



Research Process

What we've done:

- ✓ Reviewed peer communities
- ✓ TAG #1
- ✓ Incorporate regional studies
- ✓ Land Use Working Group
- ✓ Envision Tomorrow Model

An aerial photograph of a large-scale construction site. The foreground and middle ground are filled with numerous wooden framing structures for multi-story buildings. In the background, a residential area with blue-roofed houses is visible, followed by a range of mountains under a clear sky.

Overview

What's included:

- ✓ Summary of Southern Nevada Strong Regional Plan
- ✓ Quick reference of demographics
- ✓ Review of all 3 research briefs

Southern Nevada Regional Housing Analysis

An Analysis and Discussion of the Region's Housing Inventory

Southern Nevada has been among the nation's fastest growing regions for the better part of the last three decades and this trend is expected to continue well into the future. This rapid rate of growth through productivity and opportunity to move, but it also created challenges. Unplanned and uncoordinated growth has taken much of our development out of the edges of the region, and most of these new houses offer limited variety in type and affordability, as well as diverse access to employment hubs, public transit, or transportation choice.

How housing affects our community:

- Growth of low-wage jobs and lack of economic diversification means a growing need for low cost housing and high mobility within employment
- Lack of affordable and middle income housing means the ability of workers to grow and attainable wealth
- Increase in homelessness and housing insecurity affects educational attainment by increasing student absenteeism
- Spatial imbalances between housing, employment, and other amenities cause increased spending on other necessities such as transportation

For better understand Southern Nevada's housing needs and inform current and future public and planning efforts, an assessment of the region's housing inventory was completed. This assessment examines the health balance between jobs and housing, current affordability and future needs, as well as the diversity of existing housing types. Additionally, using an open source model, research identified potential future demands for type and cost. Detailed findings of the analysis are documented in three briefs, providing information for better understood factors contributing to the current and forecasted of Southern Nevada's housing challenges.

BY THE NUMBERS

Population: 2,268,778

Households: 613,617

Total Housing Units: 564,353

Household size: 2.76

Housing rate: 12%

Housing type:

- 37% Attached (30)
- 27% Attached (26)
- 16% 2-4 units (9)
- 11% 1-2 units (23)
- 16% 1-1 units (10)
- 3% Single (1)

Median household income: \$33,200

Median age:

- Housing: 34%
- Median: 35%

Median household income:

- Average: \$3,000
- Rent: \$1,200

Housing cost burden:

- Rent: 20%
- Median: 23%
- Median: 23%

Housing Permits & Population Growth in Southern Nevada

Given by the rapid and sustained influx of new residents, housing production increased fairly consistently through most of the 1970s and early 2000s. Annual housing construction permits effectively doubled during the late period, leading from approximately 40,000 to over 80,000 in 2008. However, new housing construction dropped precipitously during the Great Recession, falling to roughly 1,000 permits per year during the recession. Since then, the region has seen a 60% rise in the permits submitted to cities. While production has increased in the short since the recession, housing permits are still less than half what they were prior to 2008, leading to growing affordability concerns throughout the region.

JOBS-HOUSING BALANCE | Housing location v. activity centers

Housing continues to be developed at great distances from employment and activity centers, increasing transportation costs for residents. This has led to longer commutes, increased greenhouse gas emissions, and reduced access to vital services such as grocery stores and medical institutions.

THE FUTURE

Changing Demographics | Changing Demand

By 2035, Southern Nevada is to grow to over 3,000,000 people, which will require more housing as well as job growth.

Southern Nevada will become older and more racially and ethnically diverse, which will impact the community's preference on the types of homes they will want.

To meet demand and accommodate for suburban sprawl and reverse, Southern Nevada will need 180,000 new units:

- 127,700 Single Family Homes (including detached development and conversions)
- 49,700 Multifamily Units
- 2,600 Mobile Homes

Future Balanced Housing Profile

Source: Southern Nevada Regional Housing Analysis, 2020

Southern Nevada Strong: Regional Housing Vision

The following is a complete and inclusive list of what we hope to achieve from a new vision in housing growth in and around Las Vegas. The needs of the future generations and residents, all without undue investments in affordable housing and public infrastructure, need to be met and the development of an urban form that is more sustainable, resilient, and healthy. The plan also emphasizes the development of an urban form that is more sustainable, resilient, and healthy, and building types and scale for increased walkability and transit planning for housing (as well as transportation and economic development).

Regional Plan Recommendations:

- Identify housing options to meet the needs of low and middle income future residents.
- Develop housing to meet the needs of residents with low mobility and disabilities.
- Reduce low density and suburban housing in neighborhoods across the region.
- Work with developers to encourage more diverse housing developments across the region, such as mixed-use, transit-oriented, transit-oriented, transit-oriented, and transit-oriented.
- Increase transit options and community engagement for housing choice, needs, and rights.

HOUSING AFFORDABILITY

Over the last three decades, the region's housing market has seen a significant increase in housing costs. This increase has led to a decrease in housing affordability, which has led to a decrease in housing growth. As a result, housing costs have increased, affordability has decreased.

Median price per sq. ft. has risen in recent years. Over the course of the decade, median price per sq. ft. in the region increased 10 percent, peaking in 2020.

\$28.56/hour

According to recent analysis from the Nevada Housing Coalition, the hourly wage required to afford a 2-bedroom unit in the central Las Vegas housing cost burdened in 2021 is \$28.56/hour.

Jobs-housing Balance

SNS Regional Housing Inventory Brief: Jobs-Housing Balance

Introduction

Southern Nevada has been among the nation's fastest growing regions for the better part of the last three decades and this trend is expected to continue well into the future. This rapid rate of growth through productivity and opportunity to move, but it also created many challenges, including those related to the environment, such as the loss of natural resources to the desert. Rapid growth led to unplanned and uncoordinated development, much of which occurred at the edges of the region. These land use patterns strain the local resources of local jurisdictions and create problems and make access to amenities, services, and opportunities difficult without a car.

In response, the Southern Nevada Strong (SNS) Regional Policy Plan for the region includes creating "complete communities" throughout the region. The complete communities concept looks at housing, jobs, housing, transportation options, and community amenities within a reasonable proximity of one another - meaning that everyone has access to housing, economic opportunity, and healthy resources, regardless of income or transportation choice. The vision calls upon the region to promote more resource-efficient land use and development practices and to ensure that the region's housing profile is well-matched to meet the needs of its future population and economy.

As such, the regional planning team conducted a regional housing analysis, providing current data and insights into the state of Southern Nevada's housing profile. The assessment examined three key aspects of housing market: Jobs-Housing Balance, Affordability, and Type.

The analysis from these problems of the past still exist in today's housing market. In fact, by many metrics, Southern Nevada is experiencing a housing crisis. The influx of new residents, jobs, and businesses could intensify today's housing challenges unless the region comes together to address them. In recent years, housing development has failed to keep pace with the region's population growth, leading to growing affordability concerns and inequality throughout the region. Additionally, housing in Southern Nevada is limited in its diversity of type and there continues to be spatial mismatches between housing locations, employment hubs, public transit, and transportation choice. Without housing choices, individuals are unable to provide for the diverse needs and desires of a variety of workers and consider how access to jobs and resources services establish quality of life and economic success. As the region's housing market also provides important benefits for the economic progress, stability, health, and well-being of individuals and families, action on housing challenges can help improve the region's future economic growth and prosperity, but an uneven economic mobility and health disparities in the region.

Detailed findings of the analysis are documented in three briefs, providing information for better understood factors contributing to these outcomes. The briefs are intended to inform current and future planning efforts and policies in the region, and are the first phase in continuing research being performed by the Regional Transportation Commission (RTC) regional planning team. This brief focuses on the current and forecasted jobs-housing balance in Southern Nevada and the implications of housing locations in the region.

Baseline Scenario Challenges	Preferred Land Use Benefits	Changes from the Baseline Scenario
<p>Most of the growth is at the "fringe," in single-use development types</p>	<ul style="list-style-type: none"> • Transportation costs decrease • New infrastructure costs are less • Land consumption decreases (-11K acres) 	<ul style="list-style-type: none"> • 30% fewer housing units in suburban residential development types • 18% fewer jobs in single-use employment types • Average annual household transportation costs are \$3,000 less in central vs. fringe areas
<p>Few "mixed-use centers"</p>	<ul style="list-style-type: none"> • Jobs/housing proximity improves • Transit supporting density increases • Pedestrian and bicycle access increases • Infill development increases (Increase of ~700 acres) 	<ul style="list-style-type: none"> • 51% of new housing units in mixed-use areas (Only 24% in base case) • 19% of new jobs in mixed-use areas (Only 8% in base case) • 16% of new housing within a ¼ mile of high-capacity transit (Only 9% in the base case)
<p>Low proximity of housing to existing schools and parks</p>	<ul style="list-style-type: none"> • Better use of existing school facilities, potential to expand or build within existing neighborhoods • Support existing public amenities 	<ul style="list-style-type: none"> • 26% more housing units within one mile of existing schools • 21% more housing units within a ¼ mile of existing parks
<p>Fiscal efficiency</p>	<ul style="list-style-type: none"> • Fewer road miles to build/maintain • Tax revenue increases (Higher property values for commercial land, more housing units) 	<ul style="list-style-type: none"> • \$600,000,000 cost savings in roadway infrastructure • Overall increase in fiscal efficiency
<p>Environmental resource use</p>	<ul style="list-style-type: none"> • Reduced emissions and resource usage 	<ul style="list-style-type: none"> • 11% decrease in energy use • 11% decrease in carbon emissions • 21% decrease in water use

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Housing Affordability

Regional Housing Analysis: Housing Affordability

Southern Nevada has been among the nation's fastest growing regions for the better part of the last three decades. This rapid rate of development brought prosperity and opportunity to many, but also created challenges. Much of our new development has occurred on the edges of the region, and most of these new homes offer limited access to employment hubs and public transit. Additionally, in recent years, housing development has failed to keep pace with population gains, which has led to growing affordable housing concerns.

To better understand Southern Nevada's housing needs and inform current and future policies and planning efforts, the RTC of Southern Nevada Metropolitan Planning Organization (MPO) completed an assessment of the region's current and future housing balance. The assessment examined three important pieces of the region's housing puzzle – jobs, housing balance, affordability, and type. As part of the analysis, a housing forecast was completed using [London Tompkins's Regional Housing Model](#) to get a sense of what the region's housing market could look like in 2030.

This document is one of three report books that share findings from this research.

Decreasing affordability in Southern Nevada

Once considered a strength of the region, Southern Nevada's low cost of living – driven largely by its housing market's relative affordability – has become a concern. Increased housing demand brought on by continued population growth, coupled with lagging housing production since the last recession (and Figure 2), has probably led to an increase in housing prices over the course of the decade.

In fact, Southern Nevada home prices have increased faster than elsewhere else in the country in recent years. As home prices have increased, affordability has decreased. In 2010, 14 percent of homes sold in Southern Nevada were affordable to the family earning the local median income. By the end of the decade, the number dropped to 8 percent. The affordability issue is more pronounced among renters. Just as home prices surged in recent years, so did rents. Over the course of the decade, median gross monthly rent in the region increased 20 percent, peaking at nearly \$1,300 in 2020.

Housing cost burdens

Households are considered housing cost-burdened when they spend more than 30 percent of their income on housing-related expenses, which include rent or mortgage, water, utilities, taxes and other fees. There are consequences when cost-burdened households are unable to afford to pay for housing. When households are housing cost-burdened, they have less to spend on other necessities, such as food, clothing, transportation, and healthcare. In addition to financial constraints, cost-burdened households face research also shows that the lack of affordable housing is also associated with other socio-economic impacts, including childhood development and substance and health outcomes (both physical and mental). Additionally, in many major metro areas, affordable housing is not located near job centers, which increases transportation costs for regional housing workers. Affordable housing research report found that greenhouse gas emissions that result from longer commutes.

The Future of Housing in Greater Washington

The Washington D.C. metropolitan region used the results of a comprehensive housing analysis to [establish regional targets for future housing development](#). The targets, which were developed collaboratively with input from local housing and planning directors, aimed to address three important aspects of housing:

Regional Target 1: AMOUNT
At least 320,000 housing units should be added in the region between 2020 and 2030. This is an additional 75,000 units beyond the units already forecast for this period.

Regional Target 2: ACCESSIBILITY
At least 75% of all new housing should be in Activity Centers or near high-capacity transit.

Regional Target 3: AFFORDABILITY
At least 75% of new housing should be affordable to low- and middle-income households.

FIGURE 6

Housing Type

Regional Housing Analysis: Diversifying Housing Type

Introduction

Southern Nevada was once the fastest growing community in the United States. While its growth has continued since the Great Recession, a housing crisis has emerged in which the average family may be unable to afford the average cost of rent or purchase of a home. The Regional Planning team explored this multi-faceted challenge by investigating the future of housing affordability, housing stock type, and the overall balance between jobs and homes.

Housing type can change from a rural, suburban, or urban environment. Often, but not always, smaller or denser units can be less expensive, thus being available to a wider range of residents. However, these same units may be unavailable for purchase since they are usually rental units, thus prohibiting residents from gaining the long-term benefits of home ownership. As such, housing type has a major influence on affordability, asset building, and economic opportunity. When housing stock is more homogeneous than its residents prefer, the imbalance can contribute to higher costs, more or less availability, and the possible perception that a community may not be a "fit" for a specific type of resident.

In researching peer communities and surveying local residents for Southern Nevada's Strong, Housing Choices emerged as a top priority for the region. SVS (page 74) describes that:

If development continues as it has in the past, some housing types and neighborhoods will be less available in the Las Vegas area than in competitor regions, limiting housing choice for Southern Nevadans. However, with well-planned and balanced housing, Southern Nevada residents will have homes that they can afford and they will be able to choose from a variety of housing styles, sizes and neighborhoods. From a longer-term perspective, planning for increased housing diversity and affordability also means ensuring housing availability and affordability that will keep people in the region and help to attract new residents and jobs to the area. Creating housing options that answer the needs of Southern Nevada's diverse population, while sustaining and supporting existing neighborhoods, will result in a more prosperous, vibrant and thriving region.

SVS identified the following opportunities and priorities to invest in housing choices and future housing stock diversity:

- Maintaining an adequate supply of land with flexible zoning designations to meet the anticipated housing demand
- Developing housing to meet the needs of workers in future industry sectors
- Designing housing to meet the needs of residents with low mobility and/or disabilities
- Developing low-income and workforce housing in neighborhoods across the region
- Considering the needs of the aging population
- Educating and informing the population regarding housing choice, needs and rights

What does Southern Nevada look like today?

Southern Nevada's housing market has mirrored the "boom" and "bust" trajectory of a single industry economy. When tourism and the convention industry boomed, so did the local economy and wages across the community. However, following the events of September 11, 2001 and the 2008 global pandemic, when air travel plummeted, the local economy crashed and many were left unemployed for long periods of time. At the same time, Southern Nevada's housing market also experiences a "boom" and "bust"

Figure 4: MISSING MIDDLE HOUSING

Daniel Parolek coined the term in 2010 and describes them as "building types, such as duplexes, fourplexes, cottage courts, and courtyard buildings [that] provide diverse housing options and support locally-serving retail and public transportation options."

Missing Middle "sit in the middle of a spectrum between detached single-family homes and mid-rise to high-rise apartment buildings, in terms of form and scale, as well as number of units and often, affordability."

Next Steps

- Finalize Research Briefs
- Determine continued research
- Support funding applications for future studies

