



## Executive Summary: The Housing Indicator Tool 6.0

### *Progress Made, Pace Must Accelerate to Meet Regional Housing Needs*

**Bottom Line:** The region is falling behind at a critical moment. Slowing production, declining permits, and limited policy adoption and investment are undermining our ability to meet housing demand. Without bold action to accelerate both production and preservation, the region risks losing momentum, deepening longstanding inequities in access to affordable housing, and jeopardizing long-term economic growth.

- **Housing production in the Capital Region slowed in 2025.** Greater DC produced 23,614 housing units in 2025 (compared to 25,930 units in 2024). Greater Baltimore produced 5,974 housing units in 2025 (compared to 6,980 units in 2024).
- **Building permits for new housing in the Capital Region continued to decrease in 2025.** Greater DC has seen fewer building permits issued every year since 2021. The region saw 13,589 permits issued in 2025, down from 16,604 in 2024 and 25,415 in 2021.
- **Since 2019, the jurisdictions reporting for the HIT in the Capital Region** have added more than 180,000 housing units, nearly 26,000 of which were committed affordable.
- **Adoption of cost-reducing zoning reforms remains limited.** New policies tracked in the HIT “no parking minimums” and “single-stair reform” — are currently in place in only two jurisdictions.

### Overview of the HIT

Housing& and the Urban Institute are pleased to present the sixth iteration of the Housing Indicator Tool (HIT) which provides a comprehensive assessment of the affordable housing landscape in the Greater DC, Baltimore, and Richmond areas. It highlights a severe affordable housing shortage for households with low and middle incomes, indicating the need for thousands of new units. The HIT offers insights into regional and local progress against local household growth projections, empowering stakeholders to pivot strategies and increase housing supply for a more equitable region.

The HIT sets a benchmark for addressing the pressing housing need in the region. To meet the need, Greater DC has an estimated annual goal of 25,013 net new units, Greater Baltimore has an estimated annual goal of 8,178 net new units; and Greater Richmond has an estimated annual goal of 4,312 net new units. The HIT combines data from over 20 local jurisdictions on housing outcomes, context, and policies, providing a comprehensive understanding of the housing landscape unlike any other regional tool.

For decades, racist and discriminatory policies and practices such as redlining, racial covenants, and urban renewal initiatives have perpetuated segregation and limited housing options for people of color. These systemic injustices have entrenched disparities in wealth accumulation, educational attainment, and overall well-being, perpetuating cycles of poverty and exclusion. Moreover, the Capital Region’s escalating housing costs and failure to produce sufficient housing supply have further exacerbated these inequities, displacing long-standing residents and eroding the socioeconomic fabric of neighborhoods.

In this context, the HIT 6.0 offers more robust data and a multi-pronged approach to confront housing inequity head-on. With regional and jurisdictional dashboards and additional policy questions focused on each jurisdiction's approach to zoning, the HIT 6.0 offers users key insights on how to support increased housing development and preservation with targeted approaches. HIT 6.0 also offers new "state" dashboards that aggregate data for participating jurisdictions in Maryland and Virginia. By tracking key metrics, trends, and policy approaches, the tool empowers real estate developers, community advocates, policymakers, philanthropists, lenders, employers, universities, hospitals, investors, and other institutions to identify disparities, monitor progress, and implement interventions that promote inclusive and equitable housing opportunities for all.

A distinguishing feature of the HIT is its granularity, breaking down housing goals into specific monthly cost price bands based on household income. This level of detail equips policymakers with insights into the quantity and depth of affordability required in each local housing market, enabling targeted interventions to address the housing crisis effectively.

Through collaborative efforts and informed decision-making guided by the HIT, those involved in or affected by housing development can dismantle the barriers perpetuating housing inequity and foster vibrant, resilient communities where everyone has access to safe and affordable housing. As we embark on this journey towards housing justice, the Housing Indicator Tool is a pivotal resource, driving transformative change.

### **What the Latest Data Shows**

- Greater DC region: 23,614 housing units were added in 2025, short of the annual target of 25,013 units. The Greater DC region produced 4,736 committed affordable units in 2025, a slight increase from 4,542 units in 2024. While the region has added 22,800 new committed affordable units since 2019, there remains a pressing need for more housing units across income levels. This is particularly acute for households with incomes below 30 percent of the area median income (AMI) who have the highest levels of cost burden and for which only 1,888 units have been built.
- Greater Baltimore region: 5 jurisdictions in the Greater Baltimore region added 5,974 new units in 2025, down from 6,980 units in 2024. Greater Baltimore added 898 affordable housing units in 2025, an increase from 734 in 2024.
- New jurisdictions added: We are pleased to welcome the City of Manassas Park, Virginia and Queen Anne's County, Maryland to the list of jurisdictions that completed the HIT survey in 2025. Manassas Park produced 82 housing units in 2025, exceeding its annual production target of 37 units. Queen Anne's County submitted a response to the policy questions.
- Building permits for new construction are continuing to decline in the Capital Region. In Greater DC, building permits have declined every year since 2021, when they peaked at 25,899 new units permitted, compared to 13,589 units permitted in 2025. New building permits also declined among the 5 jurisdictions in the Greater Baltimore area. 3,263 permits for new construction were issued in 2025 compared to 6,400 in 2024.
- The 11 jurisdictions in Maryland participating in the HIT and reporting total units completed have produced nearly 67,200 units since 2019, while the 9 jurisdictions in Virginia built nearly 67,800 units (Baltimore area jurisdictions joined in 2022 and not every jurisdiction reported in each year).

### **Policies to Improve Housing Outcomes**

- Five out of 23 jurisdictions surveyed track accessible housing production. Housing units that are fully accessible or are designed to be adaptable are critical to meeting the housing needs of

people with disabilities and mobility challenges. Jurisdictions can track production of these types of accessible units to understand if the volume is meeting those needs.

- Only one out of 23 jurisdictions surveyed has adopted single-stair reform, allowing buildings up to six stories tall to have one staircase. Many jurisdictions use building codes mandating two staircases to increase exit pathways during fires, but evidence shows that buildings up to six stories tall with one staircase are just as safe. Allowing single-stair buildings can lower construction costs and provide more floor plan configuration options.
- Only two out of 23 jurisdictions surveyed have eliminated parking minimums for new residential development. Eliminating required parking minimums enables developers to build only as much parking as their residents will need.

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