

Residential Rental Property Owners: Post-Disaster Decisions and Industry Representation

Introduction: The COVID-19 pandemic illustrated the vulnerability of tenants and the challenge of maintaining rental housing stability in the face of disaster and other shocks to the local housing market.

This research asks these questions:

1. How did the rental housing industry respond to the challenges created by the COVID-19 pandemic?
2. How has the industry changed as a result of these experiences?

It is the hope that the findings of this study will assist local government officials and other stakeholders in the city and region to develop pragmatic response strategies to allow cities to recover fast and be resilient to future disaster scenarios.

Findings: Interviewees discussed how their industries responded to the COVID pandemic. Their initial responses were similar to many other industries:

- Weekly updates to members
- Moved many services online
- Employees worked remotely

Interviewees discussed the concerns of their industry regarding policy decisions and the current housing market. They were concerned with three issue areas that were highlighted by the pandemic:

- Lack of affordable housing
- Lack of presence in policy decisions
- Current housing shortage

Lack of Affordable Housing

In major metro areas, there has been a **disparity between the cost of available rental units and the cost of needed units**. With cities and industries still recovering from the pandemic and the current migration into certain cities, the demand of housing has increased and spiked prices of rent.

Lack of Presence in Policy Decisions

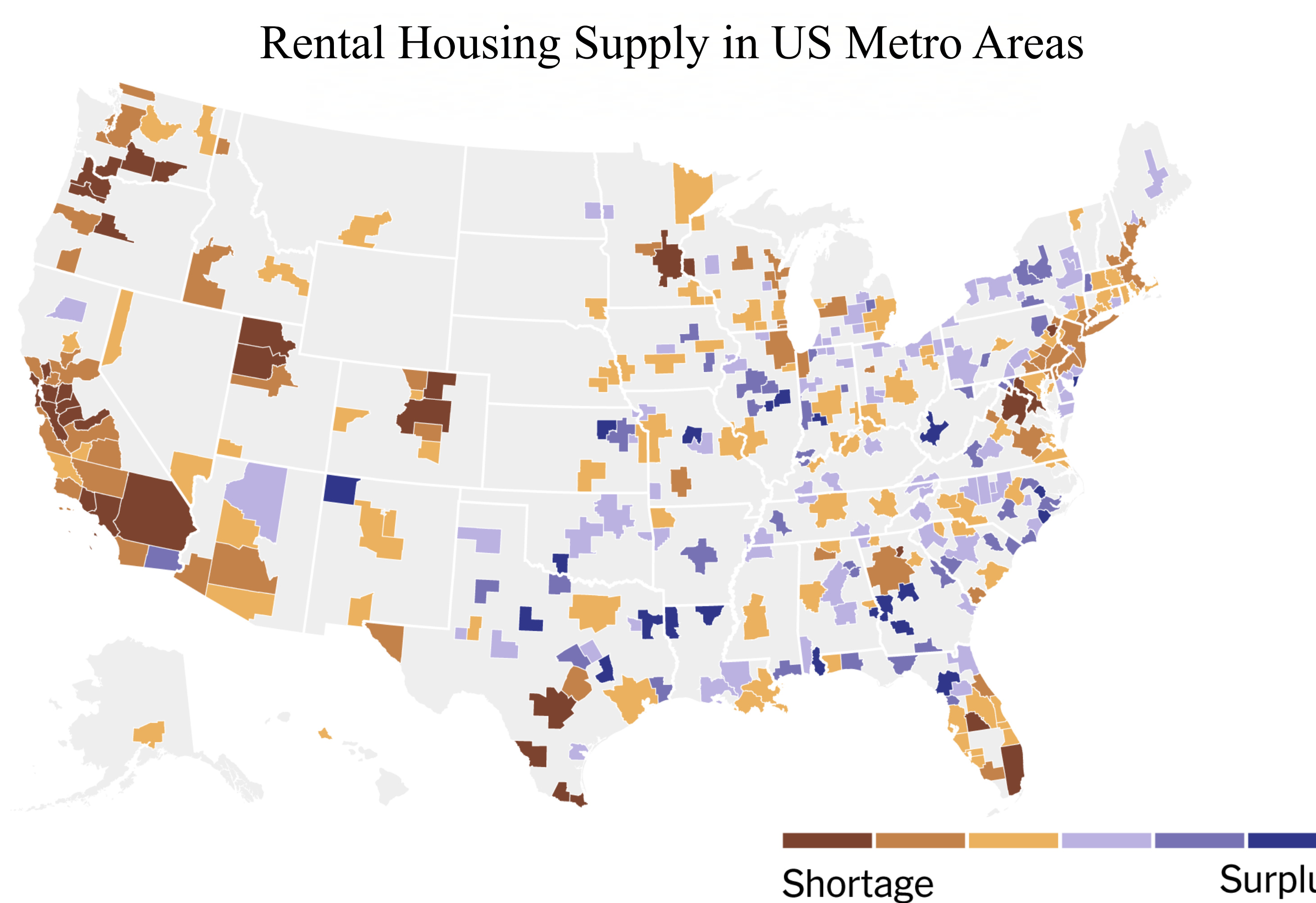
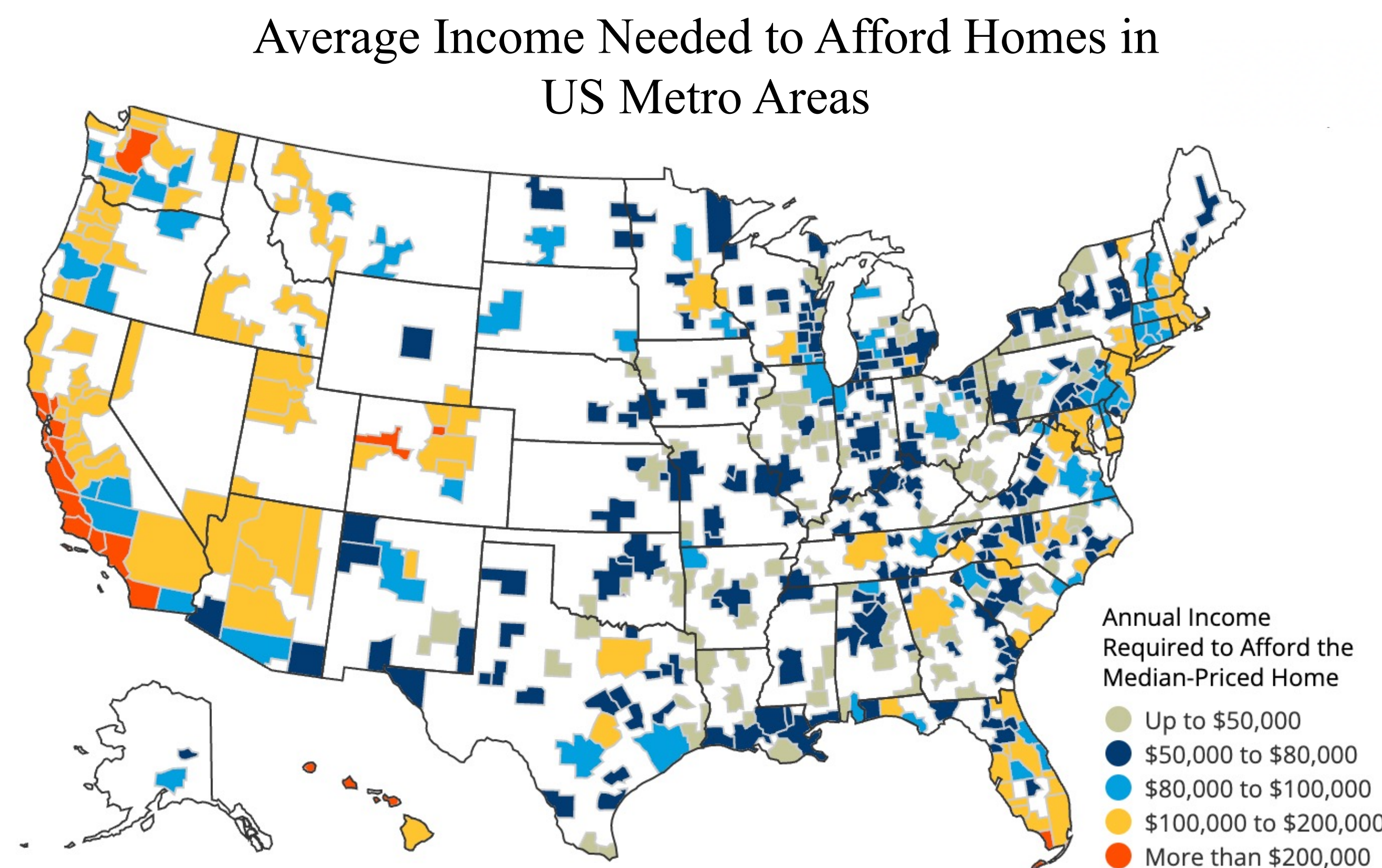
Many representatives of the rental property industry **do not feel represented** in the policy decisions that are being made regarding housing.

- Limited say in the eviction moratorium decision
- Have some input in local and state government, but little say in federal decisions

Housing Shortage

Most cities have a shortage of housing. **Dynamics that contribute** to the shortage include:

- Higher demand for housing that can support virtual work
- Supply shortages and zoning regulations leading to slow increase of multifamily homes
- Growth of cities is faster than the increase in housing



Methodology: This study takes place in 9 different cities across 6 different states: Florida, Texas, Louisiana, Iowa, Minnesota, and Ohio. Executive Directors, Government Affairs, and Organization President's from Apartment Associations and investment groups were contacted to participate in short interviews. These interviews with the industry representatives provided insight on how rental property owners reacted to the pandemic and how it affected their endeavors related to **RENTAL HOUSING**.

Limitations of the study include:

1. Spoke only to representatives of rental housing and investment industry
2. Industry representatives were hard to get into contact with.
3. Major metropolitan areas were the focus, no rural communities were included

Conclusions: Though they were able to adapt to the COVID pandemic, the industry experienced many challenges and insists on improvements in future policies and responses.

Improvements insisted upon involve:

1. Affordable rental housing
2. Representation
3. Increased rental housing supply

Policy makers and planners should involve residential rental property owner representatives in decisions regarding:

1. Zoning reforms
2. Rental properties policies overall
3. Prevention of future eviction moratoria
4. Disaster planning



Emphasized Terminology: This illustrates the important terminology and themes that the industry representatives mentioned in their interviews

References and Acknowledgements: The work of the Rental Property Research Consortium, including this material, is funded by the National Science Foundation (#2050264, #2139816). The study PI is Jane Rongerude, PhD, Department of Community and Regional Planning, ISU. This is part of the larger overall study, "Keeping Shelters in Place: Understanding the Impacts of Residential Landlord Decision-Making on Post-Disaster Housing Stability."

"Renter were particularly burdened in the first year of the pandemic." *Joint Center for Housing Studies of Harvard University*, 2022, <https://www.jchs.harvard.edu/son-2022-cost-burdens>.

"High Incomes Needed to Afford Homes in Many Metros." *Joint Center for Housing Studies of Harvard University*, 2022, <https://www.jchs.harvard.edu/son-2022-affordability>.

Important and Reoccurring Themes Of The Study:

Market Changes



"Rent growth is actually creating a huge crisis for housing affordability"

Industry Assistance



"The cities are not the solution. The cities are a very small unit of government. Even larger cities do not have the resources"

Financial Transparency



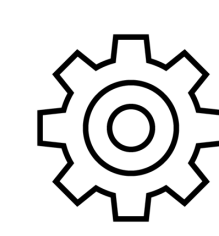
"When they broke down \$1 of rent, the average property owner makes nine cents on the dollar if they're lucky"

Housing Policies



"There are policy decisions that are going to impact the industry. I think they aren't very interested in the industry feedback"

Post-COVID Operations



"A combination of autonomy and crisis training are two very key things. And lastly, knowing what nonprofits you can lean on"