Federal Studies on Affordable Housing & Regulatory Barriers: An Overview

Stuart Meck, FAICP/PP
Faculty Fellow and Director
Center for Government Services, Rutgers

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Federal Studies on Affordable Housing/Regulatory Barriers

• National Commission on Urban Problems (Douglas Commission), 1968
• President’s Commission on Urban Housing (Kaiser Commission), 1968
• President’s Commission on Housing, 1982
• Advisory Commission on Regulatory Barriers to Affordable Housing (Kemp Commission), 1991
Federal Studies on Affordable Housing/Regulatory Barriers

- Millennial Housing Commission, 2002
- “Why Not in Our Community?”: Removing Barriers to Affordable Housing (HUD), 2005
- *Cityscape* Symposium Issue, 2005
National Commission on Urban Problems

- Local governments must prepare plans showing how they would provide adequate sites for housing; modify zoning purposes.
- Multicounty or regional agencies should prepare housing plans.
- Establishment of a state policy on housing near employment centers.
President’s Commission on Housing

- Recommended federal legislation giving HUD Secretary power to exempt I/m housing projects from local zoning codes, unless vetoed by governor
- Acknowledged impact of local regulation on housing costs
President’s Commission on Housing

- Generally critical of over-regulation through local zoning
- Recommended leaving density of development to market, except where lower density was justified by “vital and pressing governmental interest”
President’s Commission on Housing

- Eliminate minimum or maximum limits on the size of dwelling units
- Streamline permit processing
- Avoid use of growth controls that limit housing production
- Eliminate discrimination against manufactured housing
Advisory Commission on Regulatory Barriers to Affordable Housing

- State barrier removal plans
- State-sponsored conflict resolution
- Coordinating and streamlining multiple regulatory responsibilities
- Enactment of state impact fee standards to fund facilities that directly serve development
Advisory Commission on Regulatory Barriers to Affordable Housing

• Local housing plan subject to state review
• Housing affordability as primary objective of zoning regulations
• State authority to override local barriers to affordable housing
• State-established fair-share housing targets
Millennial Housing Commission

- Addressed regulatory barriers to housing
  - Grants to states and local governments to develop strategies to remove regulatory barriers
  - Establish demonstration programs for local “balanced growth code” with workforce housing affordability as key ingredient
- Streamline state planning for community development
“Why Not in Our Community”

- Updates 1991 Advisory Commission report
- Digests research studies
- Tracks efforts by states, local governments to reduce regulatory barriers
- Describes internal HUD initiatives
Cityscape (HUD) Special Issue on Regulatory Barriers, 2005

- John Quigley & Larry Rosenthal—Literature review of empirical studies
  - Empirical literature varies widely
  - Development caps, restrictions on density, urban growth boundaries, long processing times associated with higher housing costs
Cityscape (HUD) Special Issue on Regulatory Barriers, 2005

• Quigley & Rosenthal:
  – Literature fails to establish “strong direct causal effects”
  – Some land use/growth control studies have shown little effect on price
  – Research tends not to account for local complexity, other problems
  – Proposed research agenda, better data needed
Cityscape (HUD) Special Issue on Regulatory Barriers, 2005

- Peter May—evaluated a variety of local reform strategies
  - Electronic & one-stop permitting
  - Enforcement delegation & third party certification
  - Administrative reorganization
  - Conflict resolution/consensus building
Conclusion

• Long history of studies, reports
• Complicated issue, the result of:
  – Discretionary permitting
  – Layered approvals
  – Administrative initiative and competence
  – Inertia
  – Varying degrees of local, state commitment to affordable housing problem
Regulatory Barriers: A Tough Nut to Crack