

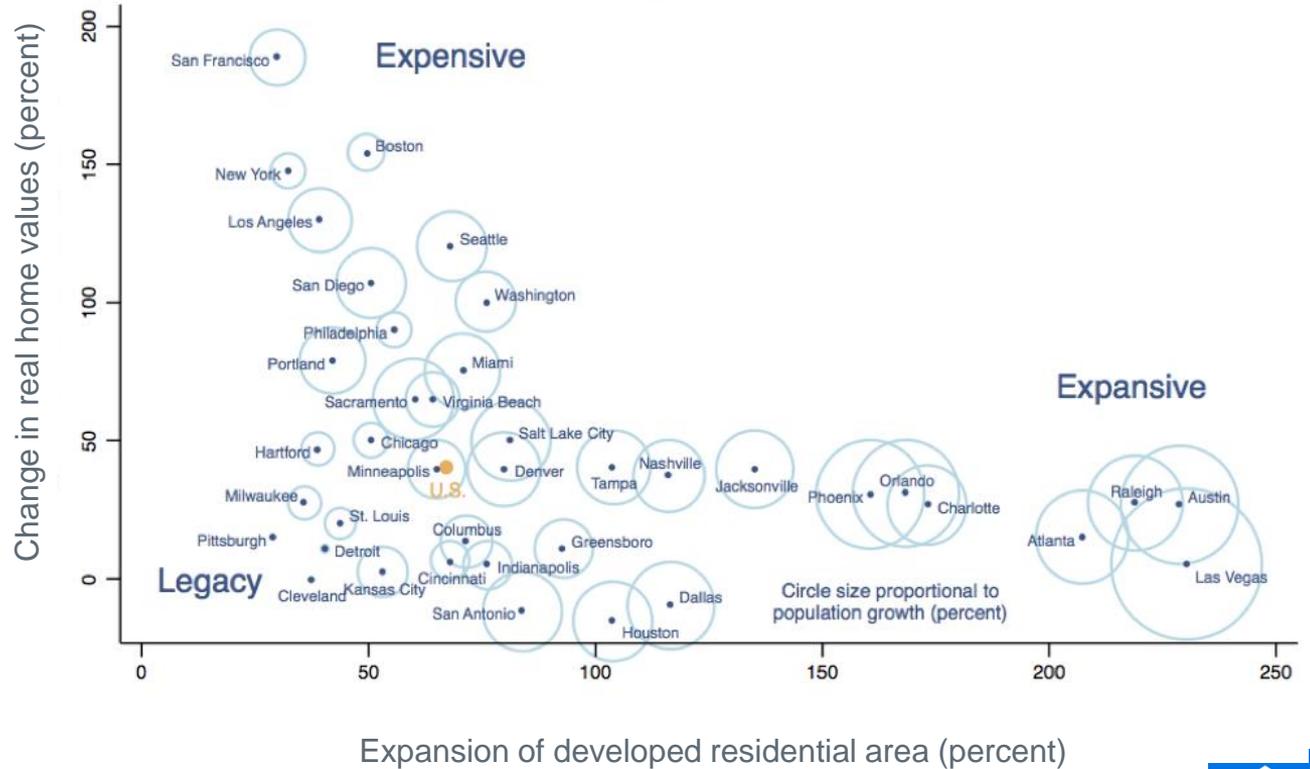
Impacts of housing access on individual and community outcomes

Issi Romem, PhD

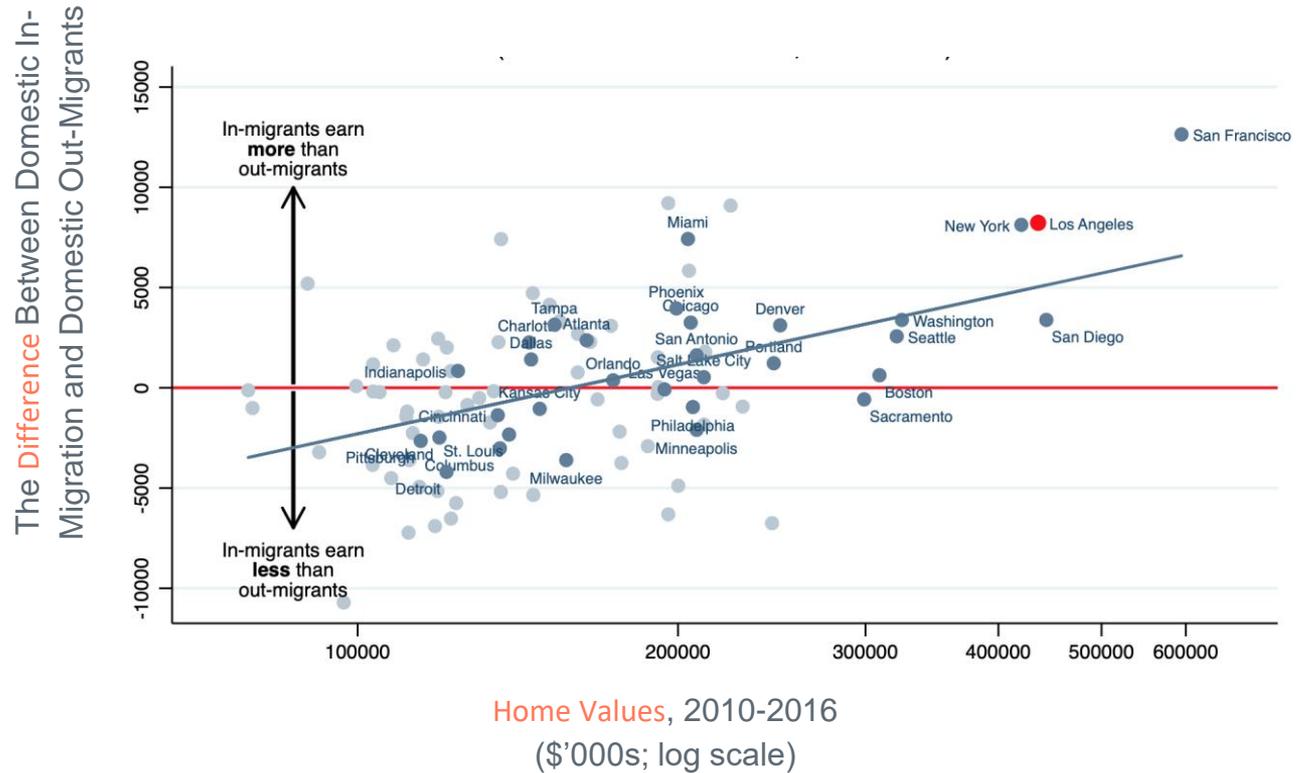
Senior Director of Housing & Urban Economics

A Classification of American Cities 1980-2010

Expensive, expansive
and legacy cities

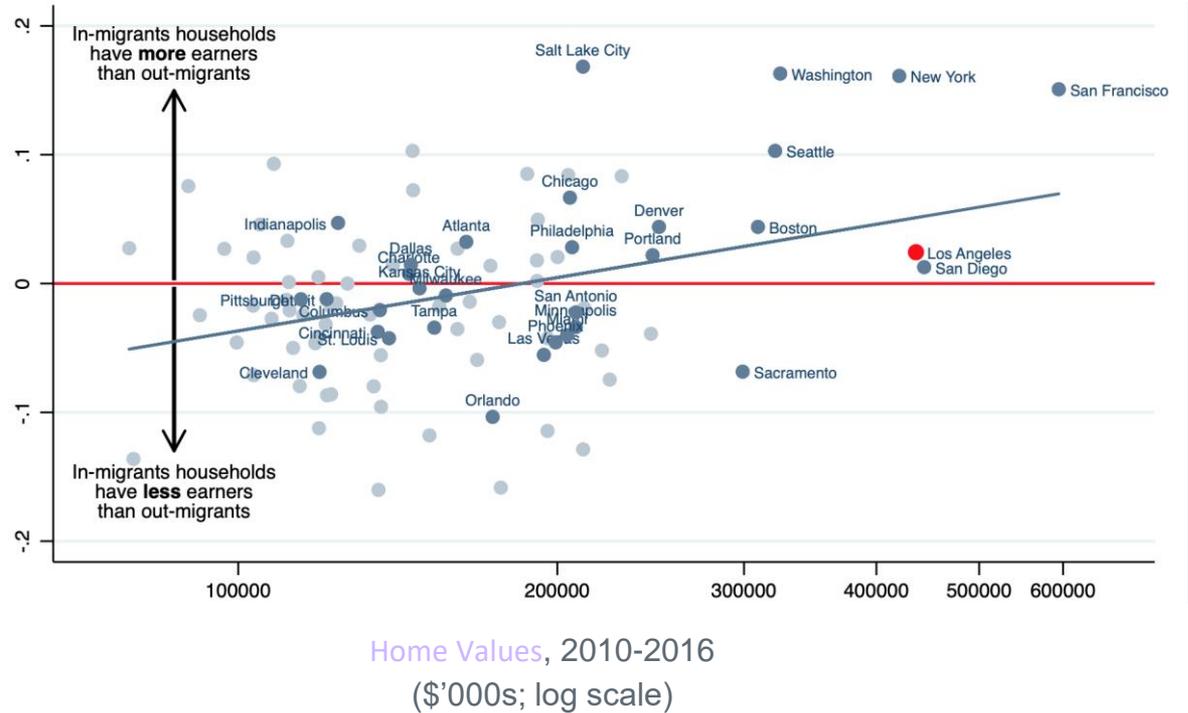


Median Annual Household Income (2010-2016; 2016 dollars)



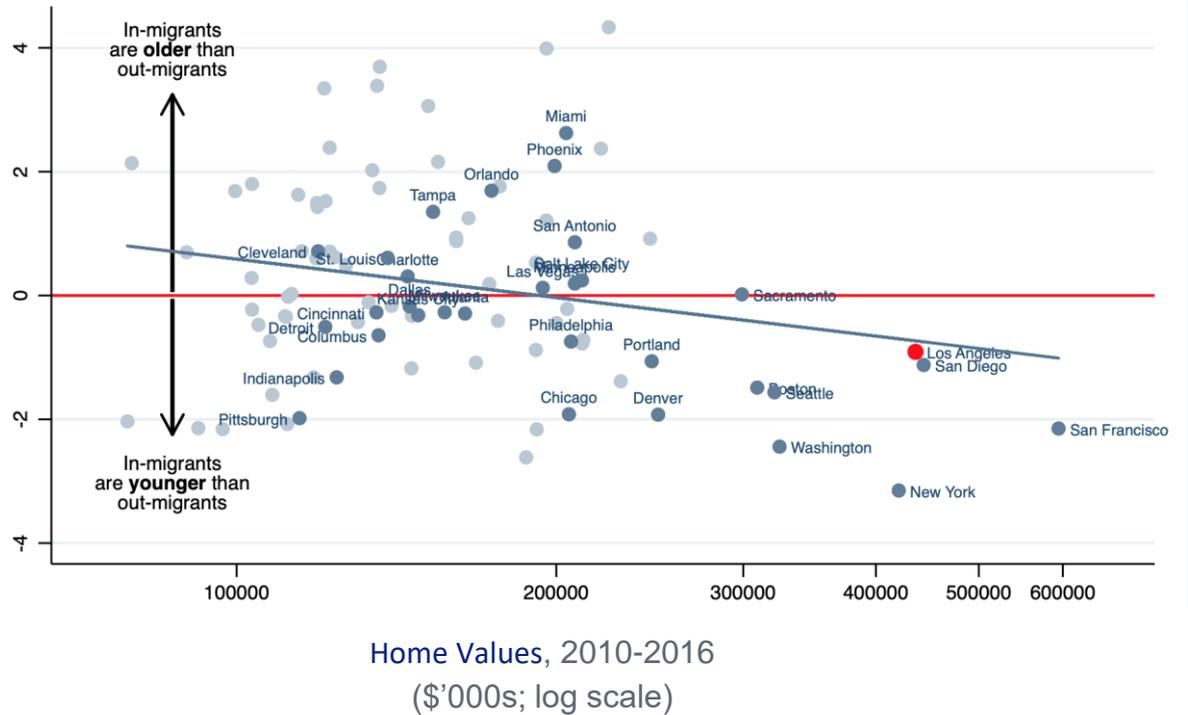
Earners Per Household 2010-2016

The Difference Between Domestic In-Migration and Domestic Out-Migrants



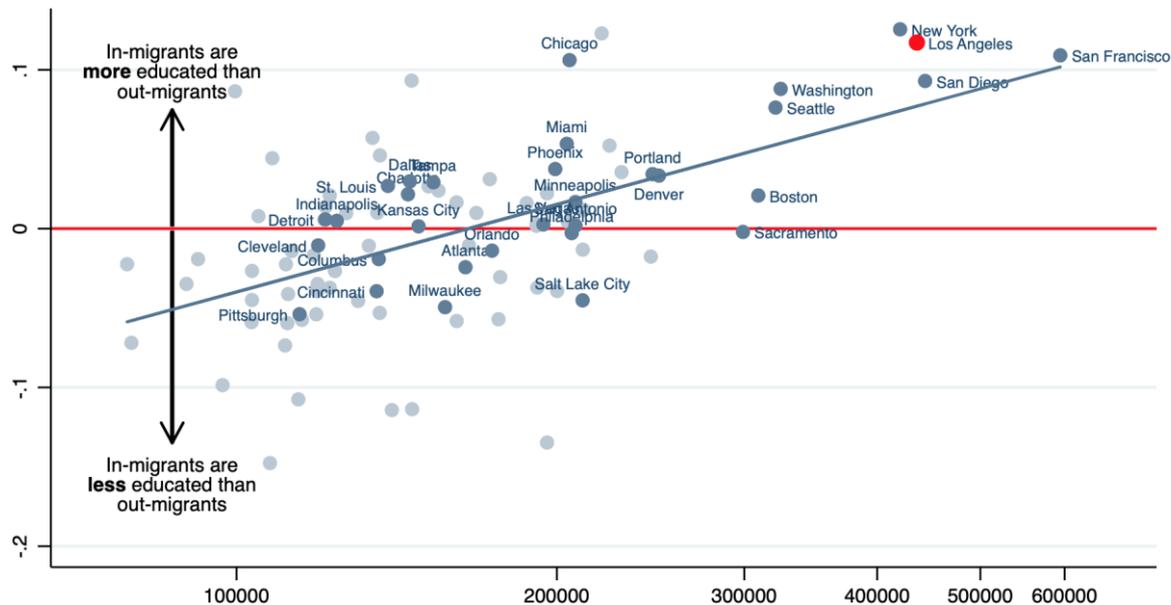
Age (Head of household) 2010-2016

The Difference Between Domestic In-Migration and Domestic Out-Migration



Education (Share of individuals 4-year college degree or higher) 2010-2016

The **Difference** Between Domestic In-
Migration and Domestic Out-Migrants



Home Values, 2010-2016
(\$'000s; log scale)

Income and wealth are not the same

Sustained long-run housing price growth can create a sharper distinction between owners and renters

Homeownership may grow to depend more on cross-generational support and less on within-generational income

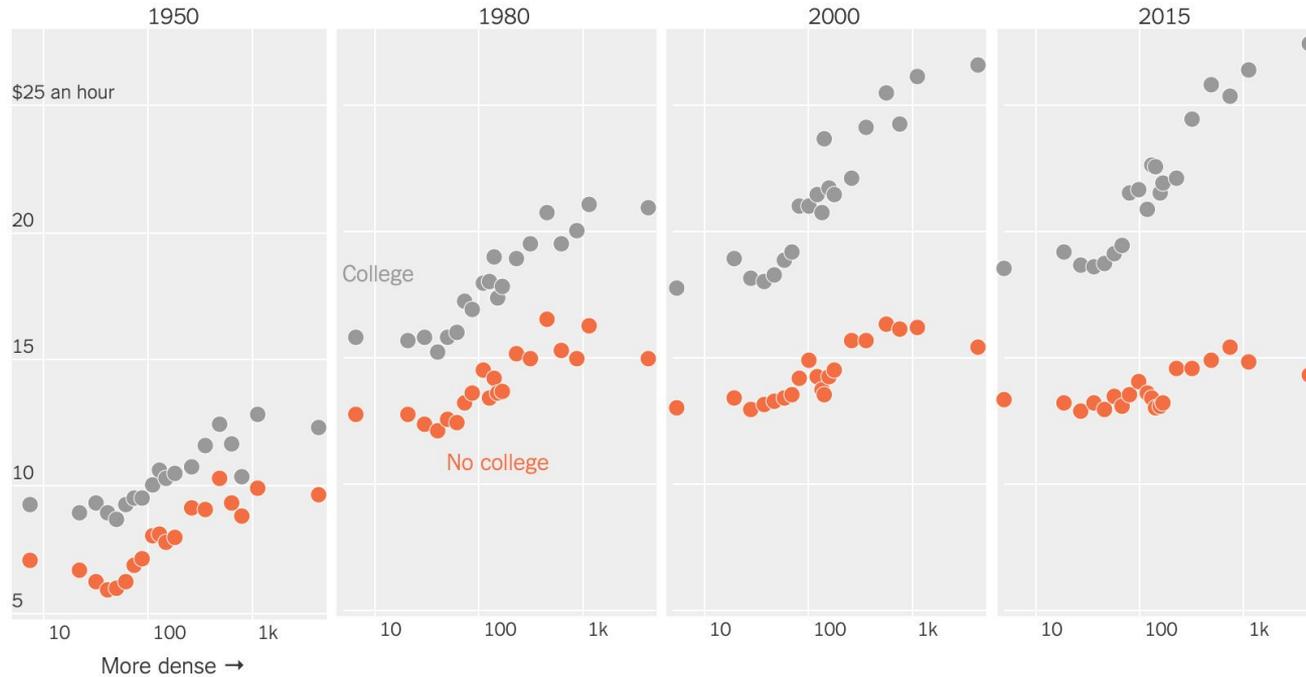
This is consistent with a young, transient-class of high-income, low-wealth individuals and households who cannot settle here



- Positive income and education sorting are the mechanics of polarization – the process whereby more educated and high-income metro areas grow more so, and vice versa
- The political implications of this polarization are evident today
- - - - -
- In-and out-migrant differences in owner-occupancy and earners fluctuate with housing prices within metros from year to year
- But in-and out-migrant differences in income and education do not, suggesting that polarization is driven by fundamental differences in metros' industrial mix
- Industrial mix affects who is drawn to the expensive coastal cities; over extended period housing costs affect which industries viable

The Economic Advantages of Dense Cities Are Disappearing for Low-Skilled Workers

In 1950, denser urban areas offered higher wages for both educated and less educated workers. That is far less true today for workers without a college degree.



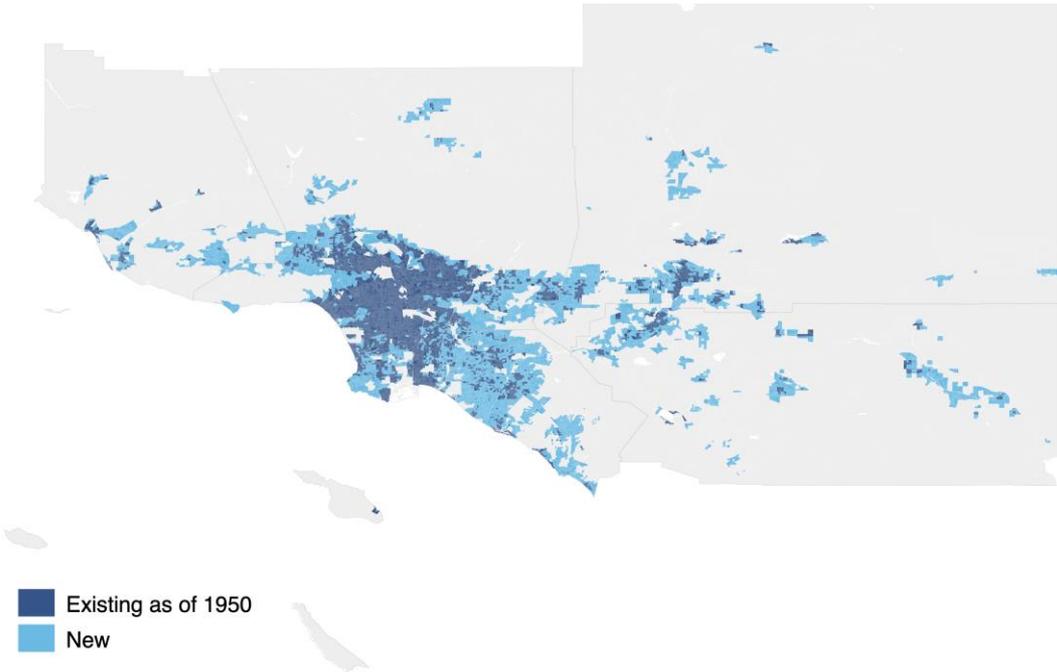
Wages are adjusted for inflation and averaged by commuting zone. Density is defined as residents per square mile and is from 1950. College is defined as some college or more. No college is high school or less.

From: Emily Badger and Quoc Trung Bui: What if Cities Are No Longer the Land of Opportunity for Low-Skilled Workers? <<https://www.nytimes.com/2019/01/11/upshot/big-cities-low-skilled-workers-wages.html>>, from David Autor's Ely Lecture: Work of the Past, Work of the Future

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Los Angeles-Long Beach, CA CSA
From 1950 to 1980

Greater L.A.
used to sprawl with
gusto



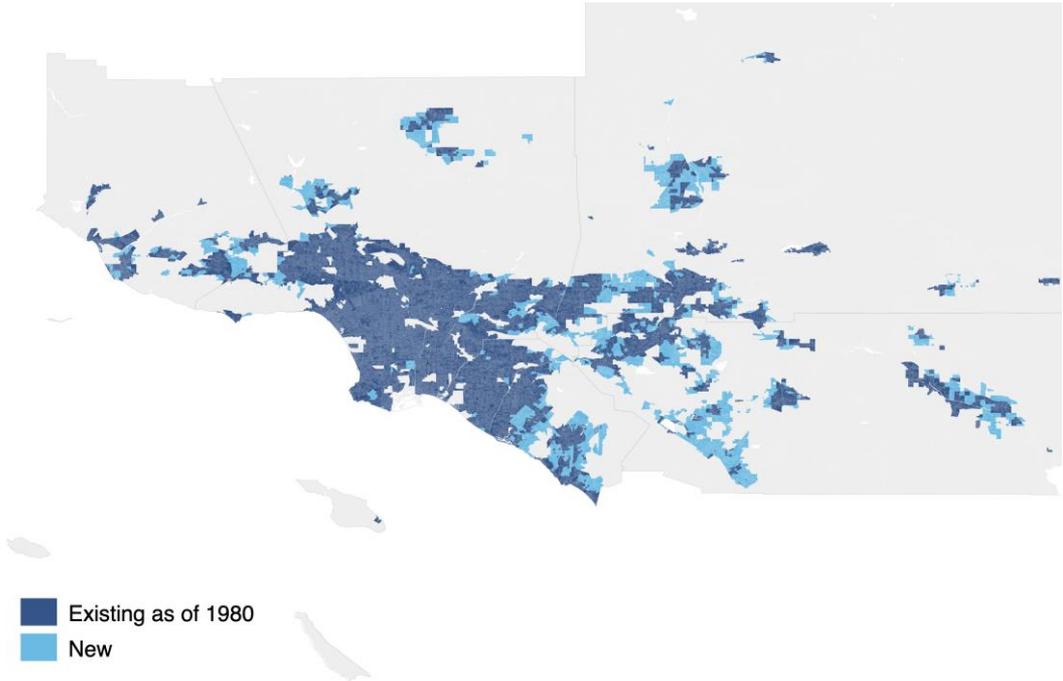
Source: BuildZoom

Notes: areas considered developed when they first exceed 200 currently existing homes per square mile.



Los Angeles-Long Beach, CA CSA
From 1980 to 2010

Greater L.A. is now sprawling substantially less than it used to



Source: BuildZoom

Notes: areas considered developed when they first exceed 200 currently existing homes per square mile.