
Housing Development and Policy Trends

Saint Paul Housing & Redevelopment Authority
March 26, 2025

Presented by:

Tram Hoang, Senior Associate



Winning On Equity

Mission

PolicyLink is a national research and action institute advancing racial and economic equity by Lifting Up What Works.®

Population

100 million residents economically insecure living at or below 200 percent of the national poverty level.

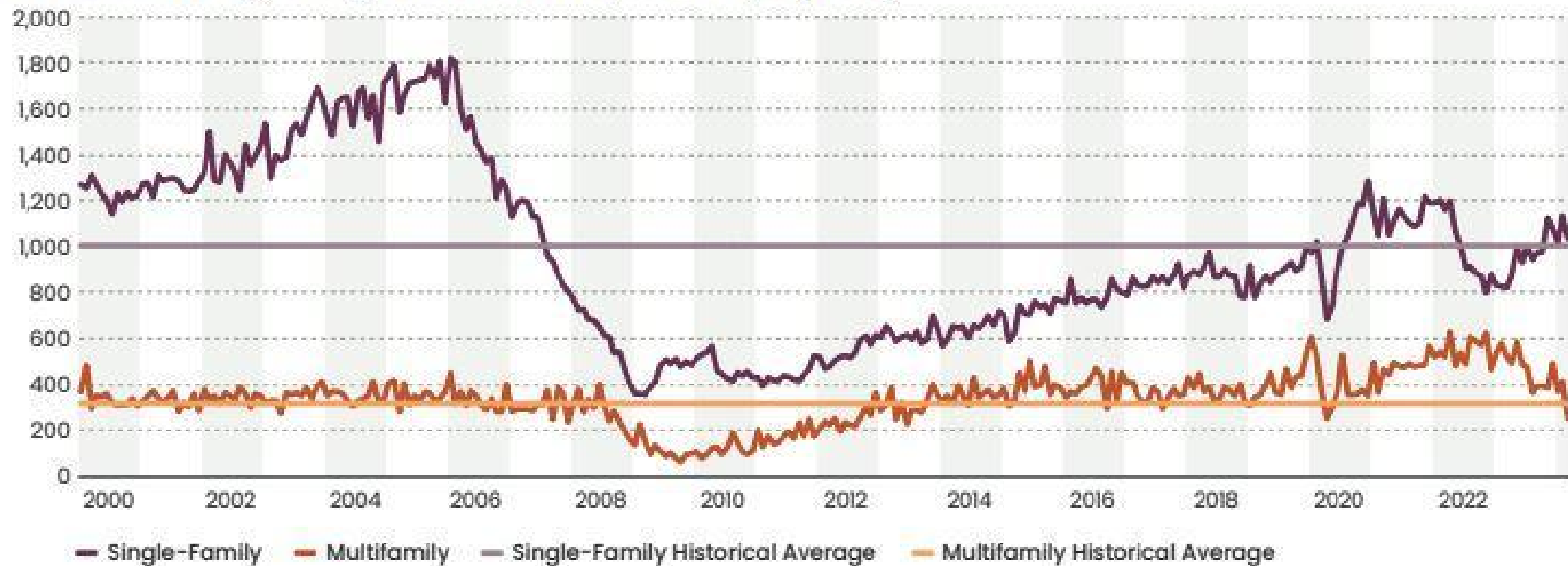
One Unifying Result

All people in America—particularly those who face the burdens of structural racism—participate in a just society, live in a healthy community of opportunity, and prosper in an equitable economy. We focus on advancing liberating policies for the 100 million people living in or near poverty, the majority of whom are people of color.

Joint Center for Housing Studies, 2024

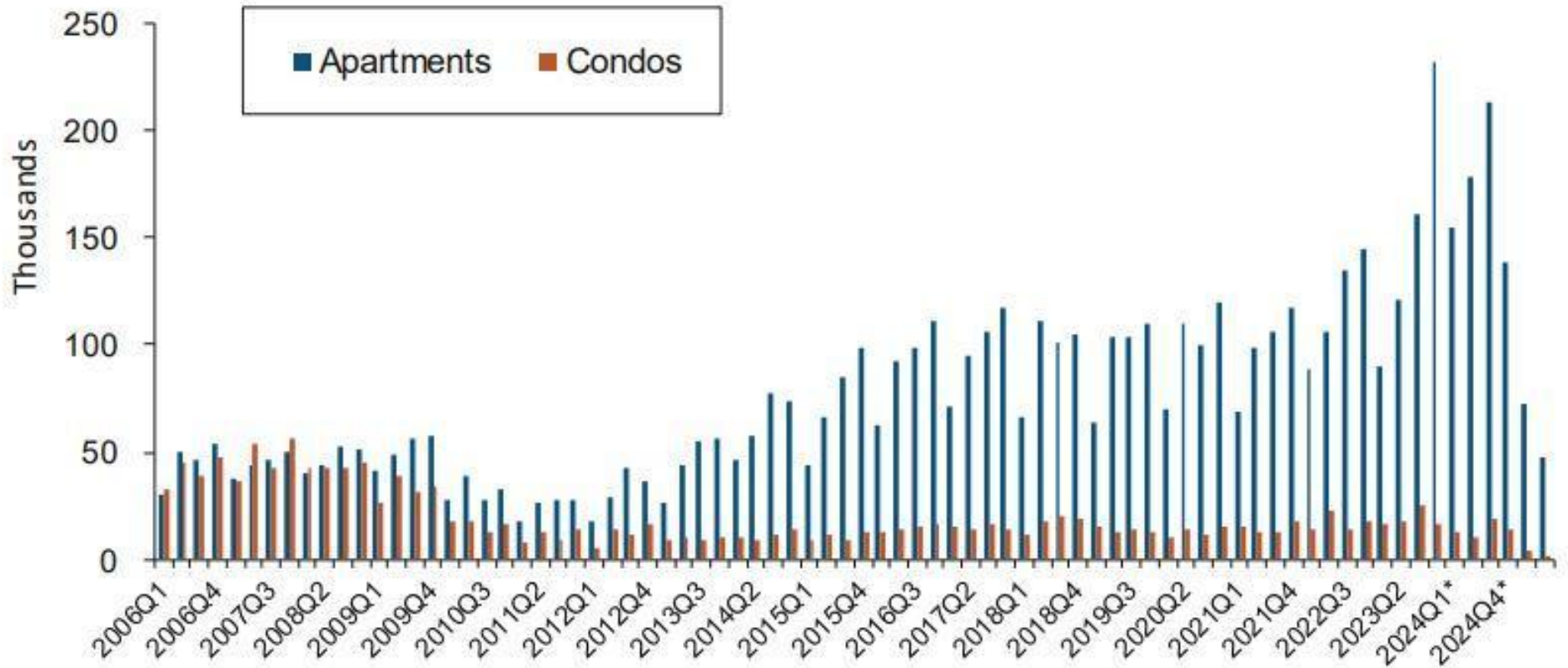
Single-Family Construction Is Accelerating While Multifamily Development Declines

Annualized Housing Starts (Thousands of units, seasonally adjusted)



Fannie Mae Multifamily Market Outlook, 2024

Multifamily New Construction



Development Outlook

- [JCHS, 2024](#): “Multifamily starts nationwide fell 14% to 472,300 units in 2023, and the decline has only accelerated.”
- [Multifamily Dive, 2025](#): “At the end of February, 754,000 units were under construction, a 21.0% YOY drop, and a 0.3% month-over-month decline.
- [Fannie Mae, 2024](#): “We expect the multifamily rental market to see continued softness in demand from both tenants and investors, and a return to more normalized trends is not anticipated until mid-2025.
- [CRE Daily, 2024](#): “Negative apartment returns in 2023, influenced by high interest rates and rising operating expenses, led to a 37% drop in multifamily housing starts.”

Industry Voices

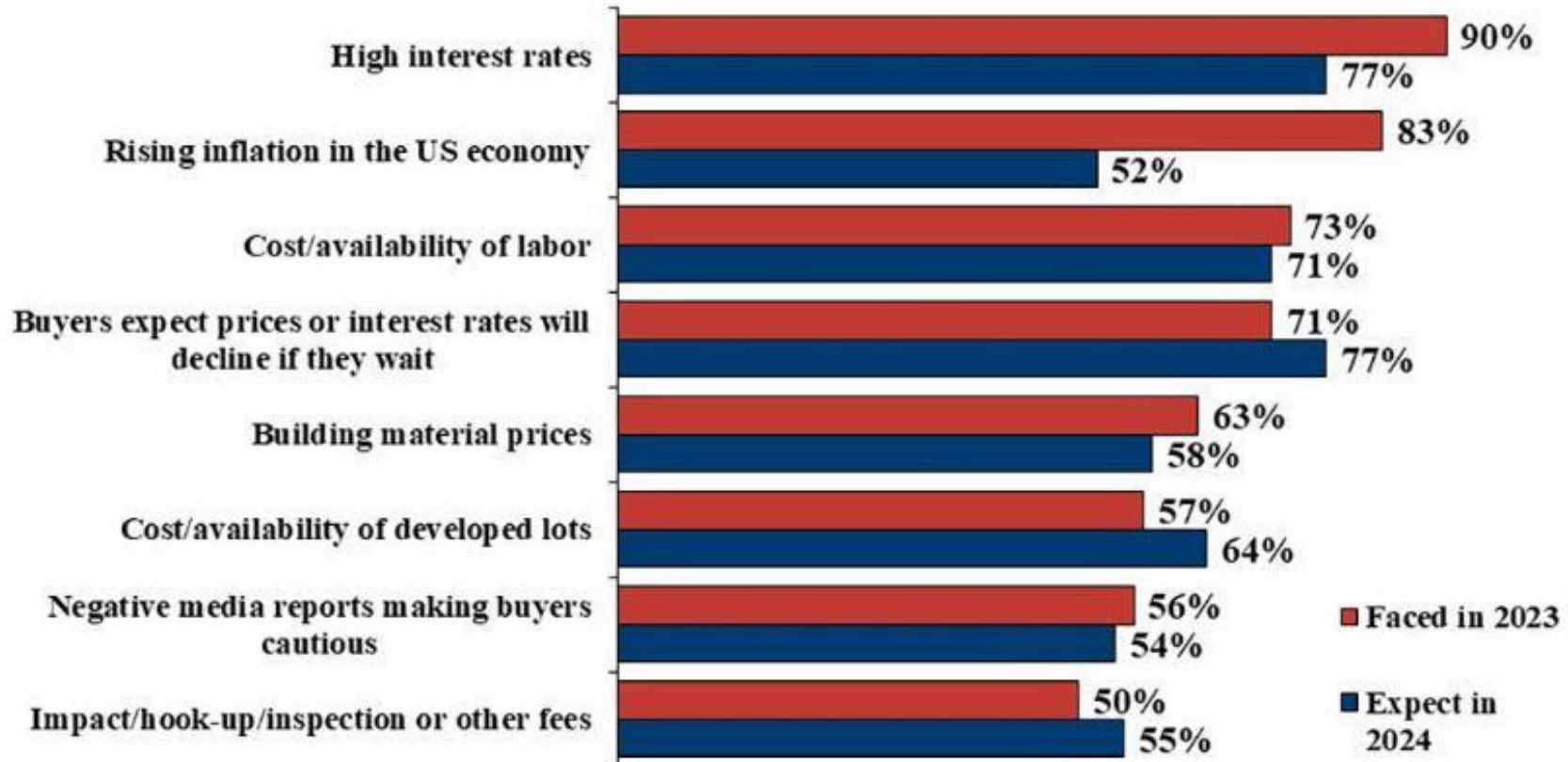
- [Multifamily Executive](#): “Developers estimate that supply chain issues have caused construction delays up to six months and cost increases as high as 40% over the past year...There was an increase in construction materials across the board of approximately 18% to 20%...These increases have been driven by the commodities markets, transportation cost, and the increased demand.”

Industry Voices

- [National Association of Home Builders](#): “In addition to tight lending conditions and the high cost of development loans, a shortage of skilled labor is another headwind facing the multifamily market, as well as the overall housing market. The industry is short more than 400,000 workers, and this challenge will grow worse as building rebounds.”

National Association of Home Builders Survey, 2024

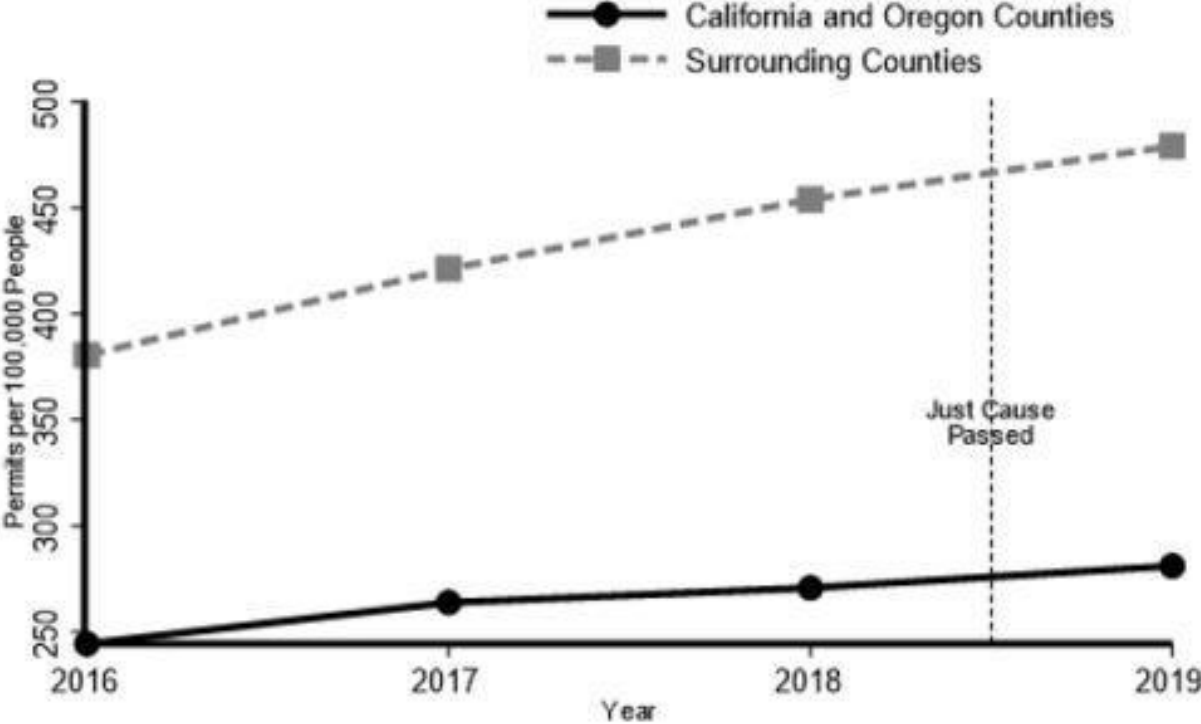
Key Problems of 2023 and Expected Issues for 2024



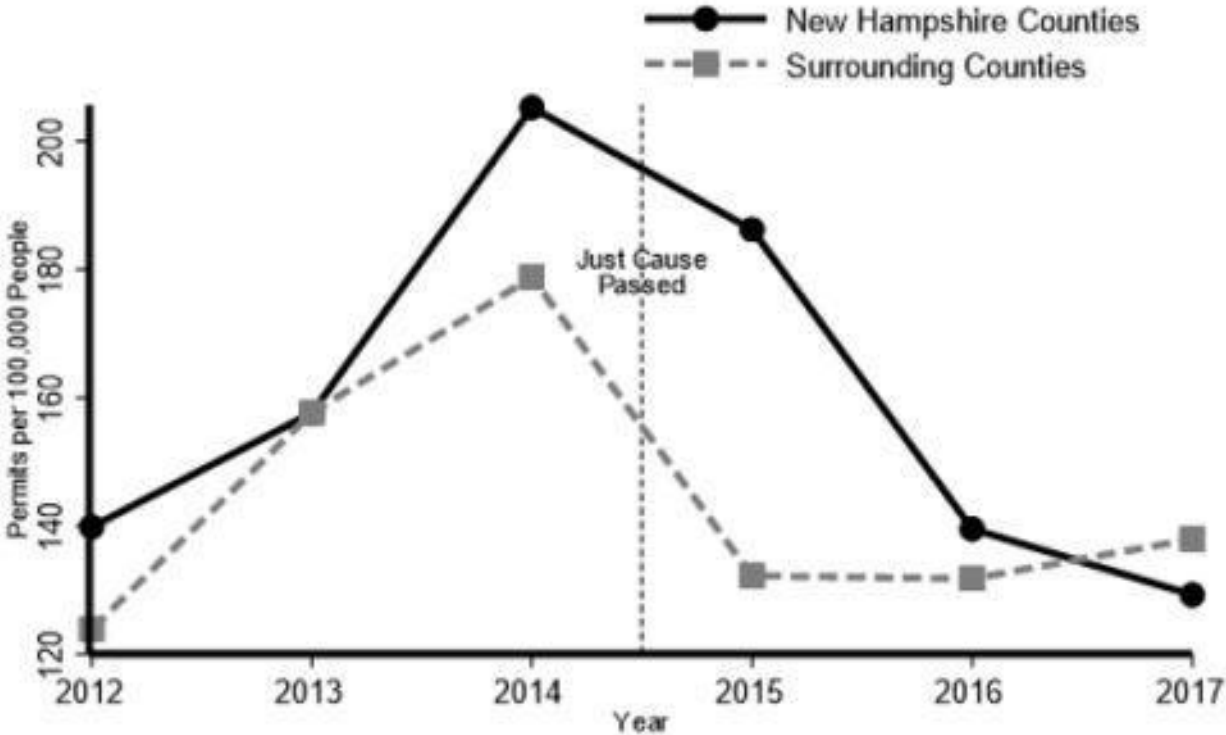
Policy Trends

- Tenant Protections
 - [Tenant right to counsel](#) (18 cities, 2 counties, 5 states)
 - [Just cause](#) (7 states, all LIHTC, multiple cities)
 - [Rent stabilization](#) (194 jurisdictions, state and local)
- Municipal Development of Permanently Affordable Housing
 - Atlanta Urban Development Corporation ([AUDC](#))
 - Montgomery County Housing Opportunities Commission ([HOC](#))
 - Seattle Social Housing Developer ([SSH](#))

Relationship Between Just Cause & Housing Development

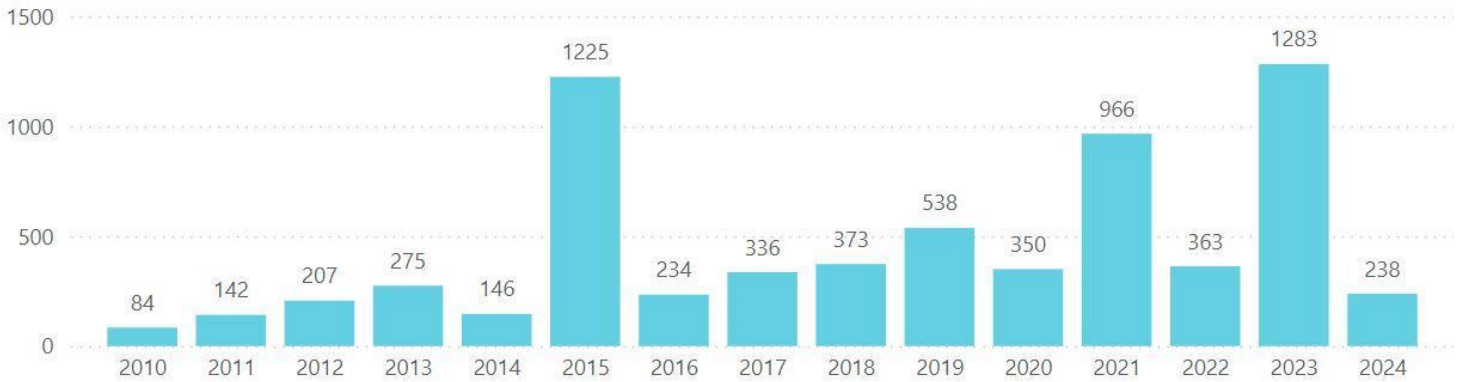


Relationship Between Just Cause & Housing Development

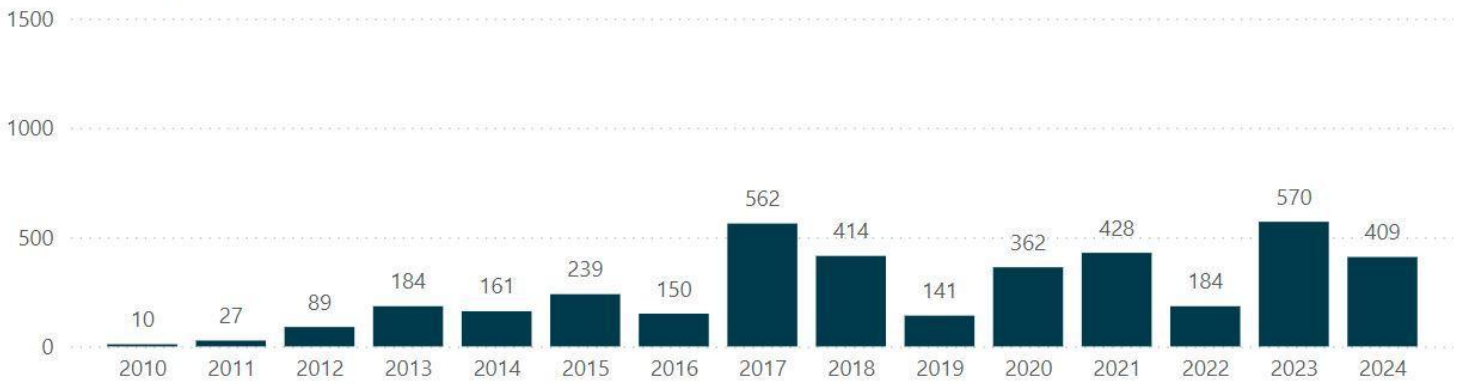


Portland, ME: 70% CPI, No New Construction Exemption (2020)

Units Approved by Year



Units Completed by Year ⓘ



Empirical Evidence from Other Jurisdictions

- [New Jersey](#), which has had rent stabilization for over 30 years
 - Cities with and without rent regulation have similar development rates
- [Boston, MA](#), which had rent stabilization temporarily
 - Rent stabilization had little effect on the construction of new housing
 - Removal of rent control did not lead to increase in new construction

The Need to Address Outsized Market Power

- [Harvard Business Review](#): “Any plan to overhaul the housing market needs to, first, confront the power of landlords to raise rents...we need more — not less — muscular government involvement in housing, through price regulation, more robust planning, and even direct public provision.”
- [DOJ Investigation of Algorithmic Price-Fixing of Rents](#): [RealPage](#) is an algorithm that collects information from landlords about housing units to recommend rent and vacancy increases to maximize profits.