-wage sole earner was unable to pay her rent due to medical expenses, she was threatened by the landlord and sought help from an NGO, but was unsuccessful: "They asked for the contract [to help me] and I told them I don't have it, I cannot prove that I'm living there" (IV-28). Overall, tenants place their hopes on resolving their situation through (formal/institutional) interventive practices, depending on the success of these measures. If these interventions fail, the pressure may intensify, worsening the situation, and causing them to feel "left alone" (IV-15 and IVN-001). However, if these interventions succeed, tenants regain control over their lives while displacement pressure becomes suspended at least for a while.

5.2. Modes of Dictating Space and Time

Tenants' efforts towards un/doing displacement do not solely relate to material dispossession but they unfold into modes of "dictating" spatio-temporal experiences. As such, adaptive and interventive practices contest the spatialised powers that "take" from them (Kern, 2016). In the following, I provide some examples relating to how tenants negotiate displacement pressure through materialities, homes, and their bodies or mental activities.

Tenants shift to a lifestyle of spending more time at home, covering basic necessities only (IV-15 and IV-31). They "give up [their] quality of life, meet fewer friends, or enjoy only free leisure activities" (IV-17). Adaptive practices dictate the material configurations at home (cf. Dimitrakou & Hilbrandt, 2022). When two participants invited me to their homes for the interviews, showing me their flats, they talked about how they arranged their furniture so that the places where they spent the most time, the living-room couch or the dining table, were situated close to the windows in order to save money by using natural daylight. In another case of a long-term resident, the absence of fish in her aquarium served as a constant reminder of her situation, where material dispossessions dictate the atmosphere of her home: "The fish are getting fewer and fewer in the aquarium because I don't buy any new ones. I've had it for about 20 years and it's never been empty. Now it's getting empty. It's sad" (IV-03).

Material dispossession relates to the changing practices by which tenants perform home. A 55-year-old secretary in the unregulated PRS makes her home as cosy as possible. "You come home, make the most of every free second in your expensive flat. Feeling good means dwelling. Yes, because where else....Where else, if not in my flat? That's why I deliberately do positive things" (IV-10). As she has nowhere else to go, she has to make the most of her flat. She explained buying "cheap" lights and "lots of" blankets to make her home intentionally extra cosy, helping her relax after a long day of work. The blankets serve to keep her warm while not heating the flat. She further adapted her home practices by not using all of her kitchen appliances "I used to love cooking, now I'm doing it in the microwave. I'm forced to do it, again because it's cheaper" (IV-10). By finding a compromise while keeping the flat comfortable, she tries to maintain control over the changing situation that she has to endure. Material dispossessions challenge the desired performance of a home. Home, as a fluid practice, allows tenants to adapt their performance of the home by dictating the kind of materialities and how they can be used, sometimes leading to forced practices of homemaking. This could also mean shifting certain home practices to spaces outside of the flat. Many interviewees resort to communal laundry rooms because they cannot afford a washing machine or a flat where it would fit (IV-17 and IV-23), an unemployed 42-year-old migrant (IV-13) even spatially outsources his daily showering. He explained that he kept his gym card because it was cheaper to shower there regularly than at home. Material dispossessions gradually invade homes and tenants try to establish certain practices that remain untouched. Tenants' practices do not un-make homes (Baxter & Brickell, 2014), but these practices remake homes differently, altering everyday life spaces while material dispossessions dictate their available options. By preserving and adapting practices of home, tenants aim to counteract feelings of un-homing. While tenants try to retain control over the changing situation, they must compromise by changing or even relocating the practices that have constituted their home life. Consequently, tenants may compromise with self-created spatio-temporal dispossessions.

Tenants' advanced efforts of un/doing displacement take a toll on their physical and mental health (cf. Philo, 2005; Rosen et al., 2023). Tenants have mentioned their increased bodily exhaustion, regardless of the amount of physical labour already incorporated into their day. A social worker who is constantly on the lookout for a cheaper flat for his family of five reported: "I just collapse. I come home and fall into bed" (IV-20). Adaptive and interventive practices affect tenants' experiences of displacement pressure, as respondents have reported an impact on mental and physical well-being, i.e., perceived stress or dissatisfaction. A 50-year-old caregiver experiences exhaustion and mental stress because:

> I've increased my working hours, three times so that I can afford it all. I have insomnia. I can't sleep any more. When I do sleep, I wake up every two hours. Then you have so many thoughts in your head. Then you're exhausted. But then you have to get up, you have to go to work so you can earn money. (IV-04)

Furthermore, she actively decides against taking the necessary sick leave, dictating her body through work because "otherwise I would lose all my bonuses" (IV-04). A 53-year-old copy-shop employee cancelled her household insurance to free money while awaiting a decision on her council housing application. This situation left her in uncertainty about her current flat's condition: "I'm somehow developing fear. What do I do if something breaks [in the flat]?" (IV-08). While some tenants adapt by using coping mechanisms such as staying busy (IV-08) or thinking positively (IV-23), others struggle with the emotional toll, feeling distracted at work (IV-14), trapped in their homes (IV-34), or paralysed by displacement pressure. Displacement pressure and related agency dictate tenants' thoughts as they experience a loss of control over the changing situation.

Un/doing displacement affects tenants' spatio-temporal configurations, usually dictating their time away from home. Adaptive practices such as plasma donations (IV-16), strategic shopping (IV-07 and IV-29), interventive practices, like working on public holidays for bonuses (IV-02 and IV-31), or earning money on the side (IV-17) might give tenants some control. However, other interventive practices, such as relying on aid organisations (IV-10) or guarantors (IV-38 and IVN-001), can limit tenants' autonomy as their spatio-temporal configuration becomes dictated by others. In severe cases, such as that of a retired woman whose rent consumed her entire pension, tenants lose control over their living situation and are left waiting for bureaucratic decisions, while the symbolic power entrenched in bureaucracy can prolong experiences of pressure. She felt the trade-off between her autonomous agency and relieving the pressure:

> And then you hang there. And you actually just wait, because it all takes ages….And then they invited me to a viewing and you can only say yes anyway, for if you say no, you're through. You have no chance of anything [else]. (IV-05)

In these cases, only successful interventive practices can provide new affective space-time configurations that will relieve tenants from experiencing severe forms of displacement. However, as seen in this example, formal interventive practices can limit or even suspend tenants' right to determine where and how to live. The psychological and financial effects of these practices can extend into the future, as seen when one tenant cancelled her pension plan for immediate financial relief (IV-03), risking future instability and redirecting spatio-temporal dispossessions.

6. Concluding Remarks

Throughout this article, I have argued that tenants co-produce their crisis-generated displacement processes. I have drawn on the experiences of tenants in the PRS in Vienna who have sought help or counselling regarding rising rents while being subjected to external power relations. This article aimed to construct an understanding of experiences of economic displacement pressure through tenants' agency or the lack thereof, thus adding to the emergent constructivist displacement literature (Baker, 2021; Elliott-Cooper et al., 2020). This contribution provides a more nuanced reading of everyday forms of displacement (Stabrowski, 2014), exploring how and why tenants are "un/doing" displacement. I have connected the quantitative housing affordability literature on tenants' everyday economic trade-offs (Anacker, 2019; Haffner & Hulse, 2021) with the emergent urban displacement literature (Hubbard & Lees, 2020; Meuth & Reutlinger, 2023; Pull & Richard, 2021; Rinn et al., 2022), which focuses on tenants' broader strategies and their experienced effects.

The concept of "un/doing displacement" highlights the extent to which tenants (can) shape the process of displacement. In contrast to other studies outlining tenants' broader strategies (Bengtsson & Bohman, 2021; Meuth & Reutlinger, 2023; Rinn et al., 2022), the outlined distinction between adaptive and interventive practices provides a novel perspective on how agency (and lack thereof) contributes to or counteracts displacement processes. Dynamic adaptive practices relate to tenants' everyday lives and their available resources, skills, or knowledge, whereas larger, interventive practices require the involvement of others—either privately or formally/institutionally—in pursuing long-term strategies, such as staying put, relocating, etc. While scholarship has acknowledged various strategies, this research has shown that being subjected to economic displacement pressure involves a continuous negotiation process that demands constant and adaptable agency rather than isolated strategies. Adaptive practices are established more or less automatically and tend to be more gradual. In contrast, tenants rely on their feelings of loss of agency and control over the changing situation when engaging in different forms of interventive practices. As such, tenants engage in long-term commitments toward sustaining successful interventive practices, as they can create or reinforce dependencies on social networks or public institutions.

Results have further shown that tenants, through their practices, relationally co-produce the unfolding of experiences of the changing affective relations between space, time, and the self. In analysing tenants' agency and nuancing their experience under displacement pressure, I extend the work of scholars who had focused primarily on the most violent forms of displacement as absolute states that dominate tenants' lives (Atkinson, 2015; Elliott-Cooper et al., 2020; Madden & Marcuse, 2016). Tenants shape their displacement experience by either contributing to or resisting its violence. Un/doing displacement unfolds in distinct modes that "dictate"—either gradually or abruptly—tenants' experiences that are anchored in space and time. Through their agency, tenants have engaged in various strategies toward slowing down the spatio-temporal dispossessions that "take" from them. They negotiate the gradual unfolding of displacement through dispossessions which dictate their materialities, home spaces, bodies, and mental activities. While striving to minimise the impact on their everyday lives, tenants make incremental changes in their practices. These self-dictating trade-offs involve the remaking of practices and experiencing space and time differently. However, the production of spaces becomes a forced process, transforming home into a challenging "achievement." Results have also shown that spatio-temporal dispossessions are not limited to the present or past: Tenants' co-production can extend these effects into future configurations and influence accessible housing options. As displacement pressure intensifies towards more violent forms, tenants' everyday lives and spatio-temporal configurations—including their displacement outcomes—become increasingly dictated by and dependent on external actors, e.g., social networks or institutional actors.

Un/doing displacement and its effects are related to the complex constellations of tenants' social positionality vis-à-vis actors in housing markets, the feelings of urgency and insecurity they develop, as well as the temporality of practices related to their success. The diversity of tenants participating in this research highlights how displacement dynamics extend various segments of society and seemingly secure housing-market segments. Once under pressure, tenants must negotiate displacement along lines of class, gender, and race/ethnicity (see Aigner, 2019). Only those in a relatively privileged position may be able to transform the affective relations between space, time, and the self. Since un/doing displacement relates to emergent feelings, interventive practices often emerge too late, consolidating various forms of dispossession. However, this complex interaction between actors in housing markets and tenants' agency does not establish a causal relation between rent increases and socio-economic status (cf. Rinn et al., 2022). Instead, it highlights relational forms of crisis-generated displacement with gradual shifts between subtlety and violence.

This qualitative study on Vienna provides insights into housing inequalities emerging within an extensive welfare-state environment. Despite the presence of a large social and subsidised housing sector, the repositioning of the PRS over the last few decades and the ongoing loss of low-income housing contribute to the unaffordability of housing and intensified competition among renters (Kadi, 2015; Kadi et al., 2022). While welfare interventions may prevent eviction, they predominantly manifest through everyday relational displacement and displacement pressure. The Viennese welfare-state context provides tenants with a specific context, where displacement pressure and practices dealing with it may predominantly produce everyday forms of displacement. This research highlights the increasing complexity and diversification of displacement and dispossession, where context-bound yet individual agency ultimately diversifies forms of displacement.

This research stresses the importance of studying the intersections between housing affordability and displacement, which is crucial to addressing tenants' needs and informing policy. For instance, in Vienna, policymakers need to prioritise awareness-raising concerning the insidious and invisible nature of economic displacement pressure. Tenants, particularly in the seemingly "secure" historic PRS, holding unlimited contracts, tend to underestimate the effects of the housing affordability crisis. Reducing the stigma associated with seeking institutional help (often linked with homelessness) and establishing a one-stop-shop for housing affordability services could remove institutional barriers and enable tenants to address their needs more efficiently. Providing transparent information about the Viennese housing market and available services or benefits would help tenants navigate the complex institutional structures and prevent the overburdening of public services, including council housing. Additionally, implementing regulations such as rent caps in the PRS could help prevent the deepening of inequalities in the context of the housing affordability crisis. Overall, this research conceptualises displacement as a broader relational and emotive process, where the diverse roles and needs of different tenants must be acknowledged and understood.

Acknowledgments

My thanks go out to the editors and the four anonymous reviewers who provided me with critical comments and valuable insights, which strengthened the article. Additionally, I would like to express my gratitude for the support of Markus Speringer, Ioannis Brigkos, and Hanneke Friedl for insightful discussions and their invaluable proofreading. Thank you, Viktoria Lelek, for translating in an interview. I also wish to extend my thanks to the participants who generously shared their knowledge and experiences with me.

Funding

The research was funded by the Open-Access-Fund of the Austrian Academy of Sciences.

Conflict of Interests

The author declares no conflict of interests.

References

Aigner, A. (2019). Housing entry pathways of refugees in Vienna, a city of social housing. *Housing Studies*, *34*(5), 779–803. https://doi.org/10.1080/02673037.2018.1485882

Anacker, K. B. (2019). Introduction: Housing affordability and affordable housing. *International Journal of Housing Policy*, *19*(1), 1–16. https://doi.org/10.1080/19491247.2018.1560544

Atkinson, R. (2015). Losing one's place: Narratives of neighbourhood change, market injustice and symbolic displacement. *Housing, Theory and Society*, *32*(4), 373–388. https://doi.org/10.1080/14036096.2015.1053980

Baeten, G., Westin, S., Pull, E., & Molina, I. (2017). Pressure and violence: Housing renovation and displacement in Sweden. *Environment and Planning A: Economy and Space*, *49*(3), 631–651. https://doi.org/10.1177/0308518X16676271

Baker, A. (2021). From eviction to evicting: Rethinking the technologies, lives and power sustaining displacement. *Progress in Human Geography*, *45*(4), 796–813. https://doi.org/10.1177/0309132520910798

Banabak, S., Kadi, J., & Schneider, A. (2024). Gentrification and the suburbanization of poverty: Evidence from a highly regulated housing system. *Urban Geography*. Advance online publication. https://doi.org/10.1080/02723638.2024.2325197

Baxter, R., & Brickell, K. (2014). For home unmaking. *Home Cultures*, *11*(2), 133–144. https://doi.org/10.2752/175174214X13891916944553

Bengtsson, B., & Bohman, H. (2021). Tenant voice—As strong as it gets. Exit, voice and loyalty in housing renovation. *Housing, Theory and Society*, *38*(3), 365–380. https://doi.org/10.1080/14036096.2020.1766558

Beran, F., & Nuissl, H. (2024). Assessing displacement in a tight housing market: Findings from Berlin. *City*, *28*(1/2), 198–206. https://doi.org/10.1080/13604813.2023.2180829

Charmaz, K. (2014). *Constructing grounded theory*. Sage.

Davidson, M. (2009). Displacement, space and dwelling: Placing gentrification debate. *Ethics, Place & Environment*, *12*(2), 219–234. https://doi.org/10.1080/13668790902863465

Dimitrakou, I., & Hilbrandt, H. (2022). Legal and cultural geographies of displacement: Home unmaking through material belongings. *Social & Cultural Geography*, *25*(3), 385–403. https://doi.org/10.1080/14649365.2022.2157040

Elliott-Cooper, A., Hubbard, P., & Lees, L. (2020). Moving beyond Marcuse: Gentrification, displacement and the violence of un-homing. *Progress in Human Geography*, *44*(3), 492–509. https://doi.org/10.1177/0309132519830511

Eurostat. (2024). *HICP—Monthly data (Annual rate of change)*. https://ec.europa.eu/eurostat/databrowser/view/prc_hicp_manr/default/table?lang=en

Haffner, M. E. A., & Hulse, K. (2021). A fresh look at contemporary perspectives on urban housing affordability. *International Journal of Urban Sciences*, *25*(1), 59–79. https://doi.org/10.1080/12265934.2019.1687320

Hubbard, P., & Lees, L. (2020). Council estate renewal in London. The challenges of evidencing its gentrification-induced displacement. In G. Baeten, C. Listerborn, M. Persdotter, & E. Pull (Eds.), *Housing displacement: Conceptual and methodological issues* (pp. 18–32). Routledge. https://doi.org/10.4324/9780429427046

Kadi, J. (2015). Recommodifying housing in formerly "Red" Vienna? *Housing, Theory and Society*, *32*(3), 247–265. https://doi.org/10.1080/14036096.2015.1024885

Kadi, J., Banabak, S., & Schneider, A. (2022). Widening gaps? Socio-spatial inequality in the "very" European city of Vienna since the financial crisis. *Cities*, *131*, Article 103887. https://doi.org/10.1016/j.cities.2022.103887

Kern, L. (2016). Rhythms of gentrification: Eventfulness and slow violence in a happening neighbourhood. *Cultural Geographies*, *23*(3), 441–457. https://doi.org/10.1177/1474474015591489

Lee, Y., Kemp, P. A., & Reina, V. J. (2022). Drivers of housing (un)affordability in the advanced economies: A review and new evidence. *Housing Studies*, *37*(10), 1739–1752. https://doi.org/10.1080/02673037.2022.2123623

Lees, L., & Robinson, B. (2021). Beverley's story: Survivability on one of London's newest gentrification frontiers. *City*, *25*(5/6), 590–613. https://doi.org/10.1080/13604813.2021.1987702

Litschauer, K., & Friesenecker, M. (2021). Affordable housing for all? Challenging the legacy of Red Vienna. In Y. Kazepov & R. Verwiebe (Eds.), *Vienna: Still a just city?* (pp. 53–67). Routledge. https://doi.org/10.4324/9781003133827-6

Madden, D., & Marcuse, P. (2016). *In defense of housing: The politics of crisis*. Verso.

Marcuse, P. (1985). Gentrification, abandonment, and displacement: Connections, causes, and policy responses in New York City. *Journal of Urban and Contemporary Law*, *28*, 195–240. http://openscholarship.wustl.edu/law_urbanlaw/vol28/iss1/4

Meuth, M., & Reutlinger, C. (2023). *Entmietet und verdrängt: Wie Mieter innen ihren Wohnungsverlust erleben*. Transcript.

Musil, R., Brand, F., Huemer, H., & Wonaschütz, M. (2022). The Zinshaus market and gentrification dynamics: The transformation of the historic housing stock in Vienna, 2007–2019. *Urban Studies*, *59*(5), 974–994. https://doi.org/10.1177/00420980211051906

Newman, K., & Wyly, E. K. (2006). The right to stay put, revisited: Gentrification and resistance to displacement in New York City. *Urban Studies*, *43*(1), 23–57. https://doi.org/10.1080/00420980500388710

Nowicki, M. (2014). Rethinking domicide: Towards an expanded critical geography of home. *Geography Compass*, *8*(11), 785–795. https://doi.org/10.1111/gec3.12178

Philo, C. (2005). The geographies that wound. *Population, Space and Place*, *11*(6), 441–454. https://doi.org/10.1002/psp.400

Porteous, J. D., & Smith, S. E. (2001). *Domicide: The global destruction of home*. McGill-Queen's University Press.

Pull, E., & Richard, Å. (2021). Domicide: Displacement and dispossessions in Uppsala, Sweden. *Social & Cultural Geography*, *22*(4), 545–564. https://doi.org/10.1080/14649365.2019.1601245

Putschögl, M., & Zoidl, F. (2023, August 1). Teuerung lässt Mieten erneut steigen. *Der Standard*. https://www.derstandard.at/story/3000000181232/teuerung-laesst-mieten-erneut-steigen

Reinprecht, C. (2014). Social housing in Austria. In K. Scanlon, C. Whitehead, & M. Arrigoitia (Eds.), *Social housing in Europe* (pp. 61–74). Wiley.

Rinn, M., Wehrheim, J., & Wiese, L. (2022). How tenants' reactions to rent increases affect displacement: An interactionist approach to gentrification. *Urban Studies*, *59*(15), 3060–3076. https://doi.org/10.1177/00420980221078212

Rosen, J., Ciudad-Real, V., Angst, S., & Painter, G. (2023). Rental affordability, coping strategies, and impacts in diverse immigrant communities. *Housing Policy Debate*, *33*(6), 1313–1332. https://doi.org/10.1080/10511482.2021.2018011

Sakizlioğlu, B. (2014). Inserting temporality into the analysis of displacement: Living under the threat of displacement. *Tijdschrift Voor Economische En Sociale Geografie*, *105*(2), 206–220. https://doi.org/10.1111/tesg.12051

Schatzki, T. R. (2001). *The site of the social: A philosophical account of the constitution of social life and change*. Penn State University Press.

Shaw, K., & Hagemans, I. (2015). "Gentrification without displacement" and the consequent loss of place: The effects of class transition on low-income residents of secure housing in gentrifying areas. *International Journal of Urban and Regional Research*, *39*(2), 323–341. https://doi.org/10.1111/1468-2427.12164

Stabrowski, F. (2014). New-build gentrification and the everyday displacement of Polish immigrant tenants in Greenpoint, Brooklyn. *Antipode*, *46*(3), 794–815. https://doi.org/10.1111/anti.12074

Tockner, L. (2017). *Mieten in Österreich und Wien 2008 bis 2016*. AK Wien.

Valli, C. (2015). A sense of displacement: Long-time residents' feelings of displacement in gentrifying Bushwick, New York. *International Journal of Urban and Regional Research*, *39*(6), 1191–1208. https://doi.org/10.1111/1468-2427.12340

Wetzstein, S. (2017). The global urban housing affordability crisis. *Urban Studies*, *54*(14), 3159–3177. https://doi.org/10.1177/0042098017711649

Winke, T. (2021). Housing affordability sets us apart: The effect of rising housing prices on relocation behaviour. *Urban Studies*, *58*(12), 2389–2404. https://doi.org/10.1177/0042098020943482

About the Author

Judith Schnelzer is a researcher at the Institute for Urban and Regional Research, Austrian Academy of Sciences. Their recent research interests revolve broadly around socio-spatial inequalities of urban development, residential displacement, migration, and integration research and visual methodologies.

Urban Planning
2024 • Volume 9 • Article 8554
https://doi.org/10.17645/up.8554

ARTICLE

Open Access Journal

Expanding the Social Rental Housing Stock in Flanders: Money Isn't the Problem

Sien Winters [1], Emmanuel Dockx [2], and Katleen Van den Broeck [1]

[1] HIVA, KU Leuven, Belgium
[2] University of Antwerp, Belgium

Correspondence: Sien Winters (sien.winters@kuleuven.be)

Submitted: 28 April 2024 Accepted: 19 September 2024 Published: 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

In Flanders, social rental housing serves as the primary policy instrument to address housing affordability issues. However, the current supply of social housing falls significantly short of meeting all needs. Despite broad political consensus and increased government budgets for social housing since 2013, it has become increasingly difficult to allocate the budget to new investment projects. By the end of 2021, only a fraction of the annual credit had been allocated, sparking discussions. This article explores two key questions: How can we explain the delay in the supply of social housing when the need is acknowledged and the funds are available? How can this problem be resolved? To answer both questions, we use administrative data, survey data, and insights from group interviews with social housing associations and municipalities. Behind the answer is a multitude of reasons at various points throughout the planning process. Many problems stem from coordination challenges in a socio-economic environment that grows ever more complex. The notion of multi-level governance provides insights into the intricate web of interactions and negotiations. Based on this analysis, we offer recommendations for Flemish policy, local governments, and social housing associations.

Keywords

coordination; multi-level governance; planning process; social housing

1. Introduction

In Flanders, it is widely acknowledged that there is a great need for more social housing. Unlike several other European countries that reduced subsidies for social housing following the 2008 global financial crisis, the

Flemish government has maintained its investment levels in social housing (De Decker et al., 2017). The total volume of subsidised loans from the Flemish government was increased in line with construction costs. Despite having the political will and available budget, the social housing agencies have struggled to make specific investment projects happen. By the end of 2021, only a fraction of the available credit had been allocated, leading to political discussion in the Flemish Parliament and the media (Vlaams Parlement, 2021).

Initially, our study set out to explore the broader factors contributing to these delays without using a predefined theoretical lens. Through this exploratory approach, it became clear that the challenges are deeply rooted in issues of multi-level governance (MLG), a framework that examines the interactions and coordination challenges among different levels of government involved in policy implementation. As we analysed the data and observed the coordination problems inherent in managing complex projects such as social housing investments, it became evident that MLG dynamics were at the heart of many of these issues. The expression used in the title "money isn't the problem" was inspired by *The Irish Times* (in an issue dated October 14, 2020), which highlighted similar issues in social housing provision in Ireland, where delays were similarly not due to a lack of financial resources but rather to governance challenges.

Recognizing the importance of MLG, this article frames its analysis and discussion within the context of this theoretical framework. MLG, as articulated by Marks and Hooghe (2003), provides a useful lens for understanding how authority and policy responsibilities are dispersed across different governmental levels, from local to regional, national, and even supranational entities. This dispersal of authority is often accompanied by complex interdependencies among different levels of government, which can lead to coordination challenges that delay the implementation of complex projects, such as social housing investments. Scharpf (1997) also emphasises the difficulties inherent in this type of governance, where the "joint-decision trap" can emerge, resulting in policy inertia or suboptimal decisions due to the need for consensus across multiple actors and levels of government.

In addition to the insights provided by Marks and Hooghe, the work of Jacob Torfing, among others, on network governance offers valuable perspectives on how the interactions between various governmental levels and actors can either facilitate or hinder effective policy implementation (Torfing et al., 2012). This strand of literature highlights the fact that network governance, characterised by collaboration among public, private, and civil society actors, can enhance policy effectiveness by pooling resources and expertise. However, this approach also requires robust mechanisms for coordination and conflict resolution, which are often lacking in complex governance systems (Sørensen & Torfing, 2009).

In structuring the analysis around MLG, this article makes a contribution that is twofold: Firstly, it offers an empirical case study of investment delays in Flemish social housing, illustrating how MLG dynamics play out in practice; secondly, it contributes to the broader literature on MLG by providing insights into the specific challenges and coordination issues that arise in the context of social housing, a policy domain that has received limited attention in MLG research.

The article begins with a brief description of housing affordability and housing policy in Flanders (Section 2). It then explains how social housing in Flanders is provided and the procedures for planning investments (Section 3), and defines the MLG challenges in Flemish social housing (Section 4). Methodology and data are presented in Section 5. The analysis of the causes of delays and potential measures for accelerating investments is covered in Section 6. The article ends with a discussion and recommendations in Section 7, and a conclusion in Section 8.

2. Housing Affordability and Housing Policy in Flanders

Belgium is a federal state with three regions: the Walloon Region, the Flemish Region, and the Brussels-Capital Region. Since the 1980s, housing policy has fallen under the competencies of the regions. Powers over housing policy instruments have gradually been transferred from the Belgian state to the regions. In the 1980s, this included responsibilities for social housing and allowances for households, as well as housing quality policies. Since 2000, fiscal powers have also been transferred: This initially included taxes on property transfers (sales and inheritances) and later, in 2015, the tax advantage for home ownership in personal income tax. In 2015, the regions also gained authority over rental legislation.

Flanders is the largest of the three Belgian regions and is one of Europe's most prosperous areas. In housing literature, it is known for its high rate of homeownership. According to EU-SILC 2022 data, the share of the population living in owner-occupied homes in Belgium is 72.5%, which is above the European average of 69.1% (Eurostat, 2024). With a share of 78%, homeownership in Flanders is the highest of the three Belgian regions and well above the European average (Heylen, 2023).

In line with evolutions in many European countries, Flemish housing prices have been rising quickly and with long-lasting effects, even after the global financial crisis. These price increases are the reason why the affordability of housing has become a frequently discussed topic among citizens, in the media, and in Parliament. However, this perception of increasing problems with affordability is not sustained by data based on sound definitions of housing affordability. A commonly used method to measure housing affordability is the expenditure-to-income ratio, which relates expenses for the rent (for tenants) or downpayment of mortgage loans (for owner-occupiers) to disposable household income. If households spend more than a predetermined standard on housing, they are considered to have a problem with affordability, or at least to be at risk of having a problem. Standards differ between countries, but 30% is frequently used (Meen & Whitehead, 2020) and is also applied in Flanders. Based on this measurement, housing in Flanders became gradually less affordable in the decades after the first measurement in 1976, but the problem has not worsened since 2013 (Winters, 2021). The Eurostat housing cost overburden (HCO) rate is a similar indicator that also includes the cost of heating, water, and electricity in housing expenses and uses a standard of 40%. The exact definition of the HCO rate is the percentage of the population living in households where the total housing costs ("net" of housing allowances) represent more than 40% of disposable income ("net" of housing allowances). For Flanders, the HCO rate (5.5%) is low compared to the EU average (7.8%) as well as neighbouring regions and countries, such as the Walloon Region (8.9%), the Brussels Capital Region (14.9%), the Netherlands (8.3%), and Germany (13.9%; figures for 2020 based on Heylen, 2023). However, this rather good average score hides large variations between groups and regions. Flanders is well known for having housing that is less affordable for private tenants than for owner-occupiers (Heylen, 2023), as well as for lower-income groups than for higher-income groups.

Improving the affordability of housing is one of the major objectives of housing policy in Flanders. The 1997 Flemish Housing Decree based the central mission of Flemish housing policy on the constitutional right to decent housing. The decree clearly states that the priority is on the housing needs of low-income households.

In terms of budgetary expenses, social housing is the most important policy instrument in Flanders for reaching the affordability goal. By the end of 2023, the total number of social housing units was 180,000 (Statistiek Vlaanderen, 2024), or 6% of the total housing stock. The significant differences between countries in the way social housing is defined and provided make it difficult to compare this percentage internationally, but in most international comparisons, the proportion of social housing in Belgium is labelled as "small" or "low" (OECD, 2020). The OECD Affordable Housing Database shows percentages above 20% for the Netherlands (34.1%), Austria (23.6%), and Denmark (21.3%), and between 10% and 20% for the United Kingdom (16.4%), France (14.0%), Ireland (11.1%), and Finland (10.9%). Within Belgium, the share of social housing is slightly lower in the Flemish region than in the two other regions. According to the classification of Scanlon et al. (2014), Flanders would be in the group with a "low" percentage of social rental housing (between 2% and 9%).

Access to social rental housing in Flanders is restricted to households below a specified income threshold. The allocation of dwellings is based on a combination of chronology and priority rules. As such, the Flemish social housing model is seen as an example of the targeted social housing model, in which the allocation of housing is based on low income, vulnerability, or specific needs. Alongside this "targeted model," there is the "universalist model," which is open to broad population groups (as in Sweden, the Netherlands, and Denmark) (Winters, 2023).

One of the main problems in Flemish social housing today is the large gap between the needs and the available stock. Almost half (46%) of the households, or 250,000 households, in the private rental market are estimated to be eligible for social housing (Heylen, 2019). This concerns a group for whom both housing affordability and housing quality are poor, on average. Moreover, the waiting list for social housing is long: By the end of 2022, approximately 176,000 households were registered as candidates for social housing. Each year, around 2,800 units are added to the social housing stock (Statistiek Vlaanderen, 2024). The average waiting time is over four years and can even reach up to 10 years in some areas.

3. MLG Challenges in Flemish Social Housing

The delays in social housing investments in Flanders can be better understood through the lens of MLG. As Marks and Hooghe (2003) explain, MLG is characterised by the dispersion of authority across multiple levels of government, creating complex interactions and potential coordination challenges. Drawing parallels with similar discussions in other European contexts, the notion of MLG offers a lens through which we can understand the intricate web of interactions and negotiations involved in policy-making and implementation (Eizaguirre et al., 2012; Rhodes, 2007).

In the context of Flemish social housing, these MLG challenges are particularly pronounced given the involvement of local, regional, and, in some cases, national authorities, each with their own roles, responsibilities, and policy instruments. Jacob Torfing's work on network governance further illustrates the difficulties of coordination across multiple levels of government. Torfing et al. (2012) highlight the importance of network governance in managing the interdependencies between different actors and levels of government. However, these networks can also be sites of friction, where conflicting interests, priorities, and bureaucratic procedures lead to delays in decision-making and implementation.

MLG, introduced in the 1990s, captures the intricate nature of contemporary governance structures, characterised by their fragmented and collaborative nature (Pollitt & Bouckaert, 2017). At its core, MLG involves negotiating power dynamics between different tiers of government and navigating through a network of expertise across various territorial and sectoral domains. Based on the documentation available, Table 1 provides an overview of the various roles and responsibilities of the four main actors involved in the governance of Flemish social housing.

Table 1. Roles and responsibilities of different levels of governance in Flemish social housing.

Level of governance	Key roles and responsibilities
Flemish government	Setting overall policy frameworks and regulations for social housing Providing funding and subsidies for construction and renovation Overseeing compliance with housing standards and laws Coordinating planning and production process of construction and renovation projects
Local governments	Identifying local housing needs and integrating them into regional strategies Facilitating land use and zoning approvals Providing support for project implementation at the local level
Social housing associations (SHAs)	Planning and executing construction and renovation projects Managing day-to-day operations of social housing units Ensuring tenant allocation based on eligibility criteria Reporting and collaborating with local and regional governments on project progress and needs
Citizens	Engaging in consultation processes to provide feedback on housing needs and preferences Supporting (or not supporting) social housing policy Engaging in actions and consultation processes with respect to social housing projects in their neighbourhood Engaging in initiatives for mutual exchange between social tenants and other citizens

It is already clear that, at least in this Flemish context, these MLG dynamics can manifest themselves in several ways. For example, local governments may have different priorities for, or interpretations of housing needs compared to regional authorities, or may apply slightly different building standards leading to delays in project approvals or discrepancies in the allocation of resources. Additionally, the involvement of multiple agencies and layers of bureaucracy can complicate the planning and execution of social housing projects, as each level of government may have its own procedures and requirements, further slowing down the process.

These MLG challenges are not unique to social housing. Similar issues have been observed in other large and complex projects, such as infrastructure development and environmental policy, where the coordination of multiple actors and levels of government is critical to success but often leads to significant delays (Scharpf, 1997; Torfing et al., 2012). While we may not have concrete examples from other domains or countries at hand, similar MLG challenges are conceivable in various contexts. For instance, comparable issues might arise in areas such as healthcare funding, educational reform, and environmental sustainability projects, where coordination across different levels of government and diverse stakeholders can lead to delays and inefficiencies like those observed in the development of Flemish social housing.

By positioning the case of Flemish social housing within this broader context of MLG literature, this article contributes to our understanding of how governance structures impact policy implementation, particularly in sectors that require extensive coordination across different levels of government.

4. Social Housing Provision in Flanders

Until (mid) 2023, almost all social housing (99%) in Flanders was provided by two types of organisations: social housing associations (SHAs) and social rental agencies (SRAs). SHAs, which have been in operation since the end of the 19th century, manage over 90% of all social dwellings. These not-for-profit organisations own the social housing stock and primarily expand it through new construction projects. SRAs were established in the aftermath of the economic crisis of the 1970s. These organisations rent dwellings on the private rental market and then sublet these dwellings to low-income and vulnerable households. The Flemish government required both SHAs and SRAs to merge into "housing companies" by July 2023. The housing companies took over all activities previously carried out by SHAs and SRAs. The reform also included a radical redistribution of the areas covered by each social housing provider as well as a thorough reform of the allocation rules in 2024 (Winters, 2023).

In this article, we focus on the social housing provided by SHAs before the transition to housing companies. SHAs are legally autonomous organisations, but due to detailed regulations, their autonomy is in fact limited. Access and allocation are strictly regulated at the Flemish level, and SHAs are restricted to social housing activities. They are prohibited from investing in commercial real estate and can only sell dwellings in exceptional circumstances. The rent is determined by a formula outlined in Flemish legislation, considering market value, household income, and composition. To bridge the gap between the cost and rent revenues, SHAs can apply for various subsidies. Government loans at an interest rate of –1% for a term of 33 years are particularly significant. Additionally, brick-and-mortar subsidies (i.e., for demolition, land building, infrastructure works, community facilities, and energy-saving investments) and several fiscal benefits are available. Given that SHAs experiencing operating losses receive a subsidy to offset financial gaps, the Flemish government essentially ensures a financial balance (Winters & Van den Broeck, 2020).

Figure 1 depicts the evolution of the volume of subsidised loans within the Flemish government's budget since 2013 and their allocation to various projects. The total investment budget (highlighted in orange) increases annually, roughly in line with the index for construction prices. In 2021, the government implemented a one-off extra budget of 250 million euros as part of the post-pandemic recovery policy. Historically, the budget was divided based on a fixed ratio between new construction (55%) and renovation (45%).

If the available investment budget is not fully allocated to projects within the budget year, it can be carried over to the following year, but only for one year. Figure 1 shows that since 2015, the budget that is allocated annually (in blue) has not mirrored the upward trend seen in the available investment budget. This discrepancy suggests increasing difficulties in allocating the credits to specific projects. The grey bars in the figure represent the budget for each year that remained unassigned to any project during the same year. Notably, these grey bars lengthen each year between 2015 and 2021. This means that projects are increasingly allocated using the budget from the previous year.

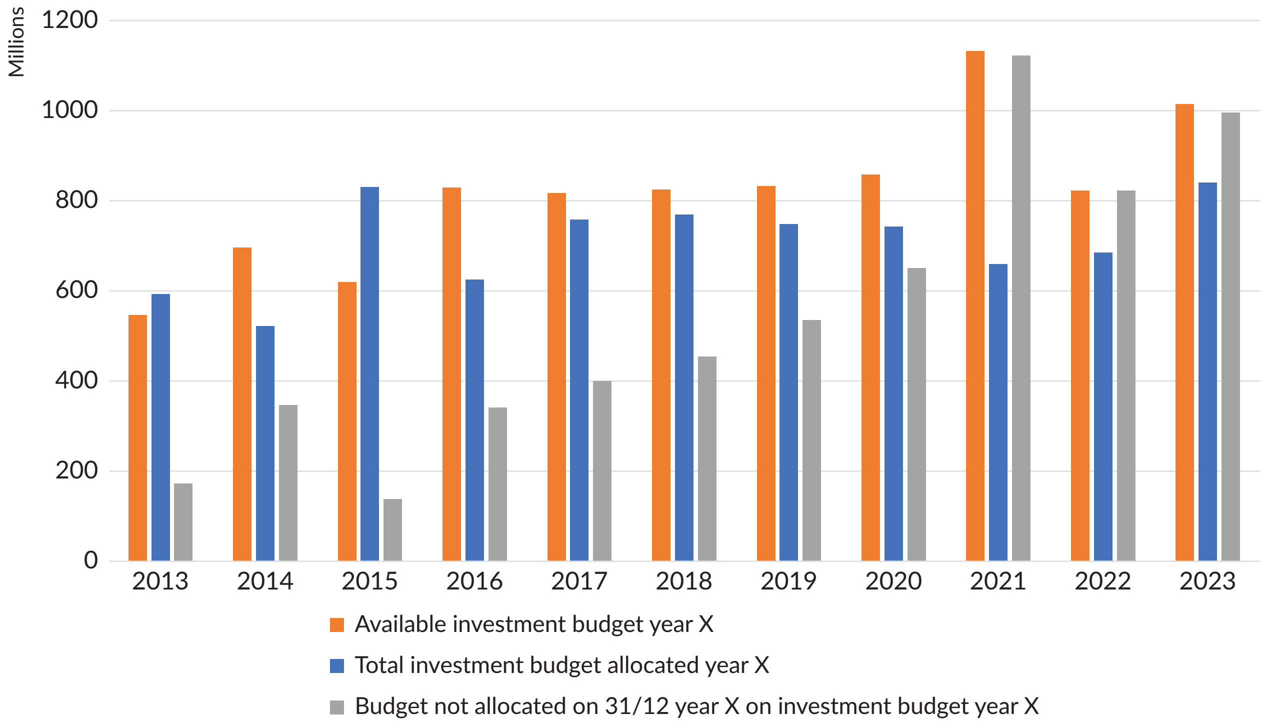


Figure 1. Budget and allocation of budget for social housing in Flanders since 2013, in million euros. Source: Housing Agency Flanders (2024).

The situation has become particularly alarming over the last three years, with only a small fraction of the budget being allocated by the end of each year. Although this could partially be explained by the additional budget in 2021, the data show that the issue persisted throughout 2022 and 2023, leading to an increased risk of losing the available investment budgets for social housing.

In 2021, the Minister of Housing responded by reallocating a portion of the budget initially earmarked for new construction of social housing to renovation of existing social housing. Additionally, part of the budget was redirected to other housing policy instruments, such as subsidised credit for owner-occupation. Notably, the underutilisation of 438 million euros in cheap credit from the 2021 budget was converted into 12.8 million euros in subsidies under a new system of subsidised "affordable rental housing." The system is intended to encourage private developers to invest in mixed projects of affordable, social housing and private rental housing. The developer receives a subsidy to rent out the property below market rents. For social rental, the income thresholds are the same as for other social housing, while for affordable rental, the threshold is set higher. The concept of "affordable housing" is also gaining prominence in other European countries. Although the term lacks a precise definition, it generally refers to housing that is offered below market price and is accessible to households whose income exceeds the threshold for social housing. This category bridges the gap between subsidised social housing and the open market (Czischke & van Bortel, 2018). So, in reality, the delay in utilising government loans for social housing paved the way for a shift from social housing to affordable housing.

However, the delay in social housing production also prompted the Flemish Minister of Housing to commission an investigation into the causes and possible measures to resolve the issue. This study is analysed in the following paragraphs (see also Dockx et al., 2023).

In order to gain a thorough understanding of the causes of the delays, we first delve into the administrative procedure for allocating projects to annual budgets. This process, which is represented in Figure 2, involves five stages, separated by a moment of decision.

Every investment project begins with a project idea. During this phase, discussions commence with the local municipality. As the project becomes more concrete, the SHA creates a project profile in the Project Portal, an online tool provided by the Housing Agency Flanders that facilitates administrative project tracking. For projects involving substantial renovation works, an assessment known as the "renovation test" is conducted at the agency. Upon receiving a favourable assessment, the SHA can request a discussion at the Local Housing Consultation, which involves various local stakeholders.

The municipality takes the initiative in organising this consultation. It evaluates the project in alignment with its own policies and the Binding Social Objective (BSO), a target for the additional number of social housing units of the municipality set by the Flemish government. Additionally, the municipality considers whether the public infrastructure qualifies for inclusion in the municipal public domain. If the project successfully passes this evaluation, the agency adds it to the list of approved projects.

In what is formally known as phase 1, the SHA submits a preliminary design of the project to the agency. After receiving positive feedback from the project manager at the agency and the assessment committee, the project is included in the multi-annual plan. This plan outlines projects that can be executed within a 3-year timeframe.

During phase 2, the SHA begins the search for a contractor to carry out the construction work. Compliance with public procurement laws is obligatory. The SHA informs the agency about the tender process, necessary permits, and required notifications. Based on this information, the assessment committee decides whether to include the project in the short-term plan, which lists projects that can be executed within four months.

In phase 3, the SHA informs the Agency about the awarding of the contract. At this point, the project is allocated a budget. With funding secured, the contractor can start the construction work.

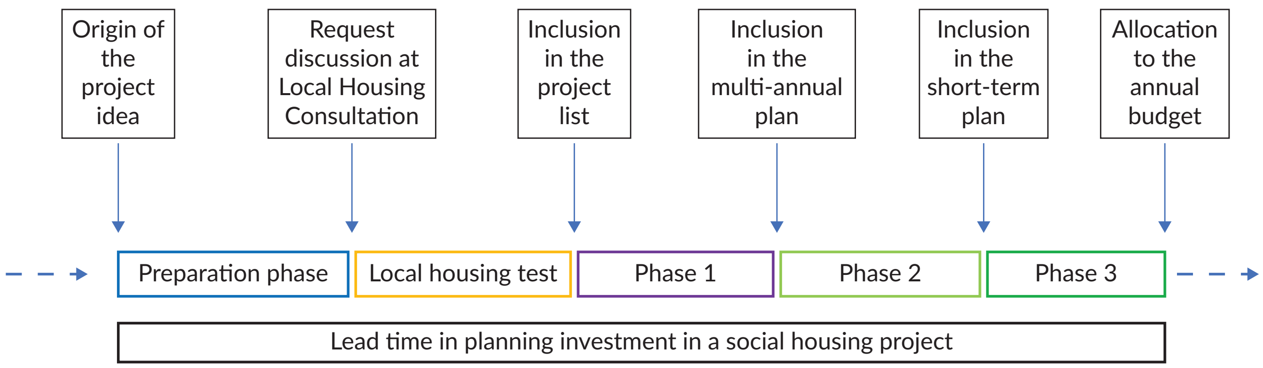


Figure 2. Administrative procedure to be followed by SHAs in planning social housing investments. Source: Dockx et al. (2023).

5. Methodology and Data

This research combines multiple data sources and research methods. The administrative dataset from the Project Portal serves as a primary data source. This portal acts as a centralised platform for tracking project management and administrative processes related to specific investment projects. It provides details at the project level, including the nature of investments, the number of dwellings, and timelines for various steps in the administrative process.

In addition to the analysis of these administrative data, two slightly different online surveys were conducted. One targeted all SHA directors. The other involved the mayors of all Flemish municipalities. The response rate was 66% for SHAs and 40% for municipalities. The sample obtained was representative in terms of regional distribution. The survey aimed to explore explanations for the differences in lead time and identify measures to achieve shorter lead times and increased investment pace.

The survey yielded an extensive list of potential recommendations. Consequently, three group discussions were organised, involving 10 representatives from SHAs and local authorities, including both political and administrative representatives. Participants assessed the potential impact and desirability of possible measures. "Desirability" was defined as specifying whether the measure is generally desirable and whether there are any significant negative consequences associated with it. The proposed measures were categorised into four groups: decisions by the Flemish government; the Housing Agency Flanders; local governments; and SHAs.

6. Analysis

6.1. How Long Does the Administrative Process Take?

In Figure 3 we present the lead times (expressed in median months) based on the data in the project portal. The preparation phase is not included here, as there are no registration obligations yet. For new construction

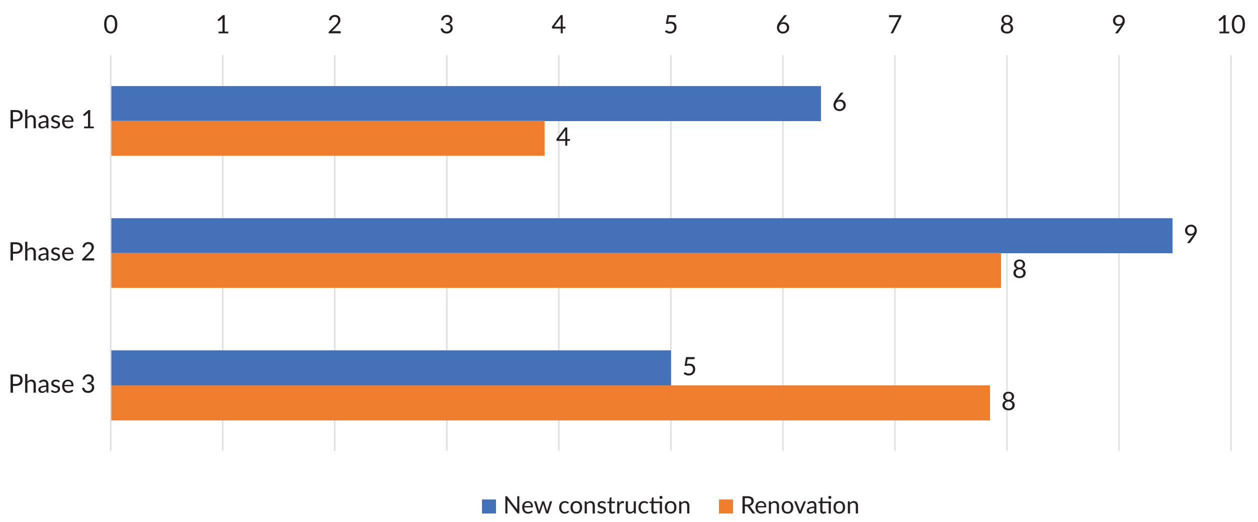


Figure 3. Lead time in months (median), per phase, based on data in the project portal. Source: Dockx et al. (2023).

projects, phase 2 (from inclusion in the multi-annual plan to inclusion in the short-term plan) is the longest. For renovation projects, both phase 2 and 3 (from inclusion in the short-term plan to allocation to the annual budget) take longer than phase 1. The total lead time is 24 months for new construction projects and slightly less, 21 months, for renovation projects (median).

Figure 4 shows the views of SHAs and municipalities regarding the lead time per phase based on the surveys, and includes the two phases preceding formal registration, in addition to the information shown in Figure 3. For new construction projects, the preparatory phase clearly seems to consume the most time (with a median duration of up to a full year), according to both the surveyed SHAs and municipalities. For renovation projects, the preparation phase typically takes half as long.

The local housing consultations phase usually lasts three to four months (which is close to the maximum time allowed for this phase). The views of SHAs concerning phases 1, 2, and 3 fairly accurately reflect the findings from the project portal data. Based on the experiences of SHAs, the total lead time, including preparation and the local housing test, amounts to three years (37 months) for new construction and two years (26 months) for renovation. A general remark is that the lead times vary significantly according to the type of project and the local context.

The problem of long lead times in Flanders is not specific to social housing. In a recent study on the lead time for housing developments in Belgium in general, Vastmans (2024) found an average lead time of 40 months starting from the preparation of the project until the deliverance of the building permit. A wide variety in lead times among projects was also observed here.

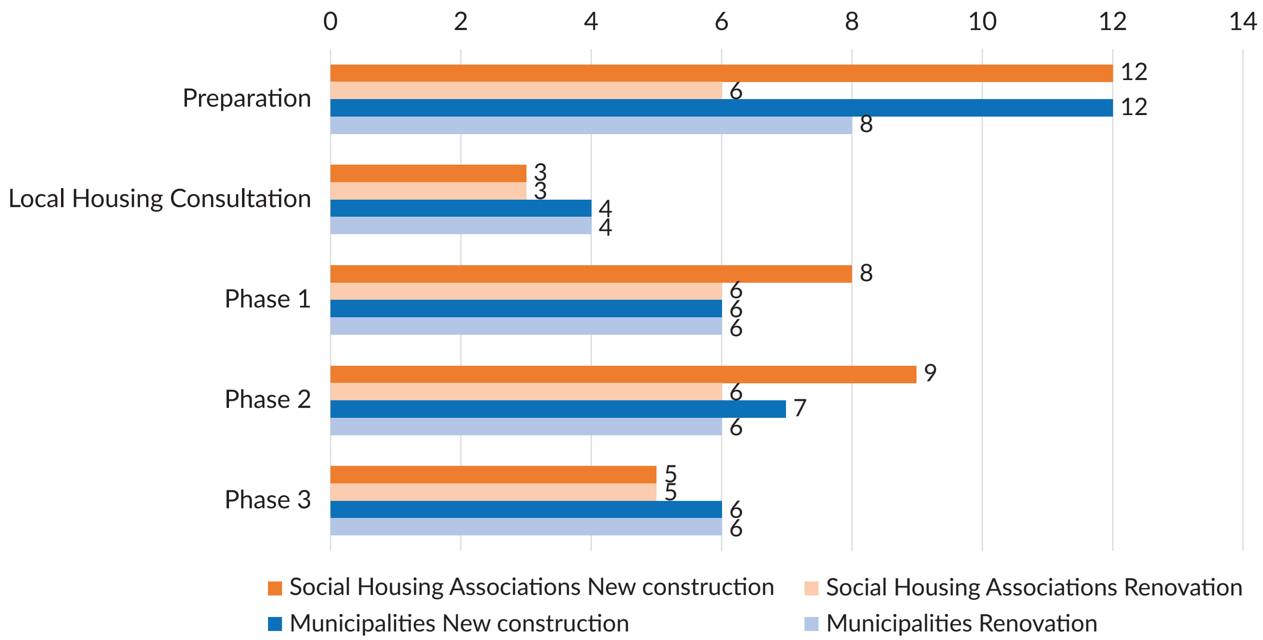


Figure 4. Lead time in months (median), per phase, based on surveys with SHA and municipalities. Source: Dockx et al. (2023).

In the debate on lead times for investments in social housing, a prevailing perception is that both building and renovating social housing take longer now than they did in the past. Unfortunately, administrative data on social housing investments, to verify the change in lead times compared to ten years ago, are not available as the project portal has not been in use for that many years. To gain insights into this alleged evolution, we asked municipalities and SHAs in the survey to indicate to what extent they perceive that social housing projects take more or less time to implement than 10 years ago. Figure 5 validates these claims: It shows that SHAs in particular find the lead time for new social housing to be longer on average than 10 years ago (two out of three SHAs confirm this statement). This perception is slightly less pronounced among the municipalities surveyed, where one in three indicates that lead times in developing social housing projects are on average longer now than ten years ago.

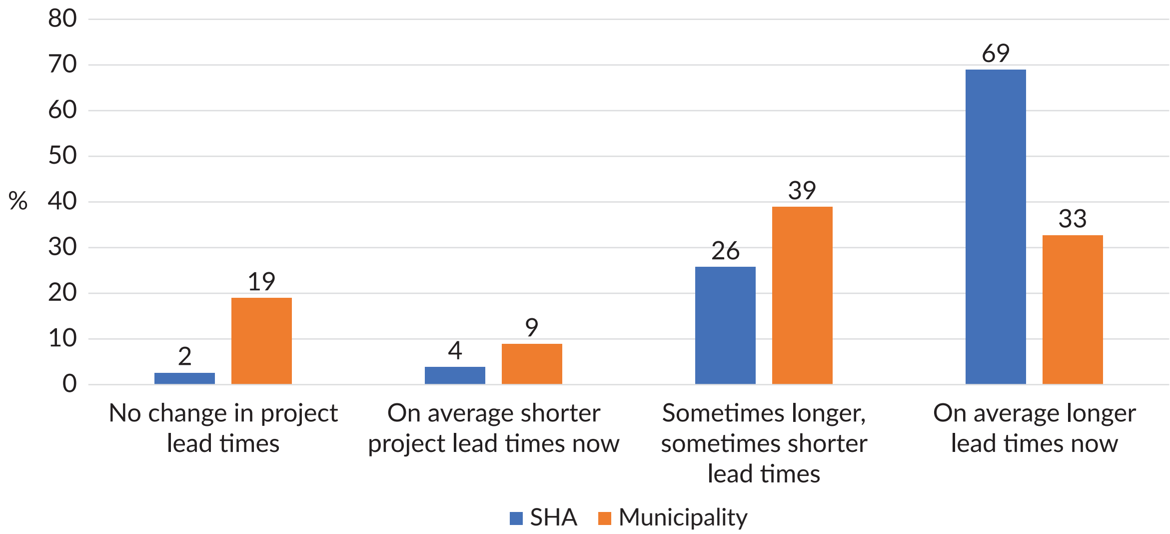


Figure 5. Perceptions on average lead time of social housing projects, compared to 10 years ago, based on surveys with SHAs and municipalities (%). Source: Dockx et al. (2023).

6.2. What Factors Cause Delays and Underutilisation?

To find out what causes the long(er) lead times, a list of factors that could potentially accelerate or delay the process was presented in the survey. Respondents could indicate, using a score from 1 to 5, whether the factor had been *accelerating* (1–2), *delaying* (4–5), or *not affecting* (3) the process. We distinguished between different contexts for accelerating/delaying factors: (a) the federal level, (b) the Flemish level (which includes the Flemish government level and the Housing Agency implementing policy), (c) the local policy level, (d) societal and economic contextual factors, and the organisational levels of (e) the SHA and (f) the municipality. The median scores are presented in Figure 6. The figure clearly shows that delaying factors are not located within one specific context and can be of very differing natures.

Concerning changes in the policy context, changes at the Flemish government level are seen as the most significant in terms of their effect on lead times. Respondents from SHAs and municipalities indicated that the large-scale merging operation and changing views on land use are two key factors that have led to longer lead times. In addition, respondents identified the requirement of formal advice from the municipality, increased energy ambitions, stricter energy regulations, the requirement to present an archaeology test and renovation test, and the aforementioned BSO as factors that have often led to slight delays. On the contrary, the change in the operation of the assessment committee (more frequent assessments) is seen as an aspect that has led to shorter lead times. Replacing the mandatory evaluation of the draft design of the project by the Housing Agency Flanders with advice only is also perceived as an aspect that has slightly shortened lead times.

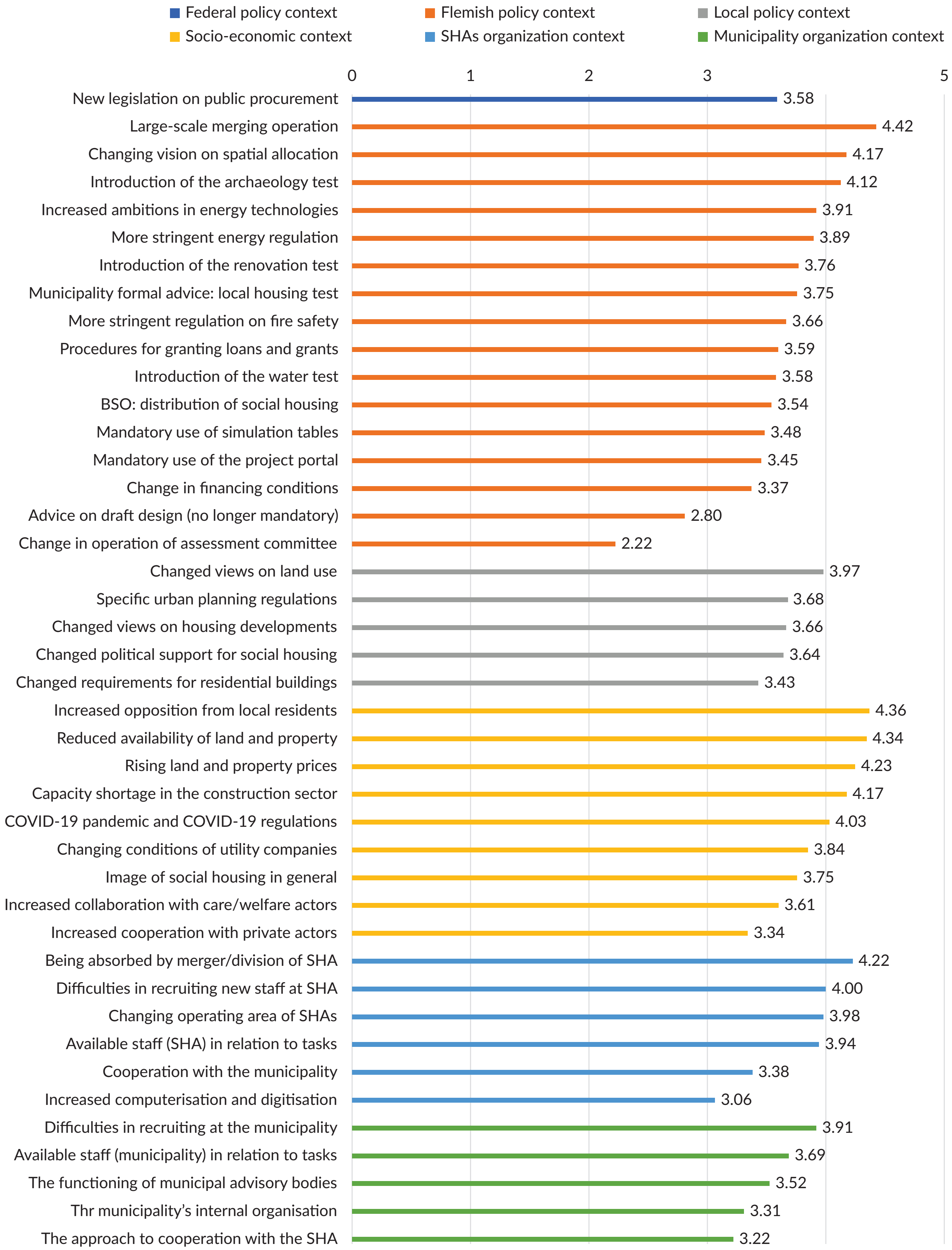


Figure 6. Median impact of factors causing acceleration and delay according to context (scale: 1 = *strongly accelerating* and 5 = *strongly delaying*; 3 = *no change*), based on surveys with SHAs and municipalities. Source: Dockx et al. (2023).

At the local policy level, changed views on land use (e.g., the preferred location of social housing and policy objectives concerning the density of neighbourhoods) is, according to SHAs, an aspect that has clearly caused the most delays on average. Changes in political support for social housing, specific urban planning regulations (e.g., the mandatory number of parking spaces) and the vision of the municipality regarding the desired housing developments (e.g., the desired housing typology) are reportedly also elements that, on average, have slightly lengthened the lead time, according to SHAs.

At the federal policy level, only one factor must be mentioned: rules on public procurement. According to both SHAs and municipalities, new federal legislation on public procurement has marginally lengthened lead times due to the complexity of regulations, administrative burdens, and requirements concerning verification, correctness, and completeness.

Besides policy choices at all these levels, societal and economic context factors such as increasing citizen participation or resistance from local residents, lower availability and rising prices of land and properties, and the (negative) image of social housing are also cited as significant delaying factors. A shortage of personnel in the construction sector can lead to putting projects out to tender several times.

We also asked SHA directors about which organisational changes within their organisation have affected lead times over the past decade. Mergers and splits had the biggest impact in their opinion, while other changes, such as difficulties with the recruitment of new (technical) staff, revision of operating areas, limited staffing, and difficulties in cooperation with municipalities, also slightly lengthened lead times. Finally, differing views to local governments often lead to prolonged decision-making processes or even revisions of decisions, further contributing to delays.

Finally, the organisational context also plays a role for municipalities. According to respondents, the context of local governments has changed significantly compared to 10 years ago. Municipalities point to difficulties in hiring new staff, especially for specific profiles such as urban planners, as a major factor. The limited staffing, the time needed for passing municipal advisory bodies, and the lack of cooperation between different actors at the local level are further mentioned as possible causes of delays in lead times.

6.3. What Measures Do SHAs and Local Authorities Consider to Be Effective?

In the surveys, respondents could suggest measures and instruments to reduce lead times. We used the answers to these questions to arrive at a more structured list of measures and presented this list to the participants in the group interviews with representatives of SHAs and local authorities. For each measure, we asked the participants about their view on the expected impact on lead times, but also whether they perceived the measure as desirable or not. The following is an overview of the main aspects identified by participants in the group interviews as effective in shortening the process. Given the multifaceted nature of the causes, the proposed measures reflect a similar complexity.

The proposed measures to reduce lead times focus primarily on Flemish policy, such as procedures, regulations, financing, obligations on municipalities, and use of space. There is a consensus on fostering more trust in housing companies. Some respondents suggest increasing the autonomy of housing companies, while others advocate maintaining clear frameworks and guidelines to ensure the quality of the projects.

Respondents also suggest better coordination between Flemish policy domains (e.g., housing, welfare, and spatial planning) and setting up a consultative body at the Flemish level for this purpose. Other suggestions focus on the features of the system of government credit, aiming in general to make investments more financially balanced, e.g., with a better differentiation of subsidy levels according to neighbourhood characteristics, better coverage of operating costs of SHAs, or financial facilitation of new models of acquisition (e.g., the purchase of vacant buildings). There was broad consensus for (re)introducing social housing obligations in private developments. Some respondents advocated for releasing building protection from protected areas, albeit with the aim of fostering a social mix. Improving the image of social housing (among citizens and local politicians) is also considered important, as is creating a sense of urgency among local authorities.

According to respondents, the Housing Agency Flanders could also take on various policy initiatives to contribute to expediting investment. This includes organising cross-policy consultations to make unused land and premises from other Flemish government agencies available for social housing. Under the Land and Property Decree, municipalities are required to draw up an inventory of land and premises that are vacant or unbuilt. By analogy with those regulations, the Flemish public services could also pursue a more active policy of stocktaking regarding land and premises. Consultation with the Environment Department (responsible for spatial planning) on conditions for land use for social housing projects was considered impactful. Further optimisation of the project portal, for example by adding concrete planning tools, could serve as a working tool for housing companies facilitating the planning process. It was also suggested that the tasks and competencies of the Housing Agency as a service provider and knowledge institution should be strengthened, for example by offering training courses on new building and renovation techniques. Although there are some reservations among some respondents, the promotion and development of rapid construction formulas (such as prefabrication) was also seen as impactful and desirable, although federal public procurement legislation may make their application difficult.

At the local policy level, several proposals aim to boost investment in social housing by establishing a permanent consultation between municipal departments and housing companies and appointing a project coordinator or task force for major projects. However, some respondents acknowledged that difficulties may arise in setting up such a project team and that the impact can vary depending on the scale of the municipality. One proposal supported by many participants is a long-term strategic plan that covers various policy fields, but many respondents do not see how to implement this in practice. Better alignment of local building codes with social housing design guidelines is also welcomed. Communication, creating a community spirit by promoting neighbourhood events and mutual contact initiatives between residents, for example, can improve the image of and build support for social housing. There was little opposition to proposals to exchange land rights, but their impact was deemed minor. Proposals to allow higher building densities for social housing projects were not considered desirable by respondents.

An easy way for SHAs to increase and accelerate investment in social housing would be to concentrate on simple projects, with fewer stakeholders, less need for coordination, and fewer spatial planning challenges, but such a strategy may prove to come at the expense of project quality and further innovation, and in urban contexts it is also not a realistic strategy. Appointing a project manager at the SHA to actively prospect for land and vacant properties, along with financial support for such prospecting is mentioned as impactful and desirable.

7. Discussion and Recommendations

In this article, we have delved into the complexities surrounding the slow progress of constructing and renovating social housing, along with the underutilisation of allocated budgets. Through an exploration of the institutional context and an analysis of administrative data, complemented by insights from surveys and group discussions with SHAs and municipalities, we aimed to shed light on these issues. Contrary to common discourse that (a lack of) funding is the sole cause of failure to invest in social housing, our findings suggest a more nuanced reality. The slow pace of investment in social housing projects cannot be simplistically attributed to a single factor such as financial constraints but emerges as the outcome of a complex interplay of various factors.

The interplay of these MLG dynamics is apparent in the realm of social housing, where addressing issues such as lead time and investments requires joint efforts and negotiations among stakeholders at different levels. Our analysis portrays the Flemish social housing sector as a complex ecosystem, with the Flemish government setting the overarching policy framework, municipalities overseeing local implementation, and SHAs taking charge of on-the-ground operations. Yet, during our group discussions with both SHAs and municipalities, it became evident that amidst these interactions, it is crucial not to overlook the voices and experiences of citizens. Social tenants and prospective tenants are the ones directly affected by the inadequacies in social housing provision, experiencing first-hand the consequences of prolonged waiting times and insufficient investment. Citizens in general are important for the public support social housing receives; more specifically, protests by residents against social housing projects in their neighbourhood appear to have a significant impact on lead times.

By embracing an MLG perspective, we can dissect the impact of policy decisions, governance structures, and planning practices on the regulation, financing, development, and execution of social housing projects. This comprehensive approach offers valuable lessons not only for Flanders but also for other regions and countries grappling with similar challenges. The Irish case, for instance, demonstrates a lot of similarities. Countries with decentralised governance systems or those undergoing social housing reforms can particularly benefit from understanding the complex interdependencies highlighted in this study. Only through such nuanced analyses can we pave the way for sustainable and effective solutions to the challenges afflicting the social housing sector.

From an MLG perspective, various recommendations can be formulated to address the multifaceted challenges of investments in social housing. Insights from the Project Portal, surveys, and group discussions highlight the crucial need for enhanced collaboration between the Flemish government, municipalities, and SHAs. While these actors often have competing logics (Mullins, 2006), their interests are similar and we can identify several measures that make navigating these competing logics easier and can better address the challenges of investment pace and resource utilisation in the social housing domain.

An initial recommendation is to further develop the Agency for Housing in Flanders as a knowledge institution for housing companies and to enhance support in consultation with the sector. Regarding design guidelines, there should be greater flexibility at the Flemish level concerning deviations from these recommendations, while at the local level, more consideration should be given to Flemish design guidelines. It is imperative to foster a more permanent dialogue among various stakeholders to ensure that support aligns well with the sector's needs.

Another clear recommendation is to promote greater collaboration and dialogue between local governments, housing corporations, and other local actors. For example, municipalities can actively search for land and properties suitable for social housing and better utilise the available finance systems for purchasing land in this endeavour. Additionally, consideration could be given to establishing a permanent dialogue between the housing companies and relevant municipal services.

Furthermore, the Flemish government could enhance coordination and collaboration between different policy domains and relevant services. This could involve establishing a permanent coordination mechanism or dialogue involving representatives from the relevant Flemish policy domains. Additionally, the Flemish government could explore possibilities for leveraging public buildings owned by other (Flemish) entities for the construction of new social housing units or conversion to social housing. Such strategies could be of interest to other countries that face challenges in coordinating between various levels of government and sectors in their social housing policies.

From an MLG perspective, it is also crucial for all these actors to collaborate more effectively to improve the image of social housing. This can be achieved through more constructive communication, highlighting positive stories, and promoting interaction between social tenants and neighbours (van Bortel et al., 2019). By working together to improve the image of social housing, broader societal support for social housing could be cultivated, indirectly leading to more projects being implemented at a faster pace. In this regard, respondents also caution against the potentially negative impact of recent Flemish policy measures on the image of social tenants and, consequently, social housing. Improving the public perception of social housing is not unique to Flanders; this is a challenge that many countries face. The recommendations provided here can serve as a blueprint for other regions aiming to foster a more inclusive and supportive environment for social housing development.

8. Conclusion

The central question in this article is how to explain the delay in the provision of social housing in Flanders in a context where the need for more social housing is widely acknowledged and funds are available. Based on an analysis of administrative data, survey data, and insights from group interviews with representatives of SHAs and municipalities, we conclude that the delay in supply does not have one single cause but can be explained by a wide range of reasons at different points in the planning process. These reasons find their roots in legislation or administrative procedures at different policy levels but can as well be found in the socio-economic context and within the organisational context of SHAs and municipalities.

Many of the problems seem to originate in the mechanisms of coordination in a socio-economic environment that is becoming more and more complex. Given the multifaceted nature of the causes, the proposed measures reflect a similar complexity. The notion of MLG offers a lens through which we can understand the intricate web of interactions and negotiations involved and leads to a range of recommendations for regional (Flemish) policy, for local governments, and for SHAs.

Acknowledgments

The authors would like to thank the members of the guidance committee with representatives from the Flemish Minister of Housing, the Housing Agency Flanders, the umbrella organisations of the social housing

providers and the municipalities, as well as the respondents that participated in the survey and the discussion groups.

Funding

This article is based on research financed by the Flemish government within the framework of Policy Research Centres.

Conflict of Interests

The authors declare no conflict of interests.

References

Czischke, D., & van Bortel, G. (2018). An exploration of concepts and polices on ‘affordable housing’ in England, Italy, Poland and The Netherlands. *Journal of Housing and the Built Environment*. https://doi.org/10.1007/s10901-018-9598-1

De Decker, P., Verstraete, J., & Pannecoucke, I. (2017). Crisis? What crisis? Social renting in Flanders (Belgium) beyond the financial crisis. *Critical Housing Analysis*, *4*(1), 40–51.

Dockx, E., Van den Broeck, K., & Winters, S. (2023). *Investeren in sociaal wonen. Hoe het investeringsritme versnellen en verhogen?* Steunpunt Wonen.

Eizaguirre, S., Pradel, M., Terrones, A., Martinez-Celorrio, X., & García, M. (2012). Multilevel governance and social cohesion: Bringing back conflict in citizenship practices. *Urban Studies*, *49*(9), 1999–2016.

Eurostat. (2024). *Distribution by tenure status, type of household and income group*. https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho02/default/table?lang=en

Housing Agency Flanders. (2024). *Data on budget and allocation of budget for social housing in Flanders since 2013*.

Heylen, K. (2019). *Doelgroepen sociale huur en specifieke segmenten op de woningmarkt*. Steunpunt Wonen.

Heylen, K. (2023). *Woonbeleid en woningmarkt in Vlaanderen vergeleken met de buurlanden en de Belgische regio's*. Steunpunt Wonen.

Marks, G., & Hooghe, L. (2003). Unraveling the central state, but how? Types of multi-level governance. *American Political Science Review*, *97*(2), 233–243.

Meen, G., & Whitehead, C. (2020). *Understanding affordability: The economics of housing markets*. Bristol University Press.

Mullins, D. (2006). Competing institutional logics? Local accountability and scale and efficiency in an expanding non-profit housing sector. *Public Policy and Administration*, *21*(3), 6–24.

OECD. (2020). *Social housing: A key part of past and future housing policy* (Policy Brief). http://oe.cd/social-housing-2020

Pollitt, C., & Bouckaert, G. (2017). *Public management reform: A comparative analysis—Into the age of austerity*. Oxford University Press.

Rhodes, M. L. (2007). Strategic choice in the Irish housing system: Taming complexity. *Housing, Theory and Society*, *24*(1), 14–31.

Scanlon, K., Whitehead, C., & Fernández Arrigoitiana, M. (2014). *Social housing in Europe*. Wiley Blackwell.

Scharpf, F. W. (1997). *Games real actors play: Actor-centered institutionalism in policy research*. Westview Press.

Sørensen, E., & Torfing, J. (2009). Making governance networks effective and democratic through metagovernance. *Public Administration*, *87*(2), 234–258.

Statistiek Vlaanderen. (2024). *Woningen sociale sector*. https://www.vlaanderen.be/statistiek-vlaanderen/bouwen-en-wonen/woningen-sociale-sector#correctie-op-30-augustus-2024

Torfing, J., Peters, B. G., Pierre, J., & Sørensen, E. (2012). *Interactive governance: Advancing the paradigm*. Oxford University Press.

van Bortel, G., Gruis, V., Nieuwenhuijzen, J., & Pluijmers, B. (2019). *Affordable Housing governance and finance*. Routledge.

Vastmans, F. (2024). *Economische Impact van het Vergunningenbeleid in België*. KU Leuven.

Vlaams Parlement. (2021). *Verslag vergadering Commissie voor Wonen en Onroerend Erfgoed van 30 september 2021*.

Winters, S. (2021). *Vlaamse Woonmonitor 2021*. Gompel & Svacina.

Winters, S. (2023). Turbulent times for Flemish social housing. *Journal of Housing and the Built Environment*, *38*, 2659–2668. https://doi.org/10.1007/s10901-023-10063-9

Winters, S., & Van den Broeck, K. (2020). Social housing in Flanders: Best value for society from social housing associations or social rental agencies? *Housing Studies*, *37*(7). https://doi.org/10.1080/02673037.2020.1823329

About the Authors

Sien Winters is head of the research unit Social and Economic Policy and Social Inclusion at the Research Institute for Work and Society (HIVA), KU Leuven. She also is the coordinator of the Policy Research Centre Housing, an interdisciplinary research centre financed by the Flemish government. Her main research topic is finance and the organisation of social housing.

Emmanuel Dockx has a PhD in social sciences, with a specific focus in public governance, public–private collaboration, and social housing issues. He currently works as a data consultant in the Province of Antwerp, Belgium.

Katleen Van den Broeck has a PhD in economics and works as a research expert at the Research Institute for Work and Society (HIVA), KU Leuven. She primarily focuses on the theme of housing and the connection with health, well-being, energy, and sustainable cities. She works on topics such as renovation barriers (for vulnerable households), take-up of support measures (for housing), and social housing.

Urban Planning
2024 • Volume 9 • Article 8595
https://doi.org/10.17645/up.8595

cogitatio

ARTICLE

Open Access Journal

Opening Doors to Affordable Rental Housing: Perspectives of Private Suburban Owners With Unused Housing Space

Mona Bergmann [1], Ulrike Fettke [1,2], and Elisabeth Wacker [1]

[1] School of Medicine and Health, Technical University of Munich, Germany
[2] Centre for Research, Development and Transfer, Rosenheim Technical University of Applied Sciences, Germany

Correspondence: Mona Bergmann (mona.bergmann@tum.de)

Submitted: 30 April 2024 **Accepted:** 28 August 2024 **Published:** 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

This article examines the potential for more affordable housing of privately owned unused housing space in the Munich Metropolitan Region. In order to explore the perspectives on homeownership, tenancy, and renting out, the qualitative assessment is based on interviews with private suburban owners in a rural district within the Munich conurbation sampled with a focus on local and long-term unused housing space with the potential to rent out. The interviews were conducted as part of the project "WohL – Wohnungsleerstand wandeln (Worthy Places From Unused Spaces)." The results indicate that, on the one hand, there is a low potential to activate unused housing spaces for affordable housing, but on the other hand, there are considerable obstacles that stem from the owners' perspective on their properties. Despite expressing a general openness to renting at below-market rates, private suburban owners express concerns and often reject the idea of renting out. There is an interplay of concerns over tenant-related risks, life achievements, and a cautious approach toward renting out that are considered with profit motives against the desire for personal serenity and unrestricted disposal of property. Trust and a wish for ownership autonomy play an important role in renting out, as security, peace of mind, and control are balanced against financial gain. Private suburban owners voice a strong preference for tenants from their personal networks.

Keywords

homeownership; housing affordability; private landlords; rental prices; suburban housing; unused housing space

1. Introduction: The Housing Crisis and Private Owners in Dense German Conurbations

Reports of unoccupied apartments in the millions have recently been discussed in German media (Podjavorsek, 2024), while rents are simultaneously rising. Cities like Munich experience displacement and reduced relocation mobility (Lebuhn et al., 2017; Mete, 2022). While the supply of housing in Germany continues to increase, not all housing space is offered on the housing market (Bundesinstitut für Bau-, Stadt und Raumforschung, 2014, p. 5). Exacerbated by the current inflation, the issue is not only the provision of affordable housing in the metropolitan regions but also in the surrounding areas. There is a mismatch between supply and demand (Holm et al., 2021), an available housing supply that is not fully adapted to current social trends, and unequal access to the housing market (Dewilde, 2022). The social context factors contributing to the housing crisis in Germany include the diversification of lifestyles and family structures, the growing prevalence of more flexible work arrangements, an aging population, and the resulting rise in one-person households (Buffel & Phillipson, 2023, p. 15; Harth & Scheller, 2012, p. 35; Lebuhn et al., 2017; Schmidt et al., 2017, p. 21). What does not align with the housing supply and demographics in Germany is the access to and the distribution of per capita housing space. Results are rising rents and a growing number of housing-deprived groups (Heeg, 2013; Holm, 2014).

Current municipal growth policies often do not meet the needs of the most housing-deprived groups. Interventions in the housing market may unintentionally exacerbate existing problems (Schipper & Schönig, 2021, p. 80) by contributing to displacement and rising rents (Heeg, 2013, p. 93; Holm, 2014, p. 165). Government-subsidized housing projects, intended to alleviate social inequalities, often rely on high-cost investor models that increasingly disadvantage less affluent groups (Fettke et al., 2023b, p. 4). As an alternative, reuse and redistribution of the existing housing supply and reduction of per capita housing consumption are discussed as possible solutions to ease the pressure on the housing market (Mete, 2022). This is the case in the Dachau District in Bavaria, Germany.

Based on a research project on municipal reactivation options for housing, this article examines private suburban owners' (PSOs) perspectives on homeownership, tenancy, and renting out, focusing on those who possess long-term unused housing space in the Dachau District, in the Munich Metropolitan Region. While private ownership rates are generally higher in rural and suburban areas, the Munich agglomeration has a high share of private ownership compared to other German cities and their agglomerations (Rosa-Luxemburg-Stiftung, 2024). Given the considerably high number of local PSOs in the Munich conurbation, understanding their perspectives and their prospects concerning renting out properties is important for understanding the housing crisis and finding solutions.

2. Research on Homeownership and PSOs

Homeownership is a result of historical, social, political, housing, and property availability conditions. Homeownership rates differ between rural and urban regions (Blackwell & Kohl, 2018). This article focuses on the interviews of the research project "WohL – Wohnungsleerstand wandeln (Worthy Places From Unused Spaces)" with owners of (presumably) unused housing space in the Dachau District. They are referred to as private suburban owners (PSOs). Following the definitions of Allen and McDowell for informal landlords (1989, pp. 86–87) and of Cischinsky et al. (2015, p. 29) for small private landlords, as used by März, PSOs are defined as follows:

> Natural persons (in a legal sense) who, individually, as a couple, or as part of a community of heirs possess apartments or houses and…need to be distinguished from other professional owner types in the private rented sector, such as housing associations or companies. (März, 2018, p. 1722)

International studies show that there are PSO-specific considerations with specific regional characteristics when it comes to renting out. As studies from different countries are conducted in different market situations with differing rental conditions, the legal and cultural contexts are to be considered in order to understand motives. The way rental agreements are structured and the attitudes of private homeowners toward renting are closely tied to the specific tenancy laws, which can vary significantly from one state to another.

2.1. International Research on PSOs and Their Renting Out Perspectives

Housing, homeownership, and renting out are questions of socio-economic status (Rowlands & Gurney, 2000, p. 128). According to international studies, private owners may be concerned with profitability and legal compliance and see tenants as risk factors. While landlords in less tight rental markets and in rural or suburban areas are more influenced by social and individual factors (Krohn et al., 1977), private owners in tight urban rental markets are more likely to make profit-oriented decisions (Garboden & Rosen, 2018).

A pioneering study on the logic of the private, "informal" rental sector finds a strong focus on profitability and avoidance of legal problems among private owners who rent out in rural Canada and perceive tenants as risk factors (Krohn et al., 1977). A British study by Allen and McDowell (1989) concludes that non-professional, private property owners ("informal landlords") are less economically focused than investors or commercial property owners. Garboden and Rosen (2018) show, for four US cities, how private landlords' concerns (negative experiences with tenants, financial loss, and unpaid rent), frustrations (with administration and bureaucracy), motivations (focus on profitability), and experiences (unpaid rent and property damage) shape their attitudes toward tenants and influence their willingness to take risks and make concessions. The results of these studies must be interpreted in the context of the specific housing markets and tenancy laws in place at the time and location of each study. Depending on the state, US tenancy law may offer landlords more flexibility than is common in German tenancy agreements, for example.

2.2. PSOs in Germany

Germany is a tenant society (Holm, 2014, p. 11) with one of the lowest ownership rates in Europe (Timm, 2019, p. 16): Only around 42 percent own the property they live in (Destatis, 2024). Nevertheless, the majority of housing in Germany is privately owned, with private ownership rates being particularly high in urban and suburban locations within the federal states of Western Germany (Blackwell & Kohl, 2018, p. 3682; Wolff & Rink, 2019). In addition, private homeowners also dominate the German rental market: Around two-thirds of all 36.9 million rental apartments are owned by private landlords (März, 2018; Statista, 2024)—one of the highest figures in the world. In Germany, open-ended tenancy agreements are the norm.

Studies analyzing housing vacancies find that the owner–property constellation is crucial for the decision of how to use a property (Wolff & Rink, 2019). The owner–property constellation refers to the context of ownership. It encompasses a range of factors, including the structure of ownership, the form and purpose of usage, the financial means available, and the custody arrangements. Research on vacancies and unused housing divides its causes into structural and owner-related (Bundesinstitut für Bau-, Stadt und Raumforschung, 2017; Wolff & Rink, 2019) as well as intentional and indirect (Arnold, 2019, pp. 25–27). The proportion of unused housing space, the ownership structure, and the dwelling types vary according to the characteristics of the region in question. In this context, it has been observed that PSOs either wait for municipal efforts to reuse unused living space or reject decisions on urban development (Schmidt et al., 2017, p. 28).

Research on PSOs reveals a diversity of perspectives and incentives regarding rental considerations. The decisions for not renting out have not yet been investigated for prosperous German metropolitan regions. Although there is a body of research (particularly within the Commonwealth context) examining the perspectives and motivations of PSOs who engage in rental activities, there is a notable dearth of research exploring the perspectives of PSOs who possess unused space but do not rent out. Given the comparative significance of private property owners in Germany, the perspectives of PSOs play a crucial role. In the light of the housing affordability crisis, PSOs can open doors to unused housing space on the municipal level.

3. Research Design: PSO Decision-Making Reported in Problem-Centered Interviews

This article looks at a specific aspect of the interviews conducted as part of the community-based participatory and multi-method research project WohL. The WohL project explored backgrounds, motives, and municipal options for reusing privately owned unused housing space in the 17 communities of Dachau—a rural district with a suburban profile. One component of WohL is qualitative in-depth interviews with PSOs from the Dachau District who own unused housing space with the potential to rent out, either in their own homes or in other houses in the municipalities.

3.1. Interview Background: Worthy Places From Unused Spaces

The Dachau District (see Figure 1) offers attractive transport, infrastructure, and slightly lower living and housing costs compared to Munich, and has a suburban profile. In line with Menzl (2007, p. 49), the term suburban in the research context of WohL generally refers to a development pattern typical of the German suburban type of settlement with its structurally defining characteristics. These characteristics include a predominance of owner-occupied housing, a focus on residential areas, high commuter rates, limited employment opportunities within the settlement form, and milieu-specific homogeneity (Menzl, 2007, p. 48). Most of the Dachau District is characterized by detached houses with only a few multi-story buildings (Fettke et al., 2023b, p. 4). Compared to Munich, there is only minimal investment from external financiers or real estate speculators. As is typical in rural and suburban areas, the majority of homes and vacant housing are owned by private individuals.

In cooperation with the municipalities, WohL identifies privately owned, unused housing space as a critical reservoir of housing, and aims to uncover feasible solutions and opportunities (Wacker et al., 2021). The WohL study defines unused housing space as buildings, residential units, or units with residential potential that have not been used as housing space for at least six months and can be opened up as living space with reasonable effort (Fettke et al., 2023a, p. 2016). Given the definition, the proportion of unused housing space in the Dachau District ranges from five to seven percent (Wacker et al., 2021, pp. 12–13), exceeding the expected fluctuation reserve (Bundesinstitut für Bau-, Stadt und Raumforschung, 2017, p. 7). The fluctuation reserve refers to short-term, market-active vacancies resulting from a typical change of tenant and is necessary for a functioning housing market in order to enable relocation processes, as well as maintenance and modernization activities. Estimates for the necessary fluctuation reserve vary between two and five percent.

Figure 1. Locating the Dachau District: (1) Dachau District; (2) City of Munich. Own illustration.

Assuming that housing and living space are not merely physical dimensions but social constructs (Berger & Luckmann, 1969), subject to socio-cultural processes of space production, unused housing space is continuously reshaped by human activities and decisions, embedded in cultural practices and meanings (Belina, 2013, p. 81). Through this lens, the perspectives of PSOs reflect social constructions that are crucial for decisions regarding the use of space.

According to Boholm et al. (2013), one's own decision-making horizon encompasses attributions that are applied to the conduct of others and potential risks of action, as well as conclusions regarding the consequences of such actions on those individuals (Boholm et al., 2013, p. 104). Decisions are based on "common sense" (Sutter, 2016) or "everyone's consciousness" (Berger & Luckmann, 1969). The common sense referred to here is the knowledge of the world that is secure, socially proven, and based on experience (Sutter, 2016, p. 44). This knowledge contributes to the understanding of everyday decision-making by shedding light on how decisions are socially embedded, culturally informed, and bestowed with meanings (Boholm et al., 2013, pp. 106–107). Subjective narrations always include justifications for procedures and decisions (Berger & Luckmann, 1969). It is therefore important to consider the underlying perspectives and experiences within the owner–property constellation that influence the decision regarding renting out.

3.2. Interviewee Profiles: PSOs From the Dachau District

The analysis of the PSO perspectives is based on 17 problem-centered interviews (Witzel, 2000) of the WohL study. Two respondents from WohL were not included in this assessment (B1 and B3), as the interviews did not contain information about perspectives on renting out or the interviewee did not fit the criteria of a PSO.

The interviewees were recruited in the Dachau District through letters from the mayors of the municipalities, who are respected and trusted authorities at the local level. Further calls for participation were placed in communal newsletters and through appeals at citizens' community assemblies. Additionally, the municipalities shared the WohL call online in their social networks and orally in local institutions and meetings. It is not a systematic sample, and the response rate was rather modest: Participation was voluntary, there were contact restrictions during the Covid pandemic, and housing and property are considered very private topics. Additionally, there may have been concerns about local authorities wanting to monitor and sanction unused housing.

The interviews were conducted from June 2022 to May 2023, with a duration range from 39 to 148 minutes, involving 22 participants (B2 to B19, see Table 1). On four occasions, spouses or relatives were interviewed together. The professional profiles of the respondents can be classified as middle to upper-middle class, and their ages range between 44 and 82 years.

All respondents except one reported living in their own properties. The properties are either detached or semi-detached houses, with the exception of one owner-inhabited and one rented apartment. With five exceptions—particularly B17a and B17b, who run two apartment houses, and B19, who considers real estate as portfolio diversification—the respondents stated that they acquired their properties without the primary intention of renting them out. The respondents can be divided into two groups: those with unused housing space in their own residence (resident owners), mostly lodger apartments, and those with unused housing space in another property (non-residents). Ten participants with unused housing space (from eight interviews) stated that they currently rent out other spaces. Most interviewees reported prior experience with renting out. Table 1 shows the sample in more detail.

Table 1. List of interview partners and their properties.

	Personal situation	Type of unused space (resident owners)	Type of unused space (non-resident owners)	(Additional) property acquisition for rental purpose	Former renting out experience	Currently renting out
B2	living with family in owner-inhabited apartment, working	lodger apartment	—	unknown	no	—
B4	living alone in owner-inhabited house, working	additional rooms/floor	—	no	yes	apartment
B5	living alone in owner-inhabited house, working	—	single-family house in need of renovation	no	unknown	—
B6a, B6b	couple living in owner-inhabited house, retired	lodger apartment	—	no	no	—
B7	living alone in owner-inhabited house, retired	lodger apartment	—	no	no	lodger apartment

Table 1. (Cont.) List of interview partners and their properties.

	Personal situation	Type of unused space (resident owners)	Type of unused space (non-resident owners)	(Additional) property acquisition for rental purpose	Former renting out experience	Currently renting out
B8	living with family in owner-inhabited house, working	—	single-family house in need of renovation	no	yes	detached house
B9	living with spouse in owner-inhabited house, working	unused rooms	single-family house in need of renovation	no	unknown	—
B10	living alone in owner-inhabited apartment, working	—	single-family house	yes	yes	—
B11	living alone in owner-inhabited house, working	lodger apartment	—	no	no	—
B12a, B12b	couple living in owner-inhabited house, working	unused rooms	—	no	yes	—
B13a, B13b	couple living in owner-inhabited house, retired	—	single-family house in need of renovation	no	no	—
B14	living alone in owner-inhabited house, working	—	—	yes	yes	single-family house
B15	living alone in owner-inhabited house, retired	unused rooms	—	no	yes	—
B16	living with family in owner-inhabited house, working	lodger apartment	—	no	yes	semi-detached house
B17a, B17b	parent living in owner-inhabited house, retired; adult child living for rent, working	unfinished attic, convertible to living space	apartment	yes	yes	two apartment houses
B18a, B18b	couple living in owner-inhabited apartment, working	—	apartment house in need of renovation	yes	yes	two apartments
B19	living with spouse in owner-inhabited house, retired	—	industrial building, renovation needed	yes	yes	several apartments

3.3. Interview Method: Surveying Personal Perspectives and Experiences

The semi-structured guideline of the problem-centered interview (Witzel, 2000) offered both focus on the PSO perspective as well as openness for narrations (Witzel & Reiter, 2012). Aligned with the focus on backgrounds, experiences, and meanings, the interviews included questions about homeownership, tenancy, and renting out:

- How was the space used in the past?
- What are your plans for the unused space in the next 10 years?
- Under what conditions can you imagine reusing the space?
- What forms of reuse do you consider?
- What are your reasons for not considering renting out?

The interviews were analyzed using Strauss' (1987) inductive frame to ensure openness and depth. To begin, the qualitative interviews were pre-categorized by the type of vacancy and the type of owner. The analysis proceeded through three stages: identifying themes through open coding, exploring relationships via axial coding, and developing case-specific explanations using selective coding (Strauss & Corbin, 1998). For this article, statements related to renting out, tenants, and owner–property constellations were analyzed and interpreted. Therefore, the interviews were categorized along the following three dimensions:

- Statements on owner–property constellations
- Perspectives towards tenants
- Perspectives towards renting out (and rent levels)

As the semi-structured format generated extensive responses, the three topics were discussed in different phases of the interviews and at different levels of detail. The interviews were translated from the original German transcripts (for the original quotes, see Table 2) into English for this article and anonymized using randomized numbers.

4. Empirical Findings: Underlying Perspectives on Housing and Tenure

The personal perspectives and beliefs are presented regarding the three dimensions of (a) owner–property constellations (homeownership), (b) tenants, and (c) renting out. The majority of respondents started out as one-time buyers with no intention of regularly renting out their properties at the time of purchase (with the five exceptions mentioned). The properties were acquired as a result of various circumstances, including relocation, relationship dissolution, inheritance, or death. The recurring perspectives reflect a comprehensive picture of unused housing space as a reproduction of status, personal success, social relations, and existing views on tenants and renting out.

4.1. Homeownership as Status and Personal Success

In the interviews, homeownership is generally presented as an unquestioned and self-evident life goal. For example, many interviewees emphasize how they have earned their housing properties through hard work. The interviewees believe that they have earned the right to decide about their houses according to

Table 2. List of interview quotes in original language.

	Original Quote
Section 4.1	Und das ist alles, die Möbel teilweise, hab ich alles selber, selber habe ich die mir aufgemalt und habe das beim Schreiner alles machen lassen. Ich habe da gewisse finanzielle Möglichkeiten auch. (B4)
Section 4.1	Arbeit muss sich lohnen und ich sag, Vermieten muss sich auch lohnen. (B14)
Section 4.2	Da, äh, 's ein Fall in der Zeitung gestanden. Das war ein Extremfall, aber aufgrund von..., weil eben der Druck oder der Wohnungsdruck so hoch ist, hat eine Dame, hat ihren Vermieter niedergestochen. Also ich will das jetzt nicht..., das ist ein Extremfall. Aber Sie kommen ja da in Situationen, in konfliktrechtliche Situationen rein, wo Sie sagen, „ja muss ich das haben?" Und dann im eigenen Haus, ja um Gottes Willen. Und da habe ich halt auch aus dem Bekanntenkreis auch Vermieter oder wo man hört, die dann solche Fälle auch durchgemacht haben. (B16)
Section 4.2	Aber der Mieter, dem ist das Wurscht, weil das ist ja nicht seine Immobilie, die wo da kaputt geht oder in Mitleidenschaft gezogen wird. Das sind jetzt, wie gesagt, sogenannte Kleinigkeiten, sag ich jetzt mal. Aber dich ärgert´s, und du stehst daneben und hast halt solche Augen. Und denkst dir: Gute Miene, zum bösen Spiel. Darf man nichts sagen, weil man kommt ja wirklich sehr gut aus so.... Was da alles so anfällt, das wird halt dann auch nicht so gemacht, wie man sich das wünscht. Und was machst, kannst du ja jetzt nicht sagen, ich bin ja nicht dem sein... [Chef], kann ja nicht sagen, hey antreten zum.... Gut, der eine macht den Garten gut, der ander' macht ihn weniger gut. (B14)
Section 4.2	Ich will aus der Arbeit heimkommen, und ich will mich—ja, ich will heimkommen um zu schlafen. Ich will heimkommen zum Entspannen. Und wenn ich weiß: Okay, es ist kein Segen hier im Haus, dann ist es keine Entspannung. (B10)
Section 4.3	Ja, Bekanntenkreis. Auch ich kenne die Person. Ganz klar, der erste Schwellpunkt ist eigentlich: Kann man sich es vorstellen? Wenn man diese Frage mit ja beantwortet, dann kommt eigentlich die Frage ums Geld.... Aber ich glaube unter Bekannten macht man so etwas, zu Bekannten hat man so ein großes Vertrauen. (B10)
Section 4.3	Wir waren persönlich bekannt. Wir kannten sie gut, und wir wussten auch, dass, wenn was ist, dass sie mir keine Steine in den Weg legt. Und auch wie das mit der Heizung war [Ausfall, Anm. d. Befragenden] hat sie es hingenommen, paar Tage ohne Heizung zu sein, da wurde nicht die Miete gekürzt, da wurde nicht ins Hotel gegangen auf unsere Kosten, auch hat man halt gemeinsam geschaut. (B18a)
Section 4.3	Und ich sag mal, darum verstehen wir uns auch so gut, weil der kennt mich ganz genau. Und ich hab in den 18 Jahren, oder was das jetzt sind, hab ich zweimal die Miete erhöht. Das muss man sich mal vorstellen, und ich war von Anfang an nicht unverschämt. (B14)
Section 4.3	Ich hab das als Abschreibe-Objekt genutzt, weil ich brauche die Mieten jetzt, in Anführungszeichen, aktuell nicht. Sonst zahle ich an das Finanzamt. Bevor ich ans Finanzamt zahle, stecke ich die Kohle einfach da rein, weil dann ist Wurscht. (B2)

their own ideas, by the notion that "work must be worthwhile and...renting out must also be worthwhile" (B14). In addition, the respondents associate their homes with retreat (in terms of relaxation, privacy, and peace and quiet), self-realization, and socio-economic achievement (through hard work, as a status symbol). Thus, the properties are valued for their economic and emotional worth.

Only four of the PSOs surveyed perceive the (unused) property purely as a financial investment. The remaining respondents did not acquire their properties for the purpose of renting them out or making a monetary profit in any other way, but for the objective of long-term self-use as living space and home. Instead, the majority of respondents, especially those residing in the properties with unused housing space, view their properties as lifelong homes for them and/or their families and a means of providing for their retirement. The construction of the considerable amount of unused lodger apartments among the resident owners is primarily motivated by traditional considerations, such as accommodation for family members and refinancing a loan through temporary rentals.

A related theme common among the respondents is their substantial investment in their property, including financial, emotional, and temporal resources. The interviewees generally describe themselves as financially secure and are prepared to make corresponding investments. Despite their financial possibilities, many PSOs report undertaking minor renovations and interior design themselves. They mention possessing the requisite expertise and show willingness to execute the work themselves as well as pride about the work accomplished: "Some of the furniture I did myself. I designed it myself and had it all done by a carpenter. I do also have certain financial possibilities" (B4). A notion among most respondents is that they feel proud of their homes. They value property management autonomy as crucial as they appreciate being able to organize their homes according to their own preferences (B4, B6a, B6b, B13a).

4.2. Perspectives on Tenants: Potentially Disruptive Tenants Versus Owners in Need of Peace and Quiet

All respondents show a general reluctance toward renting out their properties to third parties. This reluctance is associated with concerns over the potential for increased efforts and investments, loss of property autonomy, and the possibility of stressful relationships with tenants.

Firstly, homeowners are concerned that the costs associated with renting out, such as renovations, may not be offset within their lifetimes, without presenting a more detailed economic analysis. In many cases, interviewees have already planned the possible future use of their currently unused housing space, for example housing their children or parents with possible care needs, and are reluctant to risk the prospects by renting it out. Respondents view German tenancy law as more tenant-friendly, believing it imposes greater restrictions on owners. They are particularly critical of the lack of limited notice periods, the lack of fixed-term rental contracts, and unfavorable tax conditions for rental properties in Germany.

Secondly, a common argument among the respondents against renting out is the worry that the property is run down, and the perceived lack of means to effectively address possible issues with tenants like property damage or tenant nomads. Respondents are concerned that tenants will not care for the property as they themselves would, a sentiment particularly strong among non-resident owners. These concerns are often reinforced by second-hand stories of tenant-related issues, such as property damage or unpaid rent. For instance, one interviewee illustrated his preoccupation with a news story:

> There was a case in the newspaper. It was an extreme case, but because of the pressure…the pressure of housing being so high, a lady stabbed her landlord. So I don't want to…that's an extreme case. But you get into conflict situations where you say well, do I have to have this? And then in your own home, for God's sake. And I also have landlords in my circle of acquaintances or people I know who have been through such cases. (B16)

Anecdotes like this contribute to the apprehension about renting. The interviews provide evidence for the assertion that those who have not purchased a property with the intention of renting it out have not given much consideration to the possibility of doing so—which is also due to a lack of financial necessity.

Those with renting experience generally reported positive outcomes. Actual unfavorable experiences with tenants mostly involve encounters of everyday life, such as disputes over maintenance tasks and the use of shared space, such as clearing snow, raking leaves, gardening, and the usage of the entrance area. One interviewee recounts how he observed a tenant driving a snow-covered car into their garage without clearing it first, and chose not to confront the tenant to maintain harmony:

> But the tenant doesn't care, because it's not his property that's being damaged or affected. As I said, these are so-called small things, I'll say that now. But it annoys you, and you're standing next to it, and your eyes are like that. And you think to yourself: good face, bad game. And you are not allowed to say anything because you really get along very well otherwise....Sometimes all the things that have to be done are not done the way you [the property owner] want them to be done. And what do you do....I'm not his [boss], I can't say, hey, line up to it....Well, one person does a good job in the garden and the other does a less good job. (B14)

Other than that, an instance of additional expenses from old furniture left by former tenants and two instances of unpaid rent were reported. Those examples emphasize the importance of the home as a place for recreation and harmony as well as a desire for control—to which tenants are considered a threat.

Thirdly, PSOs express concern that renting out involves additional sources of conflict, noise, and the sharing of property, which they perceive as restricting the owner's autonomy:

> And I don't want to fight about it. I want to come home from work and I want to relax—yes, I want to come home to sleep, I want to come home to relax. And if I know: Okay, it's not a respite here in the house, then there is no relaxation. (B10)

This concern is particularly prevalent among resident owners, as subletting would necessitate sharing a larger portion of the property, such as the garden, garage, or entrance, which they perceive as impacting the owner's privacy and peace. The examples illustrate how the domestic environment is seen as a space for relaxation, harmony, peace, and quiet. There is a strong desire for control, and tenants are perceived as a potential source of disruption.

4.3. Perspectives on Renting Out: Sharing Resources Meets Caring and Troubleshooting

The PSO perspectives on renting out are characterized by perceived risk mitigation, a preference for trusted acquaintances, a desire to avoid conflicts, and a reluctance to charge rent levels deemed inappropriate. Respondents believe that allowing tenants to occupy a property can result in increased costs, time commitments, and emotional stress. To mitigate these risks, they want to ensure control over the selection of tenants and the conditions of tenancy. Knowing someone personally, or having a potential tenant recommended by a trusted acquaintance, seems to be a safe bet:

> Yes, circle of acquaintances. I also know the person. Clearly, the first threshold is actually: Can you imagine it? If the answer to this question is yes, then the next question is actually about money....But I think you do things like that among your circle of friends, you have so much trust in people you know. (B10)

> We were personally acquainted. We knew her well, and we also knew that if anything happened, she wouldn't put any obstacles in my way. And also when there was the thing with the heating, she also put up with being without heating for a few days... the rent wasn't cut, didn't go to a hotel at our expense, we just saw how we could manage it together. (B18a)

The respondents value maintaining a positive tenant relationship without conflict, as they would be responsible for managing the tenancy themselves. Those who are already renting out property prioritize maintaining stable, long-term tenant relations and avoiding administrative expenses over maximizing rental income. This sentiment is equally significant for both resident and non-resident owners. The respondents indicate that they charge rents ranging from 7 euros to 10 euros per square meter, which is clearly below the local authority's rent index at the time of the interviews (11 euros to 13 euros). There were no mentions of rents above the index. These statements could be interpreted as a commitment to affordable housing:

> And I say that's why we get on so well because he knows me really well. And in the 18 years, or whatever it is now, I've raised the rent twice. You have to imagine that, and I wasn't excessive from the start. (B14)

A third of the respondents express discomfort about maximizing profits at the expense of tenants and charging rents they consider too high. Their ideas of an appropriate rental price deviate downwards from the rental market. This aligns with the notion of not depending on rents as a further source of income:

> I used it as a depreciable asset because I do not need, so to say, the rents at the moment. Otherwise, I would pay the tax office. Before I pay the tax office, I just put the money in there. (B2)

Concerns over tax implications influence these decisions as incomes from rental activities, also when carried out without the intention of making a profit, must be declared to the tax office. The income may then be taxed additionally, especially in cases where rents below the index are regarded as an advantage. In light of the prevalence of unused housing space and the financial flexibility available, it appears that there is minimal financial incentive to rent out among the interviewees.

Overall, the interviewees view homeownership, including living in their own home, their own residential situation, and looking after their own property, in contrast to the rather negative perception of tenants and renting out.

5. Discussion of Findings

The PSO perspectives offer insights into contrasting social constructions of homeownership, tenants, and tenancies, within the opportunities and limitations inherent in the theoretical and methodological approach. The opportunities include unique access to PSOs through trusted local stakeholders or municipal officials, allowing for a deeper understanding of the heterogeneous reality. Limitations are the small response group as well as the fact that owners of unused housing space who did not respond to participation requests could not be included.

5.1. Homeownership With Positive Self-Image

The positive social construction of homeownership must be reflected in its socio-cultural embedding. With two exceptions (B12a, B12b), the interviewed PSOs are (in regard to their owner-inhabited houses) typical German "one-time-buyers" (Timm, 2019, p. 17) who prefer to settle in one place and house for a lifetime (Kohl, 2017, p. 170). This is quite different from other Western industrial countries, especially Great Britain, the US, and Canada, where property acquisition is rather pursued as a continuous and exchangeable investment (Timm, 2019). Except for the four cases where financial motivations are also stressed, the property occupation serves family-oriented, home-bound, precautionary, existence-stabilizing, and self-realizing motives. The perception of home and property as a place for regeneration, rest, and retreat is rooted in socio-cultural contexts where the home is not only an investment but also a personal and "clearly a private space" (Harth & Scheller, 2012, p. 78). These primary dimensions of housing are well-known in German housing sociology (Harth & Scheller, 2012, pp. 78–88; Schmitt et al., 2006, pp. 106–110) and demonstrate a high level of identification with one's home common among German owners. In this context, it is typical in rural areas in Germany to view housing property acquisition as a worthwhile life goal, achievable through hard work and the "personal contribution by the prospective owners in the form of manual labour" (Timm, 2019, p. 17).

The reported decision-making processes on renting out reveal socio-culturally influenced conceptions of tenants and tenancy—renting out to strangers remains an abstract idea for many respondents. According to the concept of common sense and everyday thinking, distorted risk considerations derive from "horizons of experience and expectation" (Sutter, 2016, p. 47) and are rooted in common beliefs. In this regard, second-hand stories might be interpreted as a justification for not renting out empty apartments and houses—given the assumption that there are perceptions of social expectations to let unused housing space.

5.2. Critical Perspectives on Tenants

The skepticism toward tenants and legal rental requirements is in line with Garboden and Rosen (2018), who found that private landlords generally tend to believe that law and courts rather side with tenants. The PSO perception of homeownership as a significant life achievement leads to the conclusion that property management autonomy and harmony within the home are important considerations. Similar to the observations made by Allen and McDowell (1989, p. 86), PSOs exhibit a tension between the perception of their property as something personal and as a potential source of economic gain, though their financial focus is weaker compared to other types of owners. This is especially evident among respondents who acquired the housing space for their own use or via inheritance. The strong articulation of a desire to maintain control over their property during the rental period can manifest itself in various ways, including resentment toward renting out or a refusal to allow tenants any right to treat the rented space as anything other than the owner's property (Allen & McDowell, 1989, p. 89), which can be observed here.

The decisions not to rent out unused space are supported by anecdotal concerns based on second-hand stories rather than personal experiences with tenants as well as a limited financial reliance on rental income. Our findings are consistent with März's analysis (2018, pp. 1731–1736) of the decision-making process of

German PSOs regarding energy-efficiency investments, which often view tenants as risk factors and harbor prejudices against tenants, including concerns that tenants do not take proper care of the property and are a potential source of conflict. However, other studies, such as by Krohn et al. (1977) and Garboden and Rosen (2018), have found that actual negative experiences with tenants play an important role in rental decisions—a factor not comparably present in our study. One explanation for these disparities is the different contexts and settings in terms of socio-cultural embedding, tightness of rental markets, financial saturation of property owners, and the eminence of the housing affordability issue.

5.3. Options for Renting in Narrow Corridors

When it comes to renting out, the interviewed PSOs indicate a preference for reliable individuals for long-term use, a sentiment especially strong among resident owners. Renting is not depicted as a financial necessity. Financial considerations are balanced against other interests such as peace of mind, privacy, and minimizing administrative costs and efforts. The respondents attach great importance to self-determination over their own properties and to the avoidance of additional effort and investment. There is an association of renting out with a potential loss of control and autonomy over their properties.

PSOs generally prefer stable, long-term tenants with whom there can be a peaceful relationship of trust requiring little administrative effort, as previously shown (Krohn et al., 1977). In principle, the majority of respondents report a willingness to charge affordable rents that correlate with the owners' financial situation. The preference of PSOs for renting out to individuals they perceive as likable, reliable, or familiar, to maintain tranquility and control, is well known in the literature, especially for resident landlords. The PSO acceptance for rents below the rent index among private owners is in line with studies for the German (Henning, 2014) and British suburban context (Crook & Kemp, 2010), which show that PSOs tend to offer slightly below-average rents compared to other owner groups (Allen & McDowell, 1989, p. 86; Crook & Kemp, 2010, p. 187; Henning, 2014, p. 353). This sentiment aligns with a desire to reduce administrative costs while allowing for more personalized people-oriented rental agreements. The preparedness to rent out to acquaintances reflects the socio-cultural embedding (Sutter, 2016, p. 45) of renting decisions.

However, there is a mistrust towards tenants and tenancies anchored in the everyday mind of homeowners, which is not offset by any financial pressure to rent out. The potential for reuse is particularly evident in relation to relatives, known individuals, and people with social similarities, which is also confirmed by studies on landlord preferences (Fettke et al., 2023b; Henning, 2014). At first glance, this potential for rather family-based, community-internal reuse appears to facilitate the formation of homogeneous neighborhoods. However, with the assistance of municipal guidance, other groups of housing seekers may also be introduced as trustworthy to PSOs.

Given the finding that PSOs perceive housing property as a resource to dispose of as they see fit, research on the perspectives of landlords can provide valuable insights for addressing the housing affordability crisis. Furthermore, it is crucial to explore the affordability potential of other housing-related factors, such as public housing, and evaluate the specific outcomes of proposed solutions within their context to effectively address affordability challenges.

6. Conclusion: Can PSOs Open Doors to Affordable Rentals?

This article shows that the PSO considerations on renting out include socio-cultural constructions of homeownership and renting out, financial considerations, a personal sense of attachment and responsibility towards their properties, and an assessment of the potential tenants. Opening the doors for the reuse of unused spaces is not easy from a PSO perspective. Emotional value, family tradition, and a desire for control influence the choice. PSOs show some preparedness to provide affordable rents to selected individuals. Here, the building of bridges between PSOs and housing seekers through local government policies is a fruitful option. This might give an advantage to local housing seekers with lower incomes but high levels of credibility, familiarity, and social capital. Building bridges in the community will further encourage PSOs to reconsider their reluctance to rent out unused housing. Against the challenge of a housing affordability crisis, understanding the owner–property constellation is essential to creating effective incentives to reuse unused housing space through renting out.

Acknowledgments

We would like to express our sincere gratitude to our interview participants for their willingness to participate in this study and for their valuable time. We are particularly thankful for the financial support of the Bavarian State Ministry of Housing, Construction, and Transport, the Government of Upper Bavaria as well as the Dachau District and its municipalities. We would also like to thank the municipalities, and in particular the mayors, for their valuable and excellent cooperation over the past three years.

Funding

Bavarian State Ministry of Housing, Construction, and Transport; Government of Upper Bavaria; Dachau District and its municipalities.

Conflict of Interests

The authors declare no conflict of interests.

References

Allen, J., & McDowell, L. (1989). *Landlords and property: Social relations in the private rented sector*. Cambridge University Press.

Arnold, G. (2019). *Handlungszentrierte Perspektiven auf Leerstand in wachsenden Städten und Metropolregionen Deutschlands: Strategien, Konflikte, Empfehlungen* [Unpublished doctoral dissertation]. Universität Mainz.

Belina, B. (2013). *Raum. Zu den Grundlagen eines historisch-geographischen Materialismus*. Westfälisches Dampfboot.

Berger, P. L., & Luckmann, T. (1969). *Die gesellschaftliche Konstruktion der Wirklichkeit: Eine Theorie der Wissenssoziologie*. Fischer.

Blackwell, T., & Kohl, S. (2018). How history and housing finance matter to housing form and homeownership rates. *Urban Studies*, *55*(16), 3669–3688.

Boholm, A., Henning, A., & Krzyworzeka, A. (2013). Anthropology and decision making: An introduction. *Focaal: Journal of Global and Historical Anthropology*, *2013*(65), 97–113.

Buffel, T., & Phillipson, C. (2023). *Ageing in place in urban environments. Critical Perspectives*. Routledge.

Bundesinstitut für Bau-, Stadt und Raumforschung. (2014). *Aktuelle und zukünftige Entwicklung von Wohnungsleerständen in den Teilräumen Deutschlands. Datengrundlagen, Erfassungsmethoden und Abschätzungen*.

Bundesinstitut für Bau-, Stadt und Raumforschung. (2017). *Lücken in der Leerstandsforschung—Wie Leerstände besser erhoben werden können* (BBSR-Berichte KOMPAKT 02/2017).

Cischinsky, H., Kirchner, J., Vaché, M., Rodenfels, M., & Nuss, G. (2015). *Privateigentümer von Mietwohnungen in Mehrfamilienhäusern* (BBSR-Online-Publikation No. 02/2015). Bundesinstitut für Bau-, Stadt und Raumforschung.

Crook, T., & Kemp, P. A. (2010). *Transforming private landlords: Housing, markets and public policy*. Wiley.

Destatis. (2024). *Wohnen: Eigentumsquote* [Data set]. https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Wohnen/Tabellen/tabelle-eigentumsquote.html

Dewilde, C. (2022). How housing affects the association between low income and living conditions-deprivation across Europe. *Socio-Economic Review*, *20*(1), 373–400.

Fettke, U., Bergmann, M., & Wacker, E. (2023a). Leerstand im Speckgürtel?! In Allianzen Inklusivität und Individualität bei der Wohnraumnutzung gestalten. In D. Hunold, E. Brauer, & T. Dangelmaier (Eds.), *Stadt. Raum. Institution* (pp. 207–223). Springer.

Fettke, U., Bergmann, M., & Wacker, E. (2023b). Soziale Diversität in angespannten Wohnungsmärkten? Wohnungsleerstand trifft Lebenswelt—Partizipativ gewonnene Skizzen zu polarisierender Wohnraumnutzung. In P.-I. Villa (Ed.), *Polarisierte Welten. Verhandlungen des 41. Kongresses der Deutschen Gesellschaft für Soziologie*. German Sociological Association.

Garboden, P. M. E., & Rosen, E. (2018). Talking to landlords. *Cityscape: A Journal of Policy Development and Research*, *20*(3), 281–291.

Harth, A., & Scheller, G. (2012). *Das Wohnerlebnis in Deutschland. Eine Wiederholungsstudie nach 20 Jahren*. Springer.

Heeg, S. (2013). Wohnungen als Finanzanlage: Auswirkungen von Responsibilisierung und Finanzialisierung im Bereich des Wohnens. *sub\urban*, *1*(1), 75–99.

Henning, A. (2014). Mietpreisniveaus verschiedener Eigentümergruppen: Standortspezifische Betrachtungen vor dem Hintergrund der Internationalisierung der Wohnungswirtschaft. *Raumforschung und Raumordnung*, *72*(4), 337–356.

Holm, A. (2014). *Mieten Wahnsinn: Warum wohnen immer teurer wird und wer davon profitiert*. Knaur.

Holm, A., Regnault, V., Sprengholz, M., & Schipper, S. (2021). *Die Verfestigung sozialer Wohnversorgungsprobleme: Entwicklung der Wohnverhältnisse und der sozialen Wohnversorgung von 2006 bis 2018 in 77 deutschen Großstädten*. Hans Böckler Stiftung.

Kohl, S. (2017). *Homeownership, renting and society. Historical and comparative perspectives*. Routledge.

Krohn, R. G., Fleming, B., & Manzer, M. (1977). *The other economy: The internal logic of local rental housing*. P. Martin Associates.

Lebuhn, H., Holm, A., Junker, S., & Neitzel, K. (2017). *Wohnverhältnisse in Deutschland—Eine Analyse der sozialen Lage in 77 Großstädten*. Hans-Böckler-Stiftung.

März, S. (2018). Beyond economics—Understanding the decision-making of German small private landlords in terms of energy efficiency investment. *Energy Efficiency*, *11*(1/2), 1721–1743.

Menzl, M. (2007). *Leben in Suburbia. Raumstrukturen und Alltagspraktiken am Rande von Hamburg*. Campus Verlag.

Mete, S. (2022). Towards degrowth housing development? Lessons from a scenario-based gaming session in the Oslo region. *Local Environment*, *27*(4), 517–536.

Podjavorsek, P. (2024, January 23). *Spekulieren statt vermieten: Leerstand trotz Wohnungsnot*. ZDF. https://www.zdf.de/politik/frontal/wohnungsmarkt-leerstand-trotz-wohnungsnot-spekulation-104.html

Rosa-Luxemburg-Stiftung. (2024). *Wem gehört die Stadt?* https://www.wemgehoertdiestadt.de

Rowlands, R., & Gurney, C. (2000). Young people's perceptions of housing tenure: A case study in the socialization of tenure prejudice. *Housing, Theory and Society*, *17*(3), 121–130.

Schipper, S., & Schönig, B. (2021). Die ewig neue Wohnungsfrage! Auf den Spuren bundesdeutscher Debatten zur sozialen Wohnraumversorgung. In B. Egner, S. Grohs, & T. Robischon (Eds.), *Die Rückkehr der Wohnungsfrage: Ansätze und Herausforderungen lokaler Politik* (pp. 77–98). Springer.

Schmidt, H., Vollmer, M., Ossig, T., Christmann, D., & Fischer, T. (2017). *Fokus Wohnungsleerstand. Ausmass—Wahrnehmung—Kommunale Reaktionen*. Wüstenrot Stiftung.

Schmitt, J., Dombrowski, J., Seifert, J., Geyer, T., & Murat, F. (2006). *Einfamilienhaus oder City? Wohnorientierungen im Vergleich*. Springer.

Statista. (2024). *Verteilung der bewohnten Wohnungen in Deutschland im Jahr 2018 nach Eigentümer bzw. nach Vermieter* [Data set]. https://de.statista.com/statistik/daten/studie/1064675/umfrage/verteilung-der-bewohnten-wohnungen-in-deutschland-nach-eigentuemer-oder-vermieter

Strauss, A. L. (1987). *Qualitative analysis for social scientists*. Cambridge University Press.

Strauss, A. L., & Corbin, J. (1998). *Basics of qualitative research: Techniques and procedures for developing grounded theory*. Sage.

Sutter, O. (2016). Alltagsverstand. Zu einem hegemonietheoretischen Verständnis alltäglicher Sichtweisen und Deutungen. *Österreichische Zeitschrift für Volkskunde*, *119*(1/2), 41–70.

Timm, E. (2019). The single-family home between politics, consumerism, and the everyday: Locating the West German case. In C. Cantauw, A. Caplan, & E. Timm (Eds.), *Housing the family: Locating the single-family home in Germany* (pp. 12–28). Jovis.

Wacker, E., Fettke, U., & Bergmann, M. (2021). *3. Zwischenbericht WohL*. Technical University of Munich.

Witzel, A. (2000). Das problemzentrierte Interview. *Forum Qualitative Sozialforschung*, *1*(1), Article 22.

Witzel, A., & Reiter, H. (2012). *The problem-centred interview*. Sage.

Wolff, M., & Rink, D. (2019). Strukturen von Wohnungsleerstand in Deutschland. Eine Analyse der Gebäude- und Wohnungszählung 2011 in deutschen Gemeinden. *Raumforschung und Raumordnung*, *77*(3), 273–290.

About the Authors

Mona Bergmann studied Political Science and Empirical Cultural Studies at Ludwig-Maximilians – Universität München. She works in the social sector and serves as a lecturer at the Institute for Empirical Cultural Studies and European Ethnology in Munich. At the Technical University of Munich, she worked as a research associate in the field study "WohL – Wohnungsleerstand Wandeln." Her research interests encompass urban studies, critical migration research, housing cultures, and inequality studies.

Ulrike Fettke is a research coordinator at the Rosenheim University of Applied Sciences. After her PhD in Organization and Innovation Sociology at the University of Stuttgart she worked at the Sociology of Diversity Chair and the Chair Social Determinants of Health of the Technical University of Munich.

Elisabeth Wacker, professor of Sociology of Diversity, is a full professor emeritus at the Technical University of Munich. She also held a Fellowship at the Max Planck Institute for Social Law and Social Policy in Munich, held a Chair in Rehabilitation Sociology at the Technical University of Dortmund, and headed a Central Scientific Institution at the University of Tübingen. There she also obtained a Doctorate in Sociology and studied Theology and Philosophy. She has extensive research experience in national and international projects, often in the field of the Third Mission Sector and social structure development.

Urban Planning
2024 • Volume 9 • Article 8654
https://doi.org/10.17645/up.8654

ARTICLE

Open Access Journal

No City for Workers: Housing Affordability Trends and Public Policy Implications in Milan

Massimo Bricocoli and **Marco Peverini**

Department of Architecture and Urban Studies, Politecnico di Milano, Italy

Correspondence: Marco Peverini (marco.peverini@polimi.it)

Submitted: 10 May 2024 **Accepted:** 26 September 2024 **Published:** 14 November 2024

Issue: This article is part of the issue "Housing Affordability Crisis: How Can We Address It?" edited by Ajay Garde (University of California – Irvine) and Qi Song (University of California – Irvine), fully open access at https://doi.org/10.17645/up.i344

Abstract

As the housing affordability crisis strikes many cities around the world, public institutions and citizens have started to become aware of growing problems in the access to adequate affordable housing. The issue is particularly evident in Milan, where increased attractiveness is paralleled by a huge rise in housing prices. This article presents the results of research conducted by the Affordable Housing Observatory of Milan, contributing to public knowledge on housing affordability problems and envisioning possible policies to tackle them. Housing issues are contested and political in nature, and in the Italian context the debate is often led by the voice of the real estate sector while data are highly fragmented and knowledge about housing affordability is limited, especially in Milan. We fill this gap by conducting an original analysis of existing public data on the housing market, the labour market and incomes to highlight the trends in housing affordability in Milan. We focus on the period starting in 2015, a turning point for Milan with the international EXPO and the beginning of an intense phase of urban transformation and real estate development. The article shows how the increase in housing prices and rents has outpaced growth in incomes and wages by nearly a factor of three and how a major share of income earners in Milan cannot afford decent housing. These trends expose lower-income residents to the risk of expulsion and condition access to a job in the city to ownership of assets or financial assistance from parents (especially for first-time buyers and the younger generations). Finally, the article reflects on the implications of growing unaffordability with reference to policies targeting housing costs, incomes, and wages.

Keywords

housing affordability; housing observatory; housing policy; Milan

1. Introduction

An essential condition for living in a city is being able to bear the costs of housing, an issue generally summarized within the concept of housing affordability (Haffner & Hulse, 2021). Housing affordability refers to the ability of households to sustain housing costs in relation to their socioeconomic conditions, particularly incomes and wages. Academic discussion of housing affordability began at the end of the 19th century with studies on poverty in industrial cities and the issue has exploded cyclically in relation to crises and periods of urbanization (Haffner & Hulse, 2021). It became a central focus of political movements and public policies in the post-WWII era, then falling into the background of the public debate with the advancing homeownership society and the residualization of housing policies. Today, new dynamics affecting cities, such as the commodification and financialization of housing (Madden & Marcuse, 2020), touristification, and increasing urbanization of capital and people (Camagni, 2016; Glaeser, 2011), have drawn renewed attention to affordability.

While phenomena such as commodification and financialization have recently attracted a consistent amount of research in the urban studies literature, in-depth and contextualized quantitative analysis of housing affordability trends have remained relatively unexplored (Haffner & Hulse, 2021). A large amount of literature shows that affordability problems tend to concentrate in attractive cities (Haffner, 2018; Whitehead & Goering, 2020) and many authors suggest addressing the affordability crisis from the vantage point of cities (Wetzstein, 2017). In the current economic phase, financial investments overwhelmingly target urban real estate and large social and political blocs measure the success of cities and their governments according to the growth of property values and the ability to attract capital and resources (Engelen et al., 2017). Against this narrative, however, the trend of real estate values and territorial attractiveness should be compared to the effects of real estate dynamics in terms of diseconomies, inequalities and exclusion from the benefits of urban life for those who contribute to life in the city but are unable to bear the costs individually (Bricocoli & Salento, 2019; Cavicchia & Peverini, 2021). This can be linked to housing affordability, as many authors point out that cities risk becoming increasingly unaffordable as they become more attractive (Wetzstein, 2017). In this light, there is increasing interest in investigating the urban dimensions of housing affordability (Haffner & Hulse, 2021; Wetzstein, 2017).

Following this perspective, we investigate the trends and traits of the affordability crisis in Milan. Despite a labour market whose wages are among the lowest in Europe and in a context that has seen increasing commodification and financialization of the real estate market, the relationship between housing costs and incomes in Italy has been systematically ignored and depoliticized (Storto, 2018; Tulumello & Caruso, 2021). Moreover, regional disparities across Italy are a solid feature on the national level and inequalities are growing significantly in more attractive cities, while a significant part of the country is affected by depopulation and abandonment (Coppola et al., 2021; Moscarelli & Peverini, 2024; Viesti, 2021). In this context, affordability is becoming a concern, especially for those urban agglomerations that prove capable of attracting populations despite the country's demographic stagnation, with Milan as the most outstanding case. In the past century, the city of Milan has faced significant influxes of internal migration and the conditions and criticalities of accessing adequate housing have been extensively analysed and documented in research (Alasia & Montaldi, 1960/2010). Today, however, traits are emerging that show access to housing to be increasingly complex and multifaceted: the unprecedented increase in renting after the long growth of homeownership, the commodification of housing and the extensive financialization of the housing market, and the increased competition by tourism and short-term renting (Cavicchia & Peverini, 2021). These trends are accompanied by the residualization of public housing policies and the increasing devolution of housing to the private market (Belotti & Arbaci, 2021; Coppola et al., 2023). In Milan (as in several global cities with a similar attractiveness), the ratio of housing costs to incomes is increasingly considered a threat by citizens, public institutions and more recently by employers as they struggle to meet their need for workers (Bricocoli & Peverini, 2024). Since spring 2023, students have started protesting insistently against high rents, drawing attention to the affordability issue and calling for more sensitivity on the issue of housing costs as a threat to the right to education. Yet despite growing sensitivity to housing costs, we are still far from any real shift in the introduction of more adequate policy tools or the perspective of a more effective (and inclusive) housing policy.

Amid this background and inspired by international examples, we founded the Housing Affordability Observatory (*Osservatorio Casa Abbordabile*) in 2022 to monitor the dynamics of housing affordability in the city of Milan. The observatory is a partnership between the Department of Architecture and Urban Studies at the Politecnico di Milano and the Milanese housing cooperatives Consorzio Cooperative Lavoratori and Libera Unione Mutualistica (more information is available on the website: www.oca.milano.it). This article presents the results of extensive data collection and analysis carried out within the observatory on housing costs (rents, mortgage costs), incomes and wages to understand recent developments in housing affordability in Milan from 2015 to 2022 (the most recent data available). The starting year was chosen due to the symbolic turning point represented by the international exposition held in Milan, when an intense phase of urban and real estate development began again, together with the unprecedented growth of tourism in the city. The goal of this article is to answer the following research questions: "Has Milan become less affordable since 2015?" and "How did affordability develop in different segments of the housing market?" We respond to these questions by analysing and processing data on the housing and labour markets to provide evidence for the trends in housing affordability in Milan in the period 2015–2022. Our research could be easily replicated in other cities—in Italy or elsewhere—with a comparison of the results for a better understanding of current affordability.

The article is organized as follows: Section 2 illustrates the theoretical framework, Section 3 the materials and methods, and Section 4 the results. Section 5 discusses the data while Section 6 presents some conclusions and policy implications.

2. Housing Affordability as the Outcome of a City's Housing and Labour Markets

Affordability is a key indicator of a city's inclusiveness, especially when measured on the way people access housing (Cavicchia & Peverini, 2021). A lot of literature has shown that the concept of housing affordability has no unique interpretation and affordability measurements face important methodological challenges (Bramley, 2012; Chaplin & Freeman, 1999; Stone, 2006). Research on the topic has seen at least three phases (Haffner & Hulse, 2021). First, from the late 19th through the first half of the 20th century, housing affordability measurements were ingrained in research into the cost of living and poverty. Second, in the second half of the 20th century, attention shifted to "budgets"—the total income needed for all important necessities—as an aspect of poverty and urban problems, which led to the development of the residual-income approach (Stone, 2006). Third, at the beginning of the 21st century, scholars have called for new ways of conceptualizing affordability that effectively consider the urban dimension, analytically exploring and problematizing its urban aspect (Haffner & Hulse, 2021). The renewed "urban" focus means that scholars often concentrate on attractive cities, which are confronted today with an increase in housing costs that puts low-income groups in great difficulty (Wetzstein, 2017). While we consider this as part of a larger phenomenon of territorial concentration (Moscarelli & Peverini, 2024), we also believe that in-depth, contextualized research on the affordability issue is urgently needed. We therefore situate our study in this third period, focusing on a specific city, Milan, and framing affordability as the outcome of its housing and labour markets, a rather new direction for this research.

The connection between housing and poverty is well established in the literature; scholars often connect affordability with poverty and in-work poverty, i.e., the condition of being absolutely poor despite having a job. The implications for cities are less explored, however (Haffner & Hulse, 2021). With respect to Italy, a study of census data using a residual income affordability measure showed that absolute poverty approximately doubles in Italy when considering housing costs (Palvarini, 2010). Instead, the relationship between housing costs and wages, a classic economic issue, is relatively underexplored in the urban studies literature. However, conditions of housing affordability are increasingly also a matter of concern for workforce recruitment and tied to trends in the labour market, as institutions acknowledge a mismatch between the location of jobs and housing (Eurostat, 2016; Haffner & Hulse, 2021). This topic is particularly important in Italy, the only OECD country where wages have declined in real terms since the 1990s and where one job is often "not enough" for paying housing costs (Filandri, 2022). A recent study of Italy using Eurostat data shows that housing affordability affects poor in-work tenants, mortgaged homeowners—almost regardless of the location (even in rural areas)—and low- to middle-income households, especially when renting in larger cities (Colombarolli, 2024). This trend jeopardizes the ability to form a family and the feasibility of work mobility, as access to housing for the younger generations in Italy strongly depends on financial or parental help (Filandri & Bertolini, 2016). These findings push us to further investigate the relationship between housing and labour market in Milan, framing it in terms of affordability.

While we concentrate on affordability trends and connect them to the labour market, we consider the affordability level as one outcome of a city's economy and urban development model. The critique of contemporary capitalism is useful for framing the affordability issue as a problem of distribution. Starting from the three factors of value distribution identified by Marx—wages, profits, and (land) rents—scholars have shown that the increase in value appropriation by the rising rentier bloc—through both immaterial and spatial processes that increase land rent such as housing financialization and gentrification—jeopardizes both wages and profits, diverting resources away from production (Harvey, 1985; Ryan-Collins et al., 2017; Vercellone, 2008). Since the financial crisis, there is a new emphasis on urban land rent as a primary factor in housing affordability problems (Arbaci et al., 2020; Camagni, 2016; Haila, 2016; Peverini, 2023; Piketty, 2014; Pizzo, 2023; Ryan-Collins, 2018). An often-cited study found that the sharp rise in housing prices since the 1990s is primarily explained by skyrocketing land rents (Knoll et al., 2017). In Italy, housing prices tripled in real terms from the 1970s to the global financial crisis, and economic evidence shows that two thirds of this growth is explained by the rise in land rents (Cannari et al., 2016). Moreover, a long-term study of Italian gross domestic product found a decline in the labour share partially due to the recovery in profits, and largely due to a steady increase in housing rents (Torrini, 2016). Additionally, many authors also argue that in post-industrial economies, profits and land rents tend to have matching characteristics, as profits are often reinvested in rent, but there is a real distinction between wages and land rents (Pizzo, 2023). Interestingly, Vercellone (2008) includes the wage of working categories related to functions of capital coordination (i.e., managers) in the realm of land rent. These theoretical vantage points (supported by extensive econometric evidence) help us see the current affordability issue not so much as a market failure tied to supply shortages, but rather as an issue of the distribution of economic value produced in a city (Arbaci et al., 2020). In this sense, an increasing number of scholars have proposed a shift away from the mere housing shortage aspect of the affordability problem (Ermgassen et al., 2022; Rodriguez Pose & Storper, 2020). In this light, we consider housing affordability as a multifaceted result of the local housing market that needs to be contextualized for different income profiles and wages in the local labour market, reflecting the distribution of economic value generate by (and in) a city through labour and production or through rent extraction (Andreucci et al., 2017).

With respect to the operating definition of affordability, a critical review (Peverini, 2023) showed that housing may be considered affordable if: 1) prices and rents are below the market price of a particular property class ("below market"); 2) prices and rents are the mere sum of production costs ("at cost rent"); 3) the share of disposable income spent on accommodation is below a certain level for a specific household ("cost to income"); 4) enough dwellings in a given market are cost-to-income affordable for particular income categories ("housing accessibility"); 5) the residual income after housing costs for a specific household is above a minimum ("residual income"); or 6) the share of disposable income spent on accommodation and transport for a specific household in a specific place is below a certain level ("housing+transport") or, more generally, if one considers other location-related expenditures ("location affordability"). In sum, housing affordability refers to the economic conditions confronted by people and households in certain socioeconomic conditions to access and maintain housing (usually low- and middle-income households) within a housing market. In this perspective, affordability is a measurable characteristic of any type of housing (whether public, social, or private) connected to its quality and location (Cavicchia, 2021; Peverini, 2023). In the related concept of housing accessibility (Neuteboom & Brounen, 2011), affordability is a crucial factor indicating the degree to which a city is accessible to newcomers, especially low- and middle-income people, and how the city can be an inclusive platform for socioeconomic improvement or a poverty trap leading to expulsion of the most vulnerable. We acknowledge the complexity of the literature and choose to use a definition like the one for housing accessibility, by measuring cost-to-income affordability in the segments of access to housing through rental contracts and mortgages for specific working categories. The remainder of the article explains further this approach and applies it to measuring affordability trends in the city of Milan.

3. Materials, Methods, and Context

As explained above, we address the research questions by comparing trends in net incomes, wages (per work category), sales prices, and rents. Trends are indexed and compared for the 2015–2022 period, therefore adjustment for inflation is not needed. Below we describe characteristics and methodological issues of every indicator.

For incomes, we rely on data collected by the Ministry of Economy and Finance (MEF) on personal income tax (IRPEF), recording the income sources and amounts of each individual taxpayer (MEF, 2024). This is the only publicly available data on individual incomes in Italy that is not based on surveys but strictly on administrative data, thereby allowing for small-scale analysis. In Milan, taxpayers constitute approximately 68% of residents. The data are released yearly for each municipality. The latest release refers to 2022, since tax declarations are due on the year following the earnings and the data are released in spring of the subsequent year. Among other items, IRPEF data include (per year): gross income for all municipal taxpayers; number of municipal taxpayers; and total amount of income tax. Net average income may be easily calculated by subtracting the total amount of income tax from the total gross income and dividing the result by the number of taxpayers.

For wages, the main data source is the Italian National Institute for Social Security (INPS), which releases annual data on the labour market and wages on the provincial level. We focus on employees in the private sector, who account for 71.8% of workers in Milan (Figure 1). INPS provides information on contracts and wages, broken down by sector and aggregated by province (INPS, 2024). Unfortunately, data on a smaller scale are not available, but approximation is acceptable if one considers the supra-local integration of the labour market of Milan (around half of workers live outside the main municipality). Based on the open data provided by INPS, we break down workers in the private sector for 2022 (latest release) into the four qualifications used by INPS (Figure 1), which are described as follows: "Manager" is an employee in charge of directing the company or an important independent branch thereof; "Middle manager" is an employee whose functions hold significant importance for the purposes of continuously developing and implementing the company's objectives; "White-collar worker" is an employee assigned to conceptual or orderly activities inherent in the organizational and technical-administrative procedures of the company, aimed to assist the entrepreneur or manager's activities; and "Blue-collar worker" is an employee assigned to duties strictly inherent in the company's production process. Unemployment tends to be low in Milan (4.8% of the population aged 15–65) compared to the rest of the country (7.8%). Nevertheless, job insecurity and in-work poverty are important issues among workers (Filandri, 2022). In this sense, focusing on private employees is a simplification, as they tend to have rather stable incomes compared to other, more unstable worker categories, which reach almost one third of all workers in Milan according to one of the main

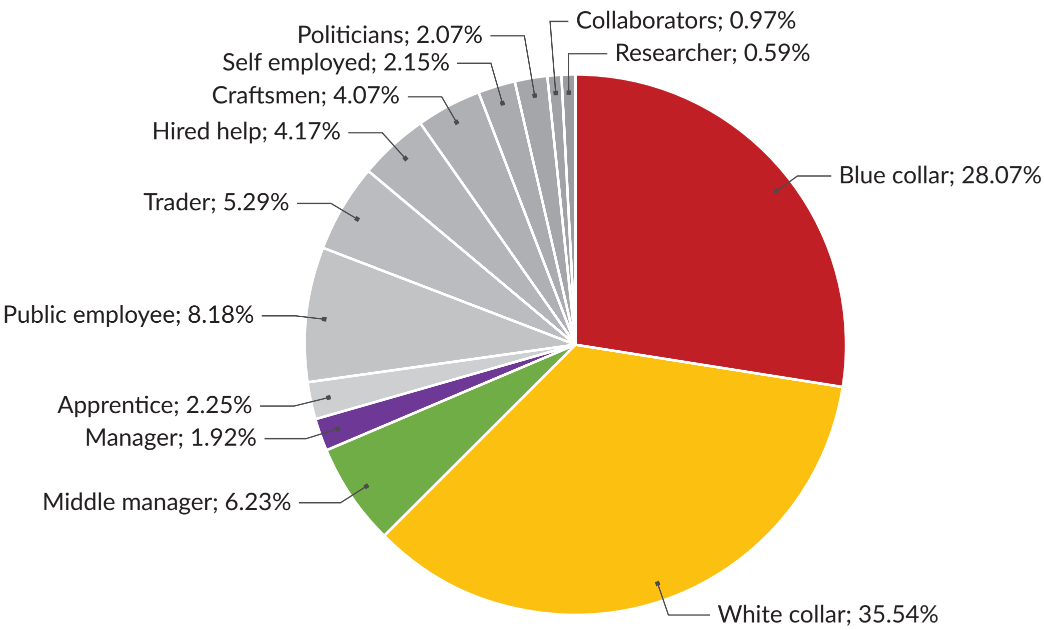


Figure 1. Workers by sector in Milan in 2022. Coloured sectors identify the four main segments of the private job market identified by INPS and analysed in this article, constituting 71.8% of the total workforce in the city (for clarity, the colours are the same as in Figure 4). Grey sectors indicate other segments of the job market that are not included in our analysis. Prepared by the authors using INPS data (INPS, 2024).

workers' union (CGIL, 2024). This simplification means that we are generally underestimating the issue but is acceptable as we want to investigate affordability trends for the main body of workers in Milan and does not weaken our findings as we will see.

For housing prices, we rely on the housing prices index calculated every year since 2010 by the National Statistics Office (ISTAT); the data are publicly available. Data are released for the whole country and for a selected number of municipalities, including Milan. For rents, the situation is more complex. In contrast to the sale market, statistical information on the rental market is limited (Loberto, 2019). Since an official rental market index does not exists, we mainly rely on data provided by the Observatory of the Real Estate Market (OMI) under the National Revenue Agency (OMI, 2024). Despite improvements implemented in 2016, the quality and granularity of OMI data for the rental market is lower than the sales market, but it remains the main available data source (Loberto, 2019). The OMI database provides information on the whole county and for a selected number of major municipalities (including Milan) regarding rents, the number and type of rental contracts, the floor area of the dwelling, and the size of the rental market in a given geographical area measured as the percentage of new leases. Data on rental contracts are based on the new leases registered by the National Revenue Agency every year and are categorized in four contract types (see Section 4.1). Data on leases of less than one year are not registered by the National Revenue Agency, representing a limitation to this source of data given the recent spread of short- and medium-term rentals; while they can be estimated using scraping portals, we concentrate on longer-term leases as more adequate to the needs of a worker. Other limitations include the possible effect of tax evasion and missing or reduced declarations, resulting in underestimated rent levels. Therefore, we consider OMI data as generally underestimating affordability problems.

To overcome these limitations, scholars and analysts started using new sources of information represented by real estate portals. One of the main portals in Italy is Immobiliare.it (www.immobiliare.it). According to Loberto (2019), data from Immobiliare.it can capture spatial heterogeneity in rents, although there is a significant positive gap between the estimates of the average rents requested and actually paid. In addition, the dynamics of the rents demanded by landlords closely approximates the rents charged. The main criticality is that the leases on the portals do not observe the effective rents, i.e., those stipulated between the contracting parties, and do not represent all rents (as houses may be rented outside the portals, usually at lower rents). In other words, the portal data probably overestimate actual rents, thereby overestimating affordability issues. Although some people argue that overestimation problems are rather small (Loberto, 2019), the database should first be purged of multiple offers or offers that remain in the portal too long (e.g., because they are overpriced), something which is hard to perform from outside the platform. Additionally, Immobiliare.it does not release aggregate data on the number of leases, but only on average rent levels.

Given the disadvantages of each indicator, we decided to use both. We extracted OMI data on rental contracts from the yearly report released by the National Revenue Agency, which is currently available for the 2015–2023 period. Then we compared the average rent per square meter per year for each type of rental contract and calculated a weighted average rent per square meter per year for Milan. We collected data from Immobiliare.it on the average rental price per square meter for the entire municipality of Milan for each year directly from the website. Although the rental data are only available for new leases, leases in Italy are time-limited (the longest period is four years, but leases are often shorter) and tenants must eventually renew or sign a new contract (except in public housing and in some rental cooperatives which, however, is not so relevant as turnover is very low). Therefore, we consider this a significant indicator of the affordability trend.

4. Key Affordability Trends in Milan

In this section, we present the findings of our research on economic capacity (incomes and wages) and housing costs (prices and rents), that allow us to compare the two.

4.1. Trends in Economic Capacity (Incomes and Wages)

The average net gross yearly income of taxpayers in Milan increased from €31,705 in 2015 to €37,583 in 2022 (+19%). At the same time, the average net yearly income of taxpayers in Milan grew from €23,290 in 2015 to €27,570 in 2022 (+18%), as shown in Figure 2. Information on the distribution of gross individual yearly income is divided into the seven income tax brackets, as shown in Figure 3, unveiling a significant polarization: one third of taxpayers earn less than €15,000 gross per year and 55% earn less than €26,000.

Figure 4 shows how wages per job category changed over the period in question. The distribution of wages among the four categories is highly unequal, with managers' wages almost six time the average (Figure 4). Moreover, while average wages grew 12.87% between 2015 and 2022, the wages earned by blue-collar workers grew 8.9%, those of white-collar workers grew 9.9%, and managers' wages grew 15.2%. This reveals a polarized income situation and labour market structure that is increasingly unequal.

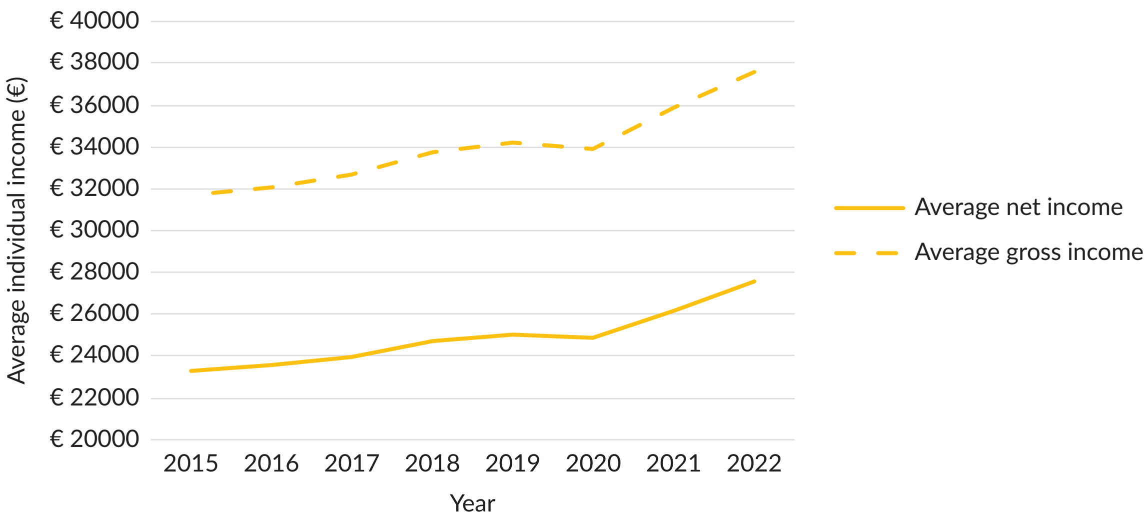


Figure 2. Average gross and net individual income of taxpayers (after tax) in the municipality of Milan, 2015–2022. Prepared by the authors using MEF data (MEF, 2024).

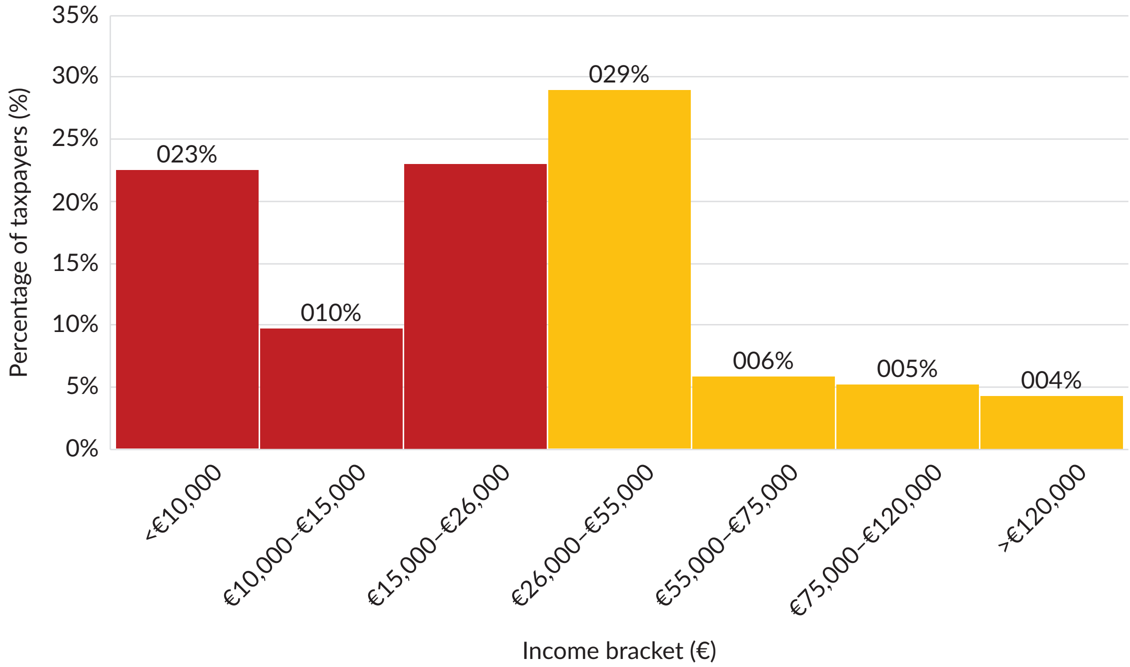


Figure 3. Distribution of gross taxpayer income (before tax) in the municipality of Milan, 2022. The tax brackets below €26,000 in gross yearly income (approximately 60% of taxpayers) are shown in red. Prepared by the authors using MEF data (MEF, 2024).

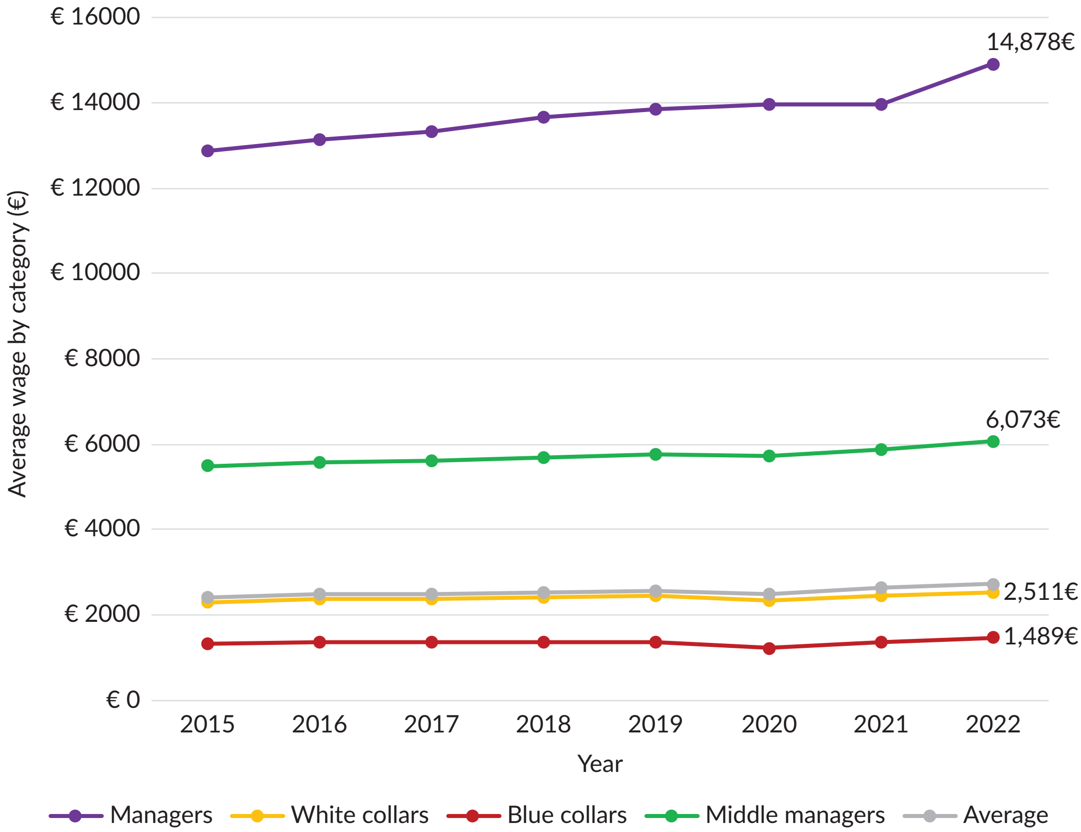


Figure 4. Gross average wages of full-time workers in the private sector in Milan, 2015–2022. Prepared by the authors using INPS data (INPS, 2024).

4.2. Trends in the Housing Market (Housing Prices and Rents)

According to data collected by ISTAT, average housing prices in Milan recorded a 50.1% increase between 2015 and 2022, with existing housing prices growing more than new housing prices (also representing a much bigger part of sales; Figure 5).

With respect to the rental market, the first important aspect is that the number of leases grew from around 40,000 new leases in 2015 to 51,821 in 2022, with a stunning +30% increase between 2015 and 2022 (Figure 6). However, by looking "within" the rental market we can identify the main factors driving this growth. The Italian rental law 431 of 1998 allows four types of rental leases: 1) long-term contracts: free market contracts with a duration longer than 3 years (this theoretically includes public housing contracts, but the number can be considered negligible); 2) medium-term contracts: free market contracts with a duration between one and three years; 3) agreed-rent contracts (*canone concordato*): an incentivized contract on the private rental market in which rents must be fixed within a maximum range negotiated among local stakeholders (mainly tenants' unions, landlords' associations, the municipality, etc.) in exchange for tax benefits; and 4) moderate rents for students: similar to agreed rents. Contractual rent adjustments for inflation are allowed in the first two categories according to national law, except if landlords opt for an alternative (reduced) flat tax. Introduced when the process of tenure restructuring toward increased home ownership was still highly active, agreed-rent contracts were supposed to be the main incentive to keep rents low in the private rental sector. This measure was regarded as promising in situations where ownership of the rental sector had become increasingly fragmented, as in Milan, but it ended up having a negligible quantitative effect: the protected share of the market (agreed-rent and student contracts) remained close to

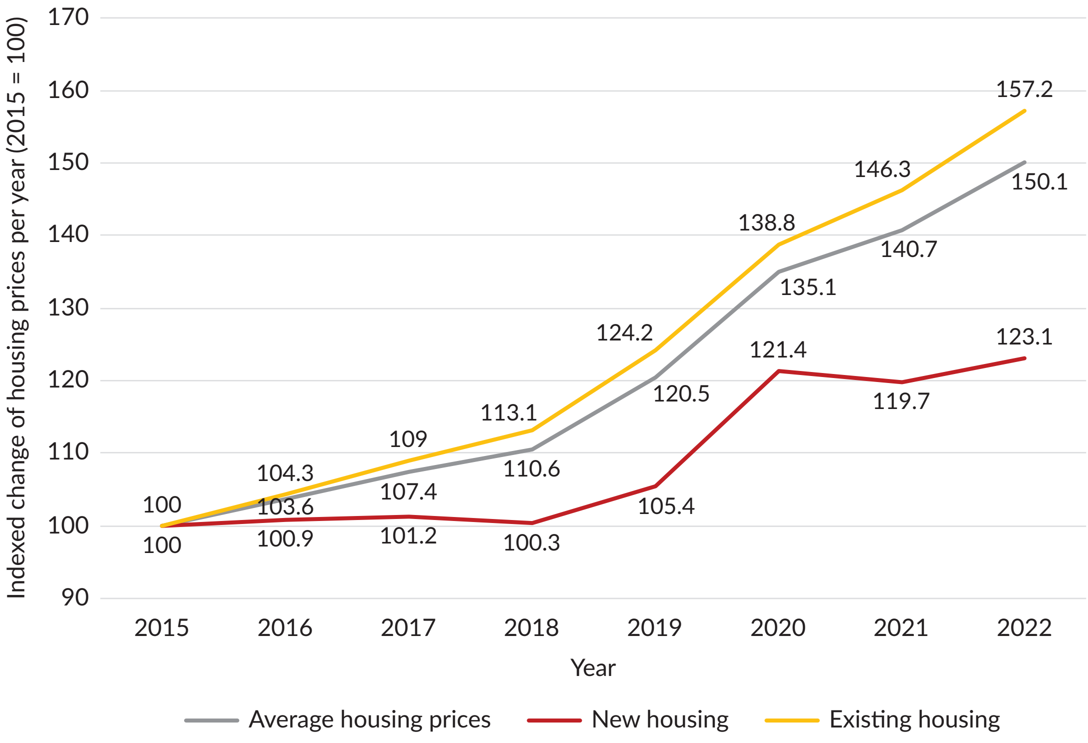


Figure 5. Index of average housing prices (and detail of new and existing housing) from 2015 to 2022 in the municipality of Milan (2015 = 100). Prepared by the authors using ISTAT data (ISTAT, 2024).

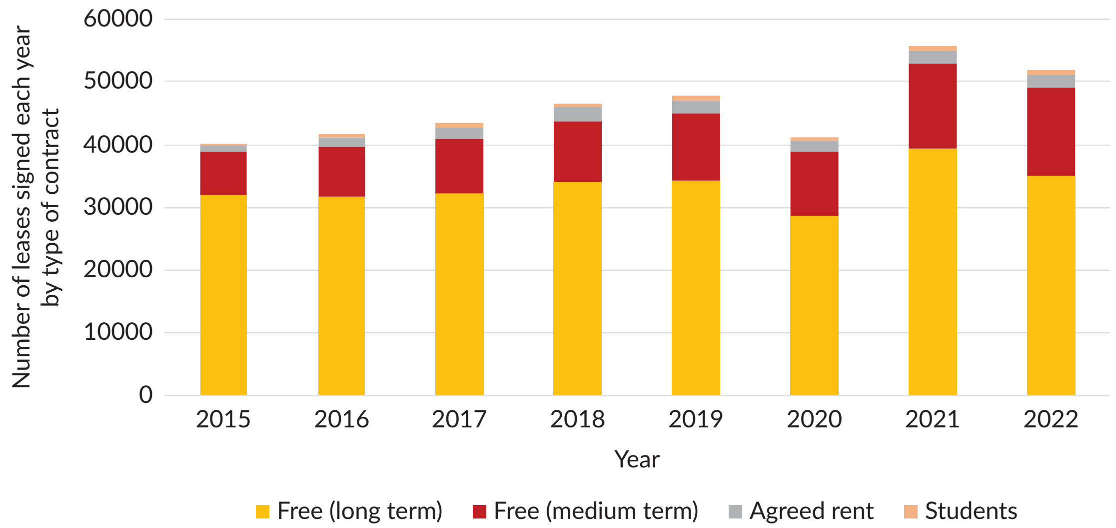


Figure 6. Number of leases signed each year by type of contract between 2015 and 2022. Prepared by the authors using OMI data (OMI, 2024).

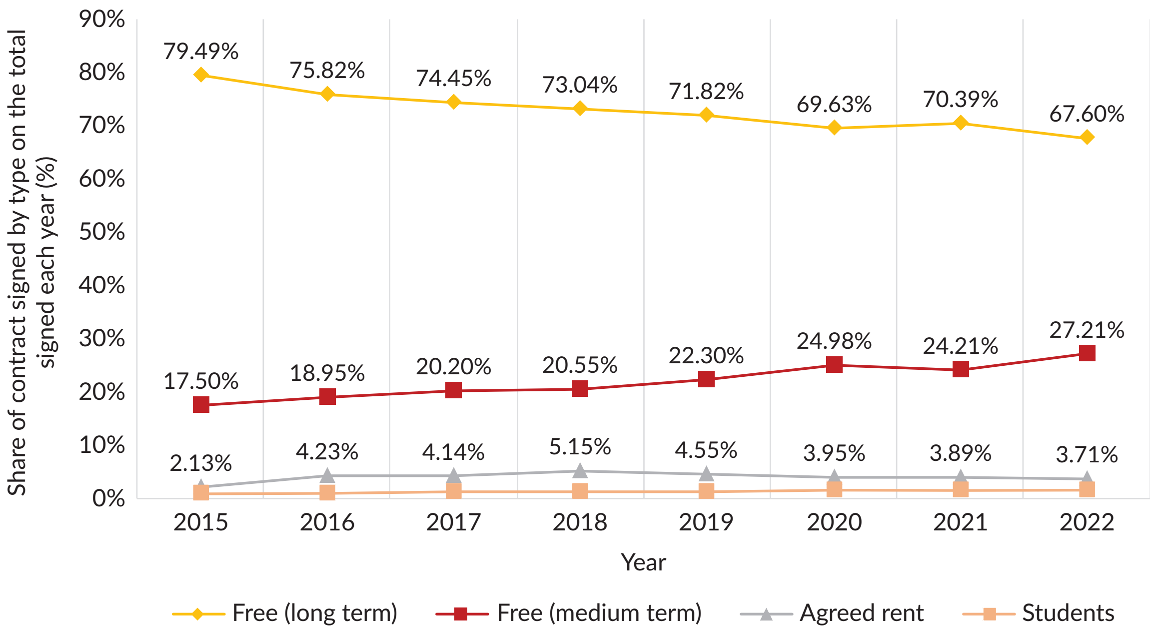


Figure 7. Leases by type of contract per year, 2015–2022 (%). Prepared by the authors using OMI data (OMI, 2024).

5% of the total market, without showing relative growth or shrinkage (Figure 7). Instead, full market medium-term leases (one to three years) grew from 17.5% in 2015 to 27.2% in 2022 (+100% in absolute terms) while long-term leases decreased from 79.5% in 2015 to 67.6% in 2022 (only +9% in absolute terms), as shown in Figure 7.

Yearly rent levels (Figure 8) show a very compact trend: all types of contracts registered by the OMI grew continuously (with few exceptions) in the 2015–2022 period. Considering OMI contracts, the general weighted average grew from €130/m^2 per year to €173/m^2 per year (+33%), mainly driven by the growth of

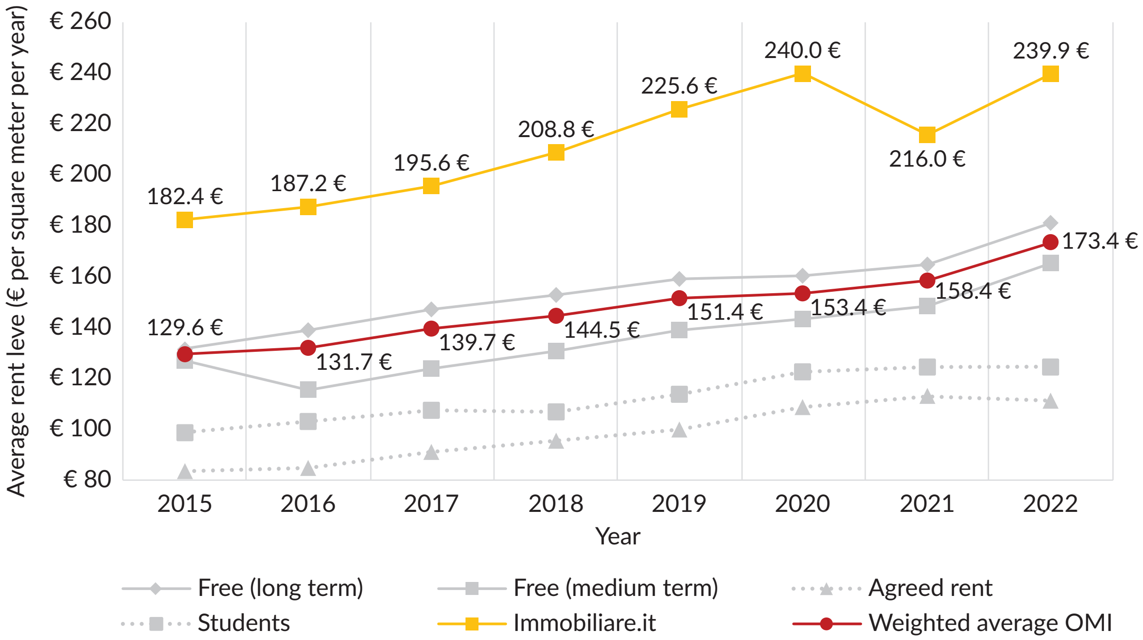


Figure 8. Yearly rent level per rental segment in Milan, 2015–2022 (€/(m^2*yr)). Prepared by the authors using OMI (OMI, 2024) and Immobiliare.it data (Loberto, 2019).

rent levels in long- and medium-term contracts. In comparison, Immobiliare.it registered a significant drop in rents in 2021 following the pandemic (whose effect seemed to be recovered already the following year), moving from €182/m^2 per year in 2015 to €240/m^2 per year in 2022 (+32%).

4.3. Comparison of Incomes, Wages, Rents, and Prices

Figure 9 shows a single graph of the results and depicts a growing gap between housing costs and available economic resources. In sum, housing prices in Milan are growing 2.7 times faster than incomes and wages, and rents are rising almost twice as fast. However, if we look at the stagnant wages of the lower-middle categories—referred to as blue-collar and white-collar workers in the official classification, who together account for 61% of workers in Milan—purchase prices are growing 5.5 times faster than blue-collar wages and 5.0 times faster than white-collar wages; rents are growing 3.7 and 3.4 times faster than the average wages of these two categories, respectively.

5. Discussion

Trends in housing prices and rents in Milan have departed from income and wage trends, increasing national and local concerns (Filandri, 2022). We have shown that in the 2015–2022 period, average purchase prices for housing in Milan grew almost three times (2.7) faster than average incomes and more than five times faster than the wages of the two largest employment categories (accounting for around 61% of workers in Milan). Average rents for new leases grew almost two times (1.9) faster than average incomes, and almost four times faster than the wages of the two largest employment categories. For a growing part of the population—especially the part that relies on wages or social support instead of wealth—sustaining the cost of a decent home, whether bought or rented, is becoming harder. Our findings agree with international evidence that

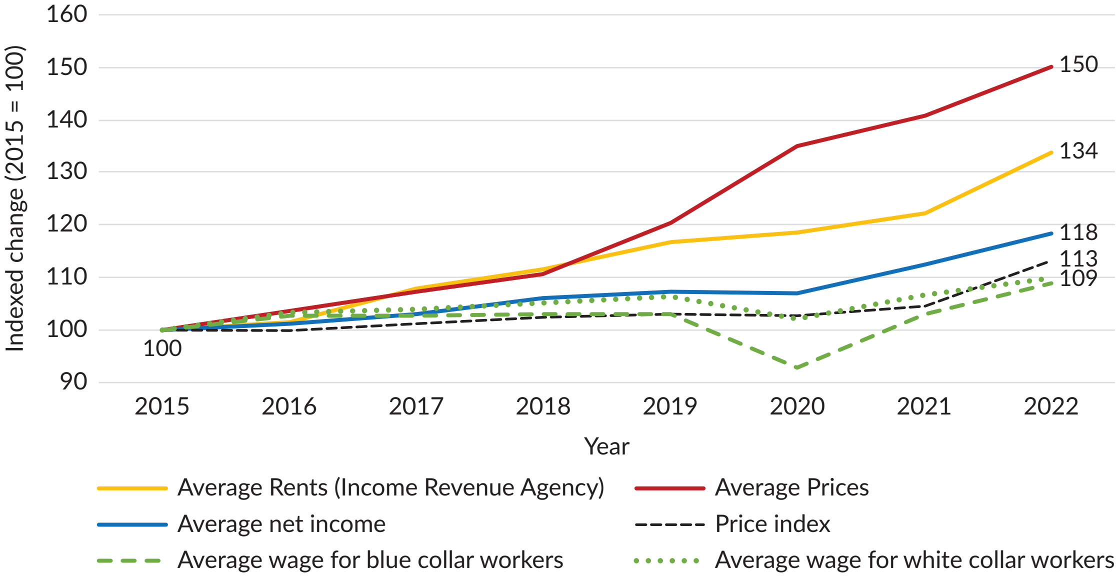


Figure 9. Trend of average housing prices, rents, average net income of taxpayers in Milan 2015–2022, and net wages.

points to an increasing reliance on existing wealth to access housing rather than incomes and savings (Filandri, 2022). However, the situation in Milan is particularly serious regarding wages, with Italy showing the only negative trend in real wages in the last thirty years among OECD countries (INAPP, 2023).

Additionally, we have shown that the gross individual income in Milan is below €15,000/year for a third of taxpayers and below €26,000/year in 55% of cases, and that nearly two thirds of Milanese workers have rather low, stagnant wages compared to growing wages for the smaller proportion of managers. In addition, the unemployment rate is not irrelevant, and the labour market features a significant number of unstable contracts, especially in the predominant service sector. These factors make it virtually impossible to meet the requirements to access a mortgage or even a rental contract relying on typical wages, making traditional housing pathways inaccessible for the younger generations (Costarelli, 2023): the same occurs in many other international settings (McKee et al., 2017). Our findings for Milan resemble that of many other attractive cities, where growing unaffordability paired with increased inequality induce competition in access to housing and draw fault lines between winning and losing social categories in the urban economy (Camagni, 2016). Data on increasing housing costs also suggest growing inequalities between insiders and outsiders in the housing market, as incomes and wages lag behind housing (and other living) costs and become secondary to wealth in determining the quality of life of people. Our findings ultimately corroborate theoretical statements that land rent appropriation is overcoming economic growth (Piketty, 2014).

Due to such trends, Milan has a weak capacity to welcome a multitude of different individuals and households and offer them opportunities for multiplying and combining their skills, expertise and ideas (Fincher & Iveson, 2008). Low-income households, and especially young people and immigrants, risk being excluded from access to housing and participating to the distribution of value produced by the city agglomeration. The growth of real estate in Milan, paralleled by polarization of economic opportunities and marginalization of other Italian territories (Moscarelli & Peverini, 2024; Viesti, 2021), also risks excluding those who would migrate there to study and work from less affluent areas if they do not possess enough financial resources. In this situation, the Milan economic system continues to rely heavily on the hinterland to provide space for workers. In the peripheral, suburban and peri-urban areas, the construction sector continues to benefit from a surplus of unsatisfied demand from the main municipality as lower- to middle-income households start to be expelled by the central city, as suggested by previous findings on similar periods of economic growth in Milan (Camagni et al., 2002). For many people, the only option is to relocate to the metropolitan area in the absence of adequate conditions of urban quality, services, and mobility.

6. Conclusions and Policy Implications

While the city of Milan attracts international capital and functions, it is becoming increasingly exclusive and unsustainable for everyone who needs to access housing without relying on personal wealth. Our findings show that between 2015 and 2022, housing prices grew almost three times faster than average disposable incomes, and more than five times faster than average net wages of blue- and white-collar workers in the city. This trend exposes low-income households to the risk of expulsion and conditions access to work in the city on previous homeownership or financial help (especially for first-time buyers and the younger generations). The fact that the average wages of broad categories of workers lag far behind the growth of housing costs underlines the paradox of an urban economy that undermines the very basis upon which it stands.

The public and academic debates are starting to acknowledge the relevance of affordability as a core issue for the future of the city, but unaffordability trends are growing very quickly, and a political solution might come too late. If the trends continue as shown here, housing prices could double by 2030 (on the 2015 value) while wages would grow by less than half. Amid growing rental tenures and job precariousness, this could be reflected in a dramatic increase in housing exclusion and distress. This has relevant policy implications that we would like to discuss.

The need to provide affordable housing is hotly discussed and there is vast literature on opportunities and limitations in affordable housing policies, though how to provide affordable housing within global ecological boundaries is still debated (Belotti et al., 2023; Ermgassen et al., 2022; Foundational Economy Collective, 2022; Peverini, 2023). Besides housing provision, however, many point at the development of an adequate transport infrastructure that can provide access to a larger housing "basin" in the larger metropolitan area (Bricocoli & Salento, 2019). While the connection between housing and transportation is much discussed, we consider labour to be fundamental factor in reshaping territories and cities. The housing-labour nexus is a matter of study and research worthy of far more interest and contributions from labour economists, social scholars and political scientists (Filandri, 2022). Based on our research, we can draw some preliminary conclusions and notes for a perspective debate. Our results show that in Milan, the growth of housing costs is much faster than the increase in wages. Beside acknowledging the rise in housing costs, making it public that wages in such a vibrant and attractive city are so modest for a vast proportion of workers could raise awareness and concerns in the public debate over the various factors that "produce" the affordability crisis. The fact that housing prices and rents grow significantly faster than wages contributes to framing the issue as one of fairness in the distribution of economic value produced by the city, allowing for a broad discussion around the implications of the phenomenon for public policies. In fact, Article 36 of the Italian Constitution establishes the principle that wages must always be "sufficient to ensure a free and dignified existence for oneself and one's family" (Senato Della Repubblica, 1947/2003, p. 21; our translation).

One criticism concerns the question of whether housing "alone" can solve the issue of income and wage inequality (Haffner & Hulse, 2021). The issue is debated, but we can say that if housing plays an important role in determining the distribution of resources, labour and welfare policies play also an important role. Comparative research on housing systems in Milan and Vienna has shown that in the latter, not only are social housing supply and rent regulation policies much more relevant, but also that there is also a substantial safety net (consisting mainly of rent payment subsidies and income support; Peverini, 2023). In general, greater integration between social and housing policies is highly desirable, even for maximizing devices and tools for social support and inclusion that are sometimes already available but do not always converge (Belotti et al., 2023). In this context, raising wage levels for lower qualifications seems to be a solution to the affordability problem. However, there are two risks to seriously consider. One concerns the possibility of granting increases on a local basis related to the higher cost of living. An emblematic example is London. According to the policy of London weighting, certain key labour categories (mainly in the public sector) are entitled to a supplementary allowance over the national wage designed to compensate for the higher cost of living in the capital. In Italy, something similar is being discussed regarding "wage cages" (*gabbie salariali*), a system that defines wages locally according to certain parameters such as the local cost of living. This system was in effect in the 1950s and 1960s but was abolished following strong mobilization by the trade unions, which considered the policy discriminatory and unfair (De Blasio & Poy, 2014). Such policies raise relevant concerns. Amid severe territorial inequalities across Italy and the polarization of economic opportunities in an increasingly limited number of places (Coppola et al., 2021), high housing costs in major cities can be considered one of the few factors that disincentivize further concentration, and a differentiated wage system could trigger further outflow from parts of Italy that are already shrinking. The second risk concerns the likelihood of capitalization whereby in a situation of unregulated supply and low elasticity, the benefits or tax relief is absorbed (in whole or in part) by an increase in housing costs (Matsaganis, 2011). Given the low elasticity of the residential market even in Milan, this means that the benefits granted to workers in terms of higher wages would be largely capitalized in housing prices and rents. To have a positive effect on affordability, a policy of demand support should therefore be combined with policies to contain prices, regulate supplies, and increase the share of price- and (especially) rent-controlled housing provisions.

Besides the labour market, our findings support the theoretical assumption that land rent is the real "elephant in the room" in the rise in contemporary issues of unaffordability in attractive cities (Peverini, 2023; Pizzo, 2023). Our data for Milan show that the main issue lies in the housing and urban development model, as it is unable to adjust the conditions of housing access to the local labour market. As the growth of housing prices and rents far exceeds the growth of incomes and wages, we can conclude that in Milan land rent is "eating up" most of the value produced by the city economy, jeopardizing both the profit and wage components (Ryan-Collins et al., 2017; Vercellone, 2008). Comparative evidence shows that land rent can be more equally and efficiently captured by the public sector and redistributed to lower income households in forms of lower housing costs, e.g., via land policies, taxation or direct social housing provisions (Camagni, 2016; Peverini, 2023). In some cases, this also means renouncing development opportunities that show high trade-offs with access to housing, such as tourism based on short-term renting, or "taming" the real estate sector by demanding more in terms of land value capture or inclusionary zoning. This is a difficult path, as it departs from the development model that inflated the attractiveness of Milan, but it is necessary as current trends are undermining the vary basis of its prosperity.

Acknowledgments

We would like to thank the members of the OCA international scientific board (Sonia Arbaci, Jennifer Barenstein, Giustina Orientale Caputo, Roberta Cucca, Marianna Filandri, Giovanni Hänninen, Angelo Salento, Raffaella Saporito) and of the OCA internal board (namely: Vincenzo Barbieri, Alessandro Galbusera, Alessandro Maggioni, Claudio Palmerini, Antonio Valenti, Federica Verona) for their precious contributions to the research.

Conflict of Interests

The authors declare no conflict of interests.

Data Availability

Data used for this article is publicly available via the institutional webpages of the mentioned institutions.

References

Alasia, F., & Montaldi, D. (2010). *Milano, Corea. Inchiesta sugli immigrati negli anni del "miracolo."* Donzelli. (Original work published 1960)

Andreucci, D., García-Lamarca, M., Wedekind, J., & Swyngedouw, E. (2017). 'Value grabbing': A political ecology of rent. *Capitalism Nature Socialism*, *28*(3), 28–47. https://doi.org/10.1080/10455752.2016.1278027

Arbaci, S., Bricocoli, M., & Salento, A. (2020). The value of the city. Rent extraction, right to housing and conflicts for the use of urban space. *Partecipazione e conflitto*, *14*(2), 774–787. https://doi.org/10.1285/i20356609v14i2p774

Belotti, E., & Arbaci, S. (2021). From right to good, and to asset: The state-led financialisation of the social rented housing in Italy. *Environment and Planning C: Politics and Space*, *39*(2), 414–433. https://doi.org/10.1177/2399654420941517

Belotti, E., Bricocoli, M., Sabatinelli, S., & Savoldi, P. (2023). *Le risposte locali ai bisogni abitativi. Report della missione valutativa per il Consiglio Regionale Lombardo*. Dipartimento di Architettura e Studi Urbani.

Bramley, G. (2012). Affordability, poverty and housing need: Triangulating measures and standards. *Journal of Housing and the Built Environment*, *27*(2), 133–151. https://doi.org/10.1007/s10901-011-9255-4

Bricocoli, M., & Peverini, M. (2024). *Milano per chi? Se la città attrattiva è sempre meno abbordabile*. Letteraventidue.

Bricocoli, M., & Salento, A. (2019). Housing and the grounded city: Rent extraction and social innovations. In F. Barbera & I. Rees Jones (Eds.), *The foundational economy and citizenship: Comparative perspectives on civil repair* (pp. 129–159). Policy Press.

Camagni, R. (2016). Urban development and control on urban land rents. *Annals of Regional Science*, *56*, 597–615. https://doi.org/10.1007/s00168-015-0733-6

Camagni, R., Gibelli, M. C., & Rigamonti, P. (2002). *I costi collettivi della città dispersa*. Alinea.

Cannari, L., D'Alessio, G., & Vecchi, G. (2016). I prezzi delle abitazioni in Italia, 1927–2012. *Banca d'Italia, Questioni di Economia e Finanza (Occasional Papers)*, 2016(333), 1–27.

Cavicchia, R. (2021). Are green, dense cities more inclusive? Densification and housing accessibility in Oslo. *Local Environment*, *10*, 1250–1266. https://doi.org/10.1080/13549839.2021.1973394

Cavicchia, R., & Peverini, M. (2021). Housing affordability and the city. Disentangling the urban and spatial dimensions of housing affordability in Europe. In *Proceedings of the 2021 ENHR Conference* (pp. 440–457). ENHR.

CGIL. (2024). *Milano al lavoro 2023*. Camera del Lavoro.

Chaplin, R., & Freeman, A. (1999). Towards an accurate description of affordability. *Urban Studies*, *36*(11), 1949–1957. https://doi.org/10.1080/0042098992692

Colombarolli, C. (2024). Are the in-work poor more disadvantaged in urban areas? An analysis of housing affordability in Italy. *Housing Studies*. Advance online publication. https://doi.org/10.1080/02673037.2024.2369144

Coppola, A., Cordini, M., Belotti, E., & Bortolotti, A. (2023). Milan: Housing financialization amidst state retrenchment and planning liberalization. In A. Holm, G. Alexandri, & M. Bernt (Eds.), *Housing policy under the conditions of financialization* (pp. 117–140). Sciences Po Urban School.

Coppola, A., Del Fabbro, M., Lanzani, A., Pessina, G., & Zanfi, F. (2021). *Ricomporre i divari. Politiche e progetti territoriali contro le disuguaglianze e per la transizione ecologica*. Il Mulino.

Costarelli, I. (2023). *Politiche abitative e giovani generazioni. Il caso di Milano*. FrancoAngeli.

De Blasio, G., & Poy, S. (2014). The impact of local wage regulation on employment: A border analysis from Italy in the 1950s. *Journal of Regional Science*, *57*(1), 48–74. https://doi.org/10.1111/jors.12301

Engelen, E., Froud, J., Johal, S., Salento, A., & Williams, K. (2017). The grounded city: From competitivity to the foundational economy. *Cambridge Journal of Regions, Economy and Society*, *10*(3), 407–423. http://dx.doi.org/10.1093/cjres/rsx016

Ermgassen, S., Drewniok, M., Bull, J., Corlet Walker, C., Mancini, M., Ryan-Collins, J., & Serrenho, A. (2022). A home for all within planetary boundaries: Pathways for meeting England's housing needs without transgressing national climate and biodiversity goals. *Ecological Economics*, *201*, Article 107562. https://doi.org/10.1016/j.ecolecon.2022.107562

Eurostat. (2016). *Urban Europe. Statistics on cities, towns and suburbs, 2016 edition*. Publications Office of the European Union.

Filandri, M. (2022). *Lavorare non basta*. Laterza.

Filandri, M., & Bertolini, S. (2016). Young people and home ownership in Europe. *International Journal of Housing Policy*, *16*(2), 144–164. https://doi.org/10.1080/14616718.2015.1130606

Fincher, R., & Iveson, K. (2008). *Planning and diversity in the city: Redistribution, recognition and encounter*. Palgrave Macmillan.

Foundational Economy Collective. (2022). *Foundational economy: The infrastructure of everyday life*. Manchester University Press.

Glaeser, E. (2011). *Triumph of the city: How urban spaces make us human*. Pan Macmillan.

Haffner, M. (2018). Housing affordability in the European Union. *Informationen zur Raumentwicklung*, *2018*(4), 23–33.

Haffner, M., & Hulse, K. (2021). A fresh look at contemporary perspectives on urban housing affordability. *International Journal of Urban Sciences*, *25*(1), 59–79. https://doi.org/10.1080/12265934.2019.1687320

Haila, A. (2016). *Urban land rent. Singapore as a property state*. Wiley.

Harvey, D. (1985). *The urbanization of capital. Studies in the history and theory of capitalist urbanization*. Johns Hopkins University Press.

INAPP. (2023). *Rapporto 2023. Lavoro, formazione, welfare. Un percorso di crescita accidentato*.

ISTAT. (2024). *Prezzi delle abitazioni, nota metodologica*. Ufficio statitstico.

Knoll, K., Schularick, M., & Steger, T. (2017). No price like home: Global house prices, 1870–2012. *American Economic Review*, *107*(2), 331–353. https://doi.org/10.1257/aer.20150501

Loberto, M. (2019). *Il mercato degli affitti nelle città italiane: Un'analisi basata sugli annunci online* (Working paper no. 1228). Banca d'Italia.

Madden, D., & Marcuse, P. (2020). *In difesa della casa. Politica della crisi abitativa*. Editpress.

Matsaganis, M. (2011). *Estimating the distributional effects of mortgage interest tax relief in Europe* (Working paper no. 1105). Department of European and International Economic Studies, Athens University of Economics and Business. https://ideas.repec.org/p/aue/wpaper/1105.html

McKee, K., Moore, T., Soaita, A., & Crawford, J. (2017). 'Generation rent' and the fallacy of choice. *International Journal of Urban and Regional Research*, *41*, 318–333. https://doi.org/10.1111/1468-2427.12445

Ministry of Economy and Finance. (2024). *Nota metodologica*. Direzione Studi e Ricerche Economico-Fiscali, Ufficio di Statistica.

Moscarelli, R., & Peverini, M. (2024). Cambiare prospettiva sulla crisi abitativa: Oltre i confini urbani del fabbisogno. *Territorio*, *105*, 78–85. https://doi.org/10.3280/TR2023-105011

National Institute for Social Security. (2024). *Osservatorio sui Lavoratori dipendenti, Nota metodologica*. Ufficio di Statistica.

Neuteboom, P., & Brounen, D. (2011). Assessing the accessibility of the homeownership market. *Urban Studies*, *48*(11), 2231–2248. https://doi.org/10.1177/0042098010385155

OMI. (2024). *Nota metodologica locazioni*. Ufficio statistiche Agenzia delle Entrate.

Palvarini, P. (2010). *Cara dolce casa. Come cambia la povertà in Italia dopo le spese abitative* [Paper presentation]. Terza Conferenza ESPANET, Senza Welfare? Federalismo E Diritti Di Cittadinanza Nel Modello Mediterraneo, Milan, Italy.

Peverini, M. (2023). *Promoting rental housing affordability in European cities. Learning from the cases of Milan and Vienna*. Springer. http://dx.doi.org/10.1007/978-3-031-43692-5

Piketty, T. (2014). *Capital in the twenty-first century*. Harvard University Press.

Pizzo, B. (2023). *Vivere o morire di rendita. La rendita urbana nel XXI secolo*. Donzelli.

Rodríguez-Pose, A., & Storper, M. (2020). Housing, urban growth and inequalities: The limits to deregulation and upzoning in reducing economic and spatial inequality. *Urban Studies*, *57*(2), 223–248. https://doi.org/10.1177/0042098019859458

Ryan-Collins, J. (2018). *Why can't you afford a home?* Polity Press.

Ryan-Collins, J., Lloyd, T., & Macfarlane, L. (2017). *Rethinking the economics of land and housing*. Bloomsbury.

Senato Della Repubblica. (2003). *Costituzione della Repubblica Italiana*. Ufficio delle informazioni parlamentari, dell'archivio e delle pubblicazioni del Senato. (Original work published 1947)

Stone, M. E. (2006). What is housing affordability? The case for the residual income approach. *Housing Policy Debate*, *17*(1), 151–184.

Storto, G. (2018). *La casa abbandonata. Il racconto delle politiche abitative dal piano decennale ai programmi per le periferie*. Officina edizioni.

Torrini, R. (2016). *Labour, profit and housing rent shares in italian GDP: Long-run trends and recent patterns* (Working paper no. 318). Banca d'Italia. https://www.bancaditalia.it/pubblicazioni/qef/2016-0318/index.html?com.dotmarketing.htmlpage.language=1

Tulumello, S., & Caruso, N. (2021). "[La casa] non è più sexy in Italia." The absent politicization of housing in Italy, insights from Turin. *Partecipazione e conflitto*, *14*(2), 870–895. http://dx.doi.org/10.1285/i20356609v14i2p870

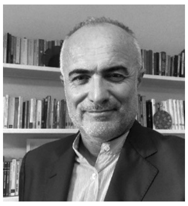
Vercellone, C. (2008, February). *The new articulation of wages, rent and profit in cognitive capitalism* [Paper presentation]. The Art of Rent, London, UK. https://shs.hal.science/halshs-00645055v1

Viesti, G. (2021). *Centri e periferie. Europa, Italia, Mezzogiorno dal xx al xxi secolo*. Laterza.

Wetzstein, S. (2017). The global urban housing affordability crisis. *Urban Studies*, *54*(14), 3159–3177. https://doi.org/10.1177/0042098017711649

Whitehead, C., & Goering, J. (2020). Local affordable housing dynamics in two global cities: Patterns and possible lessons? *International Journal of Urban Sciences*, *25*, 241–265. https://doi.org/10.1080/12265934.2020.1828147

About the Authors



Massimo Bricocoli is the head of the Department of Architecture and Urban Studies at Politecnico di Milano, where he is full professor in Urban Planning and Policies. His research focuses on housing policies and projects, urban regeneration, and local welfare. On these topics he has extensive experience in coordinating research projects and advising and supporting local governments and public authorities. He is co-founder and the scientific coordinator of OCA—Observatory on Affordable Housing in Milano (www.oca.milano.it).

Marco Peverini is assistant professor at the Department of Architecture and Urban Studies (DAStU) of Politecnico di Milano. He develops his research within OCA—Observatory on Affordable Housing in Milano (www.oca.milano.it). He focuses on the topic of housing affordability, in the research framework that investigates social sustainability in urban planning. He is part of the Foundational Economy Collective and co-coordinator of the working group “Social Housing: Institutions, Organisation and Governance” of the European Network of Housing Research (ENHR).

URBAN PLANNING
ISSN: 2183-7635

Urban Planning is an international, peer-reviewed open access journal of urban studies aimed at advancing understandings and ideas of humankind's habitats — villages, towns, cities, megacities — in order to promote progress and quality of life.

The journal is founded on the premise that qualitative linked to quantitative approaches provide mutually sympathetic outcomes for adding knowledge to the complex and polyhedral system par antonomasia as the city is.

cogitatio

www.cogitatiopress.com/urbanplanning