

How Can State Governments Influence Local Zoning to Support Healthier Housing Markets?

Jenny Schuetz
The Brookings Institution

Abstract

The effect of zoning on housing affordability has become an increasingly salient political issue across the United States in the past several years, reflecting limited housing supply and rapid price appreciation in many metropolitan areas. State governments are beginning to push back against the prerogative of “local control” over zoning and housing production. This article examines the potential benefits of targeted state engagement with land use regulation, reviews the kinds of policy tools through which state governments can influence housing production, and documents the contrasting approaches that five states have currently taken. Current state approaches vary widely in the intensity of state engagement and range of policy tools. Housing market conditions also differ across and within states; therefore, statewide policy approaches should be tailored to specific goals and market factors.

Introduction

Zoning and its effect on housing affordability have become increasingly salient political issues during the past several years. The COVID-19 pandemic put additional pressure on housing prices in mid-sized cities that have historically been relatively affordable. Knoxville, Tennessee, Charleston, South Carolina, and Syracuse, New York, ranked in the top 15 metropolitan areas for highest housing price appreciation in the first quarter of 2023.¹ Tight supply and rising costs have prompted new conversations about whether state or federal intervention could help increase housing production—in particular, whether higher levels of government can counteract excessively strict land use regulations by local government. State governments from Maine to Montana to Washington have started pushing back against local authority over zoning, particularly the dominance of single-family exclusive zoning (Badger and Bui, 2019; Chesto, 2021; Furth and

¹ <https://www.fhfa.gov/DataTools/Tools/Pages/FHFA-HPI-Top-100-Metro-Area-Rankings.aspx>.

Coletti, 2021; Kingsella, 2020). Two states—Oregon and California—have adopted legislation that legalizes duplexes and accessory dwelling units (ADUs) in most residential areas throughout the states (Cortright, 2019; Tobias, 2021).

This article assesses how targeted state-level engagement with land use regulations could encourage more housing production in high-demand locations. Since the 1920s, state governments have explicitly delegated authority over land use regulation and housing development to local governments through zoning enabling laws or constitutional provisions (Hirt, 2014). Over time, cities and counties have adopted increasingly complex and restrictive zoning laws, which have made it difficult for housing supply to keep up with demand, especially in regions with strong labor markets (Bernstein et al., 2021; Hsieh and Moretti, 2019). Under these circumstances, state-level intervention may be useful to put guardrails on overly restrictive local policies. The goals of this article are to discuss the potential benefits of statewide housing policy to encourage more housing production, review the kinds of policy tools through which state governments can influence housing market outcomes, and document the contrasting approaches several states have currently taken.

Poorly functioning housing markets impose economic, social, and environmental costs that extend well beyond any single locality's boundaries. State-level regulation could correct some of the collective action problems and perverse fiscal incentives associated with local control. State governments already have a variety of legal and fiscal tools available to encourage local housing production—in clear contrast to the federal government. To determine what type of policies would encourage more housing production, states should assess housing market conditions and needs. Detailed action plans will vary across states, depending on their market conditions, current policies, and institutional capacity.

Comparing current policies across five states—California, Massachusetts, Oregon, Utah, and Virginia—reveals wide variation in policy goals, tools, and outcomes. California takes a maximalist approach—a high degree of state engagement and many layers of complex regulations—paired with the most expensive housing in the nation and consistently low housing production, especially among high-demand counties. Oregon and Massachusetts both have long-standing state roles in housing and land use planning, although in notably different ways. Utah and Virginia historically have had little state engagement in land use or housing production, but both states are now considering broader state policies. The high degree of variation in current state policies suggests that developing a single-model zoning code or policy template would be of limited value in guiding state actions.

Local Government Control Over Housing Production Has Pros and Cons

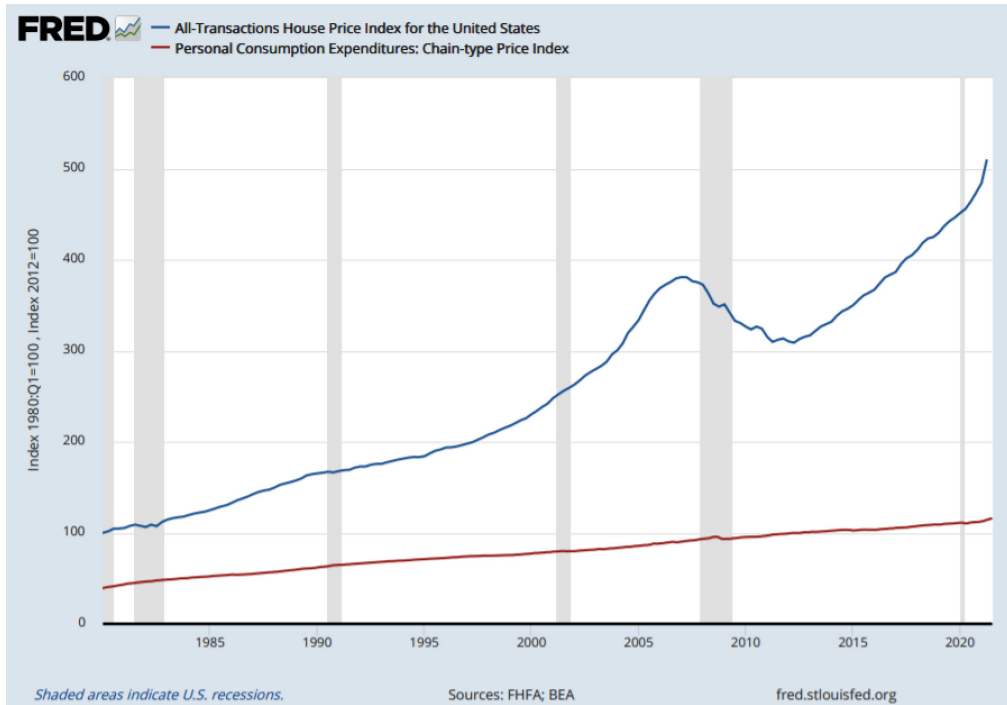
The degree of local control over housing production—which is unusual compared with regulation of most consumer goods and services—is usually justified because of the localized costs associated with housing development. Increasing the number of homes in a community creates more demand for publicly provided services, such as schools and roads, and may affect quality of life for current residents through increased noise or traffic congestion. These localized negative effects of new

development create both financial and political pressures on local governments to restrict housing development—especially lower-cost housing—within their individual jurisdictions.

Local governments bear the primary responsibility for funding a wide range of public services, including schools, crime prevention, transportation, and water infrastructure. When additional housing is built in a city or county, it increases the demand for these services. An important consideration for local governments in regulating development is whether new homes will bring in enough revenue through property taxes, impacts fees, and other mechanisms to cover the cost of services new residents consume. Zoning regulations, such as apartment bans and large minimum lot sizes, attempt to limit development of smaller, lower-cost homes, which local officials believe will be a net fiscal cost (Fischel, 2005, 2013; Furth and Gray, 2019). This perception is widespread, although assessing the actual fiscal impacts of new development is more complicated (Gallagher, 2016).

Local elected officials also face pressure from voters to limit new development, especially of moderately priced housing. Existing homeowners tend to oppose any changes to their community that they believe will reduce property values or alter “neighborhood character” in some way (Fischel, 2005). During the past 30 years, the development process has become increasingly discretionary, allowing existing residents substantial power to block unwanted development (Dain, 2019; Dougherty, 2020; Schuetz, 2009). Political scientists have documented that older, wealthy White homeowners—even when they constitute a minority of local residents—tend to dominate community meetings required to approve development proposals (Einstein, Palmer, and Glick, 2018; Manville and Monkkonen, 2021).

In short, local governments’ adoption of highly restrictive zoning that limits the quantity of new development and permits only expensive new homes is quite rational from a political and fiscal standpoint. However, overly restrictive regulation of housing production at the local level can impede well-functioning markets at the regional and state levels. Decades of empirical research have documented that excessively strict local zoning and related land use regulations lead to too little housing being added in places with high demand and drive up the cost of housing relative to less tightly regulated markets (Glaeser and Gyourko, 2018; Gyourko and Molloy, 2014; Hsieh and Moretti, 2019). At the national level, housing prices have risen faster than overall inflation since 1990 (exhibit 1), although housing production has not kept pace with population growth (Bernstein et al., 2021).

Exhibit 1**Housing Prices Have Risen Faster Than Overall Inflation**

Source: Federal Reserve Economic Data

At the state and regional (metropolitan area) levels, poorly functioning housing markets create three types of costs. They impede regional labor markets, harm the environment, and limit economic opportunity for low- and moderate-income households. Even beyond regional effects, regulations that limit housing growth and increase costs translate into substantial macroeconomic impacts for the country. Hsieh and Moretti (2019) estimate that restrictive land use regulations slowed gross domestic product growth in the United States by about 36 percent between 1964 and 2009.

Firms in expensive regions have greater difficulty attracting and retaining workers, who require higher wages to offset housing costs. The rapid increase in housing costs in highly productive regions—metropolitan areas including Boston, New York, Seattle, and San Francisco—deter some prospective workers from moving to those areas (Ganong and Shoag, 2017). Within expensive regions, most new housing tends to be built on the urban periphery, far from job centers and public transportation, resulting in longer commutes and more traffic congestion (Crump et al., 2020; Glaeser and Kahn, 2010).

Spatial patterns of housing development have important implications for climate effects and consumption of natural resources. Suburban dwellers have larger household carbon footprints than their urban counterparts, largely because of differences in housing consumption and transportation (Glaeser and Kahn, 2010; Jones and Kammen, 2014; Kahn, 2007). At the state and regional levels,

accommodating population and job growth through infill development—increasing density close to city centers and public transportation—creates less environmental harm.

Housing affordability is important for the well-being of a state's residents, particularly for low- and moderate-income households. Zoning places the tightest restrictions on development of small, dense forms of housing, such as rowhouses and apartments, which are more likely to be used as rental housing (Murray and Schuetz, 2019; Schuetz, 2009). The poorest 20 percent of U.S. households spend more than one-half of income on housing, leaving them too little cash for food, healthcare, and other necessities (Larrimore and Schuetz, 2017). Family financial instability and stress negatively affect children's health and educational outcomes (Newman, 2008). High housing costs and zoning bans on rental housing effectively "price out" many low- and moderate-income families from living in neighborhoods with high-performing public schools, leading to long-term losses in human capital. Where children grow up is strongly correlated with lifetime earnings (Chetty, Hendren, and Katz, 2016; Chetty et al., 2014; Ludwig et al., 2013). In conjunction with persistent income and wealth gaps between Black, Latino, and White households, zoning exacerbates long-standing patterns of racial segregation (Rothstein, 2018; Shertzer, Twinam, and Walsh, 2022; Trounstine, 2018).

The economic, social, and environmental harms poorly functioning housing markets create extend well beyond local borders, suggesting that states could improve the well-being of their residents and businesses. State-level engagement could also help overcome the collective action problem anti-growth localities create.

Shifting some authority over land use from localities to state governments does create some practical challenges and political risks (Collins, 2019). Most state governments have not directly engaged with land use or housing supply in the past, so would need to build up staff capacity. The political dynamics between state legislatures and local governments can be fraught—especially the relationship between Republican-dominated legislatures and Democratic mayors of large cities. Housing politics are not neatly aligned with traditional partisan divides. Shifting to more state involvement has the potential to improve housing outcomes relative to the status quo, but is not without risk. Moreover, state legislators are elected to represent specific geographic areas, not at-large constituencies. Winning an election to the statehouse requires gaining support from some of the same voters who prefer exclusionary local zoning.² Building a successful coalition to push through legislative reform at the state level is not inherently easier than policy change at the local level. In 2023 alone, Governor Kathy Hochul of New York and Governor Jared Polis of Colorado staked considerable political capital on ambitious housing platforms that failed to win approval (Ferre-Sadurni and Zaveri, 2023; Kenney, 2023). Exploring how various political and communication strategies affect the likelihood of statewide housing policy changes is beyond the scope of this article but an important area for future research.

² Some state legislative districts, especially for state senates, may be larger than local political jurisdictions (cities or counties), which can help build support for regionwide policies. However, the alignment between local and state political boundaries is quite varied.

State and Local Governments Influence Housing Outcomes Through Multiple Channels

Both state and local governments currently influence housing supply and affordability through a variety of tools, including taxes, subsidies, regulation, and information sharing. Crucially, state governments create the legal framework within which local governments operate, including defining local fiscal powers and delegating authority over land use. States can pursue at least four distinct strategies to encourage greater housing production, each with slightly different strengths and limitations.

Land Use Regulation Is One of Many Tools That Influence Housing Production

Authority to regulate land use originates with state governments, but states have chosen to delegate this authority to localities. In 1924, the federal government published a Standard State Zoning Enabling Act, providing a model for states to define the parameters of local government powers over zoning (U.S. Department of Commerce, 1924). In subsequent years, numerous states adopted zoning enabling laws that incorporated much of the language from the federal model code (Hirt, 2014). The federal model listed policy goals that zoning was intended to achieve:

[T]o lessen congestion in the streets; to secure safety from fire, panic, and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to facilitate the adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. (U.S. Department of Commerce, 1924)

It also set out some of the basic provisions that still constitute the framework of local zoning codes: dividing localities into zones or districts, specifying the types of land uses and structures permitted in each district, and regulating the physical dimensions of structures.

From the beginning, local zoning was explicitly framed as a tool to limit the quantity, pace, and size of development—a mechanism to *constrain* urban growth and density. Research has documented that zoning codes that prohibit apartments and require large minimum lot sizes have been highly effective at limiting growth. Current policy debates focus on the inverse concern: How can local and state governments *enable* and *encourage* more housing development, particularly of smaller, lower-cost homes? Because very few localities have relaxed their zoning codes, little empirical evidence is available on what kinds of reforms are effective at increasing housing production (Ellen, Freemark, and Schuetz, 2023).

During the subsequent century, many states have updated and expanded their laws governing local land use authority. Today, how much leeway states grant their cities and counties—what specific tools they may or may not use and under what circumstances—varies somewhat across states. Because the power originates with states, state governments can also rescind authority if they choose to do so (Richardson, 2011; Rosenberg, 2013; Stahl, 2021). One of the more unpopular mechanisms to tie local governments' hands is to preempt specific tools or actions. For instance, nearly one-half of states prohibit local rent control policies.³

³ <https://www.nmhc.org/research-insight/analysis-and-guidance/rent-control-laws-by-state/>.

States can also regulate housing through a number of indirect channels. Exhibit 2 summarizes some of the key policy tools available to both state and local governments. Numerous states have adopted environmental protection standards above the national minimum (set by the National Environmental Protection Act), which, for example, require additional review processes that can delay or deter development. Building codes that regulate health and safety of all structures are usually adopted (or not) at the state level. Certain states have adopted higher energy efficiency requirements that raise initial construction costs while lowering longer-term operating costs. State minimum wage laws and union work requirements affect the labor component of construction costs. Occupational and business licensing requirements for real estate agents, appraisers, and mortgage brokers affect transaction costs of buying and selling homes. Furthermore, the legal framework for landlord-tenant relationships, including what provisions may be included in leases and eviction proceedings, are state regulated.

Exhibit 2

State and Local Governments Influence Housing Supply Through Multiple Channels

Policy Type	State	Local
Regulations	Set parameters for local government zoning authority (enabling legislation)	Write and enforce zoning, historic preservation
	Environmental regulations (above national baseline)	Enforce building code, fire safety
	State minimum wage (above federal)	Local minimum wages
	Occupational and business licensing (e.g., real estate agents, mortgage brokers, building trades)	
	Regulate landlord-tenant relationships	Adjudicate landlord-tenant disputes (evictions)
	“Fair share” housing requirements (MA and NJ) Some regional planning requirements (CA and OR)	
Taxes	Set parameters for local government fiscal authority (tax and expenditure limits)	Set and administer property taxes, impact fees, and other exactions (e.g., Inclusionary Zoning)
		Municipal bonds (long-term infrastructure, subsidized housing)
Subsidies	Distribute federal grants (LIHTC, CDBG, transit)	Administer state and federal subsidies (vouchers, public housing, CDBG)
	Some housing construction and maintenance (rehabilitation and weatherization grants)	Local housing trust funds, rental assistance
	Grants to localities for housing-related infrastructure (schools, transportation)	Homebuyer assistance programs
Information sharing	Some research and technical assistance	Maintain property records
	Set requirements for information disclosure (e.g., sales transactions)	

CDBG = Community Development Block Grant. LIHTC = Low-Income Housing Tax Credit.

Source: Schuetz (2022)

Local governments use a wide range of regulatory tools besides zoning. Parking requirements, historic preservation, local environmental rules (above federal and state minimums), fire safety, and subdivision regulations are some of the more common policies that affect the cost and feasibility

of new construction (Pioneer Institute, 2006). Local officials often exercise discretion in enforcing statewide laws, including health codes, seismic regulations, and disability access.

Because new development has substantial fiscal impacts on local governments, land use policies and local tax policies are closely linked. State governments set the parameters for local governments' taxing authority, similar to creating the legal framework for zoning authority. Property taxes are the workhorse of local public finance, accounting for roughly one-half of all local revenues (Urban-Brookings Tax Policy Center, 2018). In states where local governments are restricted in their ability to raise revenues through property taxes (such as through California's Proposition 13), localities rely more heavily on mechanisms such as impact fees to finance public services associated with new development (Been, 2005). Whereas property taxes are broad-based taxes that apply to most residential and commercial properties within a jurisdiction, impact fees apply only to new construction and are essentially a tax on newly built homes. Inclusionary zoning is a specialized form of an impact fee under which developers of new market-rate housing are required to set aside some units at below-market rents or prices (Schuetz, Meltzer, and Been, 2009). Some localities charge transfer taxes or recording fees on real estate transactions (sales or mortgage originations, or both).

This article focuses particularly on state-level policies to encourage more housing production because state governments have substantially more effective levers than the federal government. Notably, the federal government lacks constitutional authority over land use. Federal policies do play important roles in boosting housing demand through tax subsidies, such as the mortgage interest deduction for homeowners, and by regulating the availability and cost of mortgage loans (Gale, Gruber, and Stephens-Davidowitz, 2007). In recent years, federal policymakers have explored ways to use federal funds as carrots or sticks for zoning reform.⁴ Existing housing subsidies, such as the Community Development Block Grant program, are not well designed to encourage large-scale zoning reform because they do not directly reach most localities, especially wealthy suburbs (Schuetz, 2018). The 2021 bipartisan infrastructure law includes a new competitive grant program to encourage local zoning reforms that facilitate higher-density development around transit stations. Future research should monitor the outcomes and effectiveness of this program.⁵

Four Policy Approaches to Encourage Housing Production in High-Demand Areas

In well-functioning housing markets, developers build more homes in places where people want to live (for example, locations with strong demand). Recent zoning reform efforts are motivated by the underlying question: How can state governments encourage (or require) localities to allow more development in places with strong demand? Four general approaches offer the most potential—with the caveat that details of policy design and implementation matter enormously. The most market-oriented approach is for state governments to use financial carrots or sticks tied to housing production. Localities would be assigned a target—increase the total number of homes by 5

⁴ For example, see Senator Cory Booker and Representative James Clyburn's 2019 proposed Housing Opportunity Mobility and Equity (HOME) Act <https://www.booker.senate.gov/news/press/booker-clyburn-take-innovative-two-pronged-approach-to-tackling-affordable-housing-crisis>.

⁵ <https://www.transit.dot.gov/funding/grants/fta-program-fact-sheets-under-bipartisan-infrastructure-law>.

percent during the next 5 years, for example—and would either receive extra funding from the state for achieving that target (carrot) or have existing funds withheld (stick). This basic idea can be implemented in a multitude of ways (production targets set at various price points, sliding scale of carrots and sticks, or options for localities to pay into a fund rather than building homes).

A conceptually similar approach that focuses farther upstream from housing production is for the state to assume greater oversight of local land use planning, requiring local governments to build capacity for more housing into their plans. Many states currently require localities to develop a Comprehensive Plan or related document that guides the more detailed zoning laws. As the following Current State Approaches to Land Use Regulation Vary Widely section discusses, both California and Oregon require localities to receive state approval of their land use plans, including provision for additional housing. This approach can work in concert with quantitative production targets. Tying carrots and sticks to plans but not housing production is likely to be ineffective at changing outcomes.

Third, states can preempt local governments from adopting specific zoning rules. Several states have applied this approach to ADUs, essentially prohibiting local governments from zoning provisions that ban ADUs. Preemption is politically very unpopular with local governments, not only in the housing arena. States like Florida and Texas have raised concern during the COVID-19 pandemic by preempting local governments' ability to require masks indoors. How effective preemption can be at increasing housing production depends crucially on identifying the “right” rules to preempt. For example, telling local governments that they cannot ban ADUs outright while allowing them to pile on other regulations (restricting ADU occupancy to relatives of the primary home, requiring two off-street parking spaces per ADU) can render a state preemption largely toothless.

Fourth, states can create a mechanism for developers to override local zoning in order to build housing under certain conditions. Sometimes referred to as a “builders’ remedy,” this approach is most often used to allow development of below-market-rate housing; the Massachusetts case study describes one version in more detail. How much additional housing a builders’ remedy can produce depends on what types of housing are eligible and under what circumstances (Marantz and Zheng, 2020). One potential advantage of states creating a builders’ remedy is that it does not require localities to revise their land use plans or rewrite zoning laws, sidestepping a lengthy and contentious public process.

With any of these four approaches, policy design and implementation matter greatly for the effectiveness of increasing housing production. A few key considerations include whether policies should apply broadly to all localities in the state or focus on worst offenders (expensive but low-producing places), how to set quantitative targets, and what legal or fiscal mechanisms are used to enforce compliance. Political expediency is likely to be a driving factor in which approach states pursue and how they design policies. Legalizing ADUs or duplexes statewide may be less contentious than withholding school funding from a subset of wealthy suburbs that determinedly resist any new development.

As states consider possible policy changes, they should also be realistic about the limitations of these strategies to effect housing affordability for low-income households. Specifically, improving

the efficiency and productivity of statewide housing markets will mitigate housing cost pressures on middle-income households but does not directly address affordability concerns for low-income households. Affordability for the poorest 20 percent of households is driven primarily by low incomes. They earn too little to cover the operating costs of market-rate housing without direct subsidies (Larrimore and Schuetz, 2017; Mallach, 2019). Better land use regulation is a complement, not a substitute, for direct housing subsidies to low-income households.

Design State-Level Housing Policies Around Current Market Conditions and Needs

Developing a precisely tailored action plan that all states could implement is impossible. States start from widely varying baselines, depending on their housing market conditions, existing laws, and institutional capacity. As the profiles of five featured states will illustrate, each state's current policies reflect its unique history, including prior political and legal decisions. Therefore, to develop an effective strategy to encourage housing production, governors and legislatures should begin by assessing statewide housing market conditions and challenges.

Assess Statewide Market Conditions and Challenges

Understanding current housing market conditions is an essential first step before developing or altering a statewide housing policy. Key needs and policy priorities vary widely across states and potentially across cities or counties within states. Identifying metrics that track specific outcomes of interest—such as housing affordability or production—will better enable policymakers to assess the effectiveness of new policies after implementation. The specific choice of metrics, data sources, and complexity of analysis depend on the state's primary goals and research capacity. The following are a few metrics that can serve as a useful starting point:

- Housing affordability—prices or rents, or both, relative to household incomes.
- Housing production (for example, building permits or change in units) relative to population or job growth.
- Vacancy rates (indicator of excess housing).
- Housing quality and access to urban infrastructure, such as public transportation, water, sewers, and broadband.

Although most states monitor some economic indicators, few states conduct (or at least publish) regular analyses of housing metrics.⁶ A statewide housing assessment does not necessarily require extensive data collection or specialized knowledge. Simple descriptive statistics using publicly available data from the U.S. Census Bureau can provide a snapshot of housing conditions for cities, towns, and counties. The Housing Policy Matchmaker tool Schuetz et al. (2021) developed for the National Association of Counties illustrates how a few metrics can help diagnose key issues and point toward appropriate policy responses. Understanding how these metrics differ across

⁶ Metropolitan planning organizations (MPOs) often produce housing market reports that include similar information. However, MPOs cover only localities within urban areas, while rural localities can have quite different housing needs. Because MPOs' primary responsibility is to allocate federal transportation funds, most MPOs have limited staff and resources assigned to monitor housing.

geographic areas within each state (for instance, urban versus rural or across metropolitan areas) should be part of any analysis.

Reviewing websites for the five featured states reveals that three have statewide agencies that produce regular reports on housing market conditions, needs, and challenges (California DHCD, 2021; MHP, 2021; OHCS, 2021). Virginia has produced occasional reports but not at regular intervals; most recently, the state's Joint Legislative Audit and Review Committee published a report in December 2021.⁷ Utah's Housing and Community Development Division does not have an in-house research team but coordinates with the University of Utah on relevant analyses.⁸

Exhibit 3 illustrates some key metrics that could inform state policymakers and shows the range of conditions and challenges facing different states. This analysis uses counties as the unit of observation, and the underlying data are also available for cities and towns.⁹ At the most basic level, states and localities with fast-growing populations have the greatest need for additional construction to meet increased demand. Utah's counties had the highest population growth rate (0.156 percent), more than three times the growth rate of Massachusetts's counties (0.051 percent).

Exhibit 3

Housing Market Conditions and Needs Vary Across States

	CA	MA	OR	UT	VA
Population	677,302	489,325	114,717	106,788	63,567
% of population in metro counties	0.979	0.996	0.838	0.895	0.875
Population growth, 2009–19	0.080	0.051	0.103	0.156	0.096
Median household income	77,311	82,934	64,362	72,377	81,469
Median home value	554,105	398,982	314,304	285,173	313,688
Value-income ratio	7.00	4.78	4.85	3.94	3.92
Income needed to pay median rent	61,306	53,240	44,174	41,405	51,382
Housing built prior to 1940	8.9	33.1	11.0	6.9	6.8
Housing built after 1990	25.6	17.9	36.4	47.7	37.8
Number of counties	58	14	36	29	133

Notes: Population growth rates, income, and housing characteristics are county-level averages weighted by 2019 population. Value-income ratio is calculated as the median home value in each county divided by the median income within the metropolitan area. Income needed to pay median rent assumes that households will spend 30 percent of income on housing. Population growth is calculated as $(Pop_{2019} - Pop_{2009}) / (0.5 * (Pop_{2009} + 2019))$.

Source: County-level averages using data from America Community Survey 2019 5-year estimates, via Integrated Public Use Microdata Series (IPUMS) National Historical Geographic Information System

All five selected states are highly urbanized, with more than 80 percent of the state's population residing in metropolitan area counties. Urban and rural communities often face different housing challenges, so states with highly diverse local markets should design any statewide policies with flexibility to accommodate varying local needs.

⁷ <http://jlarc.virginia.gov/landing-2021-affordable-housing-in-virginia.asp>.

⁸ <https://gardner.utah.edu/economics-and-public-policy/real-estate-and-construction/>.

⁹ Counties were chosen for this analysis to provide comparability across the five states. For individual states, different levels of geography may be more appropriate. For instance, counties are very large in Western states and may include both urban (densely populated) and rural (sparsely populated) areas. Some New England states regulate land use exclusively at the city and town level.

California has by far the most expensive housing, measured in several different ways. County median home values exceeded \$550,000 in California, more than 25 percent higher than in the next highest state (Massachusetts) and nearly double home values in Utah. A typical housing affordability metric compares home values with household income. Value-to-income ratios between three and four are considered affordable because typical households could purchase the typical home while spending roughly 30 percent of income on housing costs.¹⁰ Utah and Virginia counties have value-to-income ratios just under four, and Massachusetts and Oregon have ratios slightly below five. In California, home values are roughly seven times median income—well outside any traditional benchmark of affordability.

Although the American Community Survey has few direct measures of housing quality, the age of housing stock is a useful proxy for quality. Buildings deteriorate over time, so older homes tend to have higher maintenance costs. Massachusetts has by far the oldest housing stock among the five states. One-third of homes were built prior to 1940. California's relatively small share of housing built since 1990 is another indicator of limited housing production.

Exhibit 3 shows average differences across states, whereas an individual state's housing analysis would naturally focus on within-state variation. Many states have substantial differences in housing market conditions, resources, and challenges between cities, suburbs, and rural areas or across metropolitan areas within the same state. Developing a clear understanding of these localized patterns will yield better state policies.

Is Underproduction of Housing a Statewide Issue or Limited to Specific Localities?

Identifying which local governments, if any, produce too little housing can help guide policies that aim to boost production. In most states, land use regulations are not a binding constraint on new housing in all localities (or not to the same degree). Identifying places where regulations create the largest distortions would allow state governments to focus additional efforts (fiscal carrots and sticks or preempting zoning) where such policies would have the largest effect.

A preliminary investigation into which localities have regulatory constraints on housing production starts from a simple premise. In well-functioning housing markets, places with strong housing demand will build additional housing, whereas places with weak demand built relatively little. That is, housing growth should be positively correlated with housing prices (or rents).

Graphing this relationship for each of the five sample states suggests reasonably healthy statewide housing markets in four of the five states (exhibit 4). In all states except California, counties that had higher population growth from 2009 to 2019 had higher housing prices in 2019.¹¹ Massachusetts and Utah both have one county that is a notable outlier. Nantucket County, Massachusetts, and Summit County, Utah, have much higher housing prices than would be predicted from their growth rates, suggesting that supply is not keeping up with demand. Both

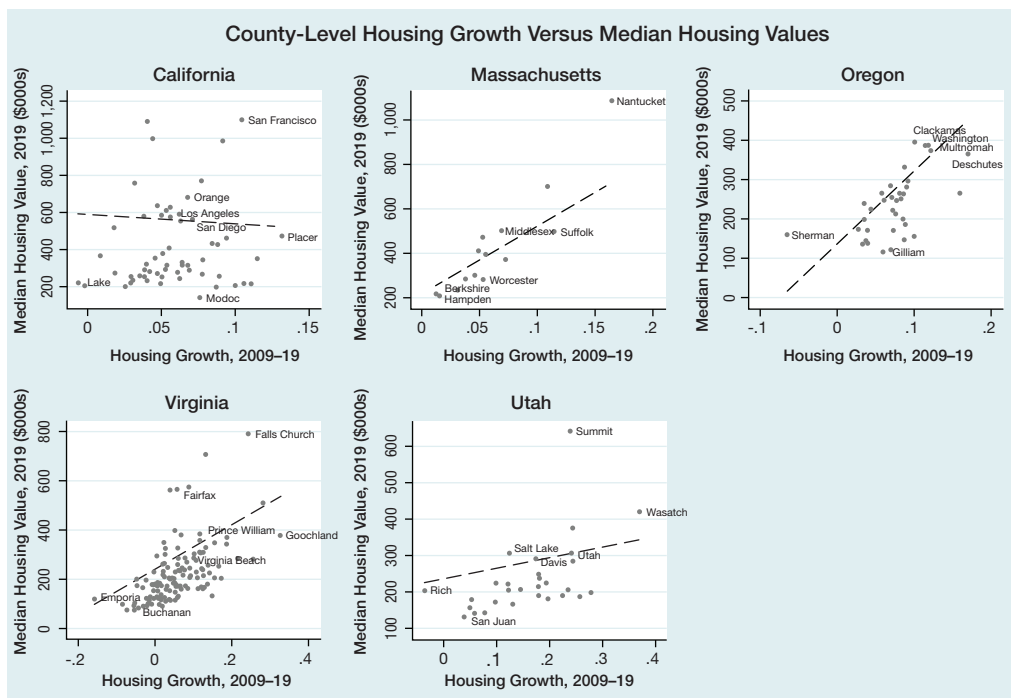
¹⁰ These ratios are somewhat sensitive to assumptions about mortgage interest rates, downpayments, property taxes, and insurance.

¹¹ This analysis uses counties as the unit of analysis for convenience because it is a consistent Census geography, but the "right" level of geography will vary across and within states. For instance, all land in Massachusetts is incorporated into cities and towns, which have primary responsibility for zoning.

counties cater to high-end tourism and have an unusually high share of second homes or vacation properties. California is the one statewide exception. The more rapidly growing counties are among the least expensive, which corresponds with prior research that affluent counties have the most restrictive regulations and generally oppose new development (Dougherty, 2020; Monkkonen, Lens, and Manville, 2020; Murray and Schuetz, 2019).

Exhibit 4

Housing Production Is Positively Correlated With Prices in Most States



Notes: Based on county median housing values (2019) and housing unit growth (2009–19). Regression lines weighted by 2019 population. Graph includes county names for the three most populous counties in the state, the most and least expensive counties, and the counties with highest and lowest housing growth. Housing growth is calculated as $(\text{Housing}_{2019} - \text{Housing}_{2009}) / (0.5 * \text{Housing}_{2009} + 2019)$.

Source: Integrated Public Use Microdata Series (IPUMS) National Historical Geographic Information System 2009 and 2019

Even a simple analysis can help define the scope of housing production problems. Most states do not have statewide housing shortages but do have some communities that are underbuilding relative to demand. For states contemplating zoning reforms or other efforts to boost housing production, understanding whether such efforts should cover all localities or focus only on a subset of cities and counties will help policymakers design and implement appropriate strategies. For instance, Massachusetts’ policymakers may want to encourage zoning reform efforts among cities and towns in Greater Boston and Cape Cod, while exempting more rural areas in Western Massachusetts. In Virginia, housing production lags demand mostly among the affluent suburbs of Washington, D.C., such as those in Fairfax County.

Publishing the results of statewide housing analysis could be a helpful tool to nudge some local governments toward better outcomes. Even the appearance of state oversight can provide political cover to local elected officials who want to improve affordability but face resistance from their constituents. More than 80 percent of mayors cite high housing costs as a major economic problem, and 70 percent believe their constituents hold them (somewhat) accountable for the problem (Einstein, Glick, and Palmer, 2022). However, local elected officials worry about alienating politically vocal homeowners who oppose new development. Although state-level policies would require substantial enforcement to produce different behavior among intentionally exclusionary localities, even modest targets could be effective nudges among jurisdictions that genuinely want to serve their residents better.

Current State Approaches to Land Use Regulation Vary Widely

To illustrate how different states approach the goal of encouraging more housing production, this article compares current housing policies from five states that vary along several important dimensions. First, they represent different points along the intensity and complexity of current policies, from highly complex (California) to lightest touch (Virginia). Second, they operate under different legal and institutional structures. California and Oregon have explicit statewide mandates to monitor land use planning or housing production, or both. Massachusetts has a statewide “fair share” rule focused on low-income housing, which allows developers to override local zoning under certain conditions. Virginia is a Dillon’s Rule state, which means that localities may require explicit approval from the legislature before adopting some policies. Third, housing costs are a salient political issue in all five states, and at least one statewide housing bill has been introduced or adopted within the past 3 years.

The five states highlighted in this article use a wide range of approaches to encourage increased housing production, including versions of all four approaches previously described in the State and Local Governments Influence Housing Outcomes Through Multiple Channels section (exhibit 5).¹² Oregon has the most theoretically coherent and comprehensive approach to state engagement, dating back to major legislation adopted in the 1970s. California has a complicated tangle of statewide policies and regulations, some of which encourage housing production, although others actively impede it. Massachusetts grants local governments considerable autonomy over land use decisions, but with a few targeted efforts to discourage the worst of exclusionary zoning. Utah has adopted several laws within the past 5 years aimed at encouraging greater production, although Virginia currently has no state role in market-rate housing production.

¹² Statewide policies are evolving in real time. This article summarizes policies as of March 2023. Several state legislatures are considering additional housing legislation in their current sessions.

Exhibit 5

State Housing and Land Use Policies Vary Widely

Policies to Support Housing Production	CA	MA	OR	UT	VA
Housing production targets	Yes	Yes	No	No	No
Direct role in land use planning	Yes	No	Yes	Yes	No
Pre-empt local policies and practices	Yes	Yes	Yes	No	Yes
Zoning override mechanism	Yes	Yes	No	No	No

Note: Policies marked "Yes" can include partial or targeted policies; for example, states that preempt local policies do so only in specific instances.

Evaluating how each state’s policies have affected housing production and affordability is beyond the scope of this article, but it is an important area for future research, particularly given the wave of new policies adopted during the past 5 years. Ironically, two of the states with long-standing affordability requirements—California and Massachusetts—have the highest median home values and among the highest value-to-income ratios (exhibit 4), although disentangling the direction of causality is complicated.

Oregon

Under Oregon’s unique approach to land use planning, the state plays a central role in establishing broad policy goals and overseeing local government actions to carry out these goals. Both legal and environmental researchers have written extensively about the regime.¹³ Two goals motivated the original 1973 legislation: to preserve open space and natural resources—farmland, forests, and coastal areas—from development and encourage compact residential development in urban areas (OHCS, 2021). To implement these goals, Oregon requires local governments to develop comprehensive plans, including planned capacity for additional housing, which the state’s Land Conservation and Development Commission must approve (Cortright, 2019). All localities are required to include some capacity for relatively dense housing, including small-lot detached homes and multifamily apartments. Each metropolitan area has a defined urban growth boundary, which is intended to limit horizontal suburban growth while encouraging infill development inside the urban growth boundary (Kline and Alig, 2002; Wu and Cho, 2006). Portland’s regional governing agency, Metro, has stronger authority over its constituent local governments than most metropolitan planning organizations, making it more difficult for affluent suburbs to block additional housing.

Oregon’s recent success in legalizing “missing middle” housing built on this long-standing and well-understood state land use framework. In 2017, Oregon legalized accessory dwelling units statewide. Two years later, the state passed HB 2001, a law that requires all cities to allow duplexes in residential neighborhoods and large cities to also allow triplexes, fourplexes, and “cottage clusters” (Andersen, 2019). Local governments were given until 2021 to revise zoning laws consistent with HB 2001 or adopt state-issued model codes. The Oregon Department of Land Conservation and Development (2021) must approve revisions.

¹³ See Liberty (2021) for a recent review.

Local governments are still implementing these changes. Legislation under consideration in 2023 would enable the state agency to set quantitative production targets for localities and issue citations if localities do not meet these targets (Wong, 2023).¹⁴ Collecting data and evaluating outcomes of recent state changes during the next few years should be a priority for both policymakers and researchers.

Massachusetts

In contrast to Oregon, Massachusetts has traditionally deferred land use planning and housing production almost entirely to local governments. The state's political geography is highly fragmented. All land is incorporated in cities and towns, thus eliminating the role of county governments, which are typically responsible for larger areas and, therefore, internalize more of the costs of limited housing production (Goodman, 2019).

The primary attempts to boost market-rate housing production through statewide policy have focused on increasing densities around transit stations and commercial corridors. In 2004, the state adopted a Smart Growth Zoning Overlay District, known locally as Chapter 40R, which “seeks to substantially increase the supply of housing and decrease its cost, by increasing the amount of land zoned for dense housing” near transit stations or town centers (Commonwealth of Massachusetts, 2021). Chapter 40R and a parallel law, Chapter 40S, offer financial incentives for local governments that choose to create new “smart growth” zones, including a state commitment to cover some of the increased school and infrastructure costs associated with new housing.

To date, few local governments have taken up the state's offer and voluntarily adopted smart growth zones (Robayna, 2018). The affluent suburbs around Boston continue to be zoned almost exclusively for single-family detached homes on large lots, even on land in close proximity to commuter rail stations (Crump et al., 2020; Glaeser, Schuetz, and Ward, 2006).

In January 2021, a bipartisan majority of the legislature passed an economic development bill that requires 177 localities near transit stations to create a multifamily housing district (Chesto, 2021). Like Oregon's HB 2001, localities have some flexibility in how to legalize apartments through zoning revisions (Commonwealth of Massachusetts, 2021). Localities are currently in the process of revising laws, and early reporting suggests that most communities are developing plans that appear to comply with the state targets (Brinker, 2023). Massachusetts' Attorney General has issued a statement that localities that do not comply may lose some state housing and infrastructure funding.¹⁵

Massachusetts also has a long-standing statewide “fair share” law (Chapter 40B) that enables developers to bypass local zoning in order to build income-restricted rental housing in qualifying localities. Specifically, in cities and towns where less than 10 percent of the existing housing meets affordability criteria, developers can request approval for housing projects that do not conform with local zoning as long as 25 percent of the homes are set aside for low-income households. The purpose of this law is to generate below-market-rate housing in high-income areas without requiring

¹⁴ The state legislature is still in session as of the writing of this draft.

¹⁵ <https://www.nixonpeabody.com/insights/alerts/2023/03/16/massachusetts-ag-campbell-reveals-real-teeth-behind-mbta-communities-requirements>.

direct public subsidy (conceptually similar to inclusionary zoning). Developers have used it to build both market-rate and affordable rental housing in communities where zoning prohibits multifamily housing. Localities have limited ability to influence projects built under Chapter 40B (for example, less negotiating power over project size, appearance, or other characteristics), which creates an incentive for local governments to voluntarily meet their 10-percent “fair share” obligation.

Researchers have found that Chapter 40B increased the production of both market-rate and income-restricted multifamily rental housing in high-cost suburbs relative to what would have been built in the law’s absence (Fisher and Marantz, 2014; Marantz and Zheng, 2020). However, it has not fundamentally changed the underlying problem—most affluent suburbs have extremely restrictive land use regulations and produce much less housing than consumers want (Dain, 2019; Glaeser, Schuetz, and Ward, 2006). The effectiveness of 40B relies largely on strong housing demand in desirable locations, which makes building mixed-income rental housing financially attractive to developers (that is, high profits on the market-rate units offset lower rents on income-restricted units within the same project).

California

California is in a league of its own with statewide housing interventions—both helping and hindering production. Among policies intended to encourage housing growth, the state requires each locality to adopt a general land use plan that includes a housing element detailing the locality’s capacity to accommodate state-generated demographic projections of the specific amount of new housing needed at multiple price tiers. The state’s Department of Housing and Community Development, which has the authority to deny housing elements that do not show sufficient capacity for growth, reviews these plans (California DHCD, 2021; Stahl, 2021). This system, known as the Regional Housing Needs Allocation (RHNA), has been in place since 1969 and has grown more complex—and more contentious—over time. Conceptually, the RHNA system is similar to “zoning budgets” that Hills and Schleicher (2011) proposed, in which localities are assigned quantitative production targets but given flexibility in how to reach those targets. California’s state housing department enforces penalties on jurisdictions that fail to undertake this state-mandated planning process but historically has not penalized jurisdictions for falling short on actual construction of new homes, limiting the policy’s effectiveness (Elmendorf, Marantz, and Monkkonen, 2021).

The past several years have seen considerable legislative activity—some successful, some not—around a series of housing bills. Some are aimed at legalizing “gentle density,” such as ADUs and duplexes, and others focus on procedural reforms aimed at making it easier for cities to adopt pro-housing zoning (Tobias, 2021). California Department of Housing and Community Development data find that more than 60,000 ADUs have been built (or informal ADUs legalized) since 2016 (Gray, 2022). Localities are still in the process of revising their zoning to legalize duplexes, with little evidence so far on production.

However, California also has a formidable list of state policies that make housing production more difficult and costly. Chief among these policies is the notoriously ambiguous California Environmental Quality Act, which gives current residents wide latitude to protest unwanted

development (Barbour and Teitz, 2005). Because Proposition 13 hampers local governments' ability to pay for public services through property taxes, California localities rely heavily on impact fees assessed against new construction, effectively a tax on development (Been, 2005). The state also has a relatively strict building code, incorporating both health and safety elements and environmental controls, such as requiring all new single-family homes to have rooftop solar panels.

Utah

Until 5 years ago, Utah had minimal state involvement in land use planning or housing production. Beginning in 2018, the state has passed several laws encouraging localities to plan for and facilitate more development. Cities and counties are now required to develop plans for moderate-income housing, which must be submitted for approval to the newly established Utah Commission on Housing Affordability. Communities with transit stations must develop "station area plans" that accommodate moderate-density housing and mixed use around stations. In 2021, Utah's legislature considered HB 82, which would have legalized ADUs (with some limitations).¹⁶ In 2023, the legislature is considering additional bills that would streamline the approval process for new subdivisions (McKellar, 2023).

Virginia

Virginia is typical of many states. Although it offers some subsidies to encourage production or preservation of below-market housing, the state government has no role in land use planning or market-rate housing production (Virginia DHCD, 2021). However, during the past several years, bipartisan interest has been in a broader state role in housing production. In 2020, Virginia Delegate Ibraheem Samirah introduced a bill that would have legalized duplexes statewide, but the bill did not make it out of committee (Capps, 2019). In the current budget cycle, Governor Glenn Youngkin proposed using state discretionary funding to incentivize localities to relax regulatory barriers to housing production (The Washington Post Editorial Board, 2022).

Summary

For many zoning reform advocates, Oregon provides an aspirational model of a comprehensive state housing strategy. However, it seems unlikely that creating a strong centralized government role is politically or legally feasible (or even desirable) for other states, particularly those with strong historical traditions of state deference to localities. California's recent steps toward relaxing limits on ADUs and duplexes are steps in the right direction but at very small scale, relative to decades of underbuilding and layers of complex regulations. For states like Utah and Virginia with limited state policies and where housing underproduction is mostly a regional problem, incremental policies to relax restrictions may be a more prudent initial strategy.

Conclusions and Policy Recommendations

Concerns about the effects of overly restrictive zoning on housing affordability have begun spilling over from high-cost coastal cities into mid-sized and smaller communities throughout the country.

¹⁶ <https://le.utah.gov/~2021/bills/static/HB0082.html>.

Continued strong demand for housing combined with pandemic-related supply chain bottlenecks and increasing mortgage interest rates have increased financial pressure on many households. Currently, local governments exercise primary authority over housing production through zoning and related types of regulations. Still, building too few homes in places with high demand has serious economic, social, and environmental consequences for metropolitan areas, states, and the country.

This analysis illustrates how state governments have chosen widely varying levels of engagement and different policy tools to influence housing markets. Across all areas examined, California consistently has the most interventionist approach—extensive data collection and research, a direct state role in housing planning, and many layers of state regulations. Virginia has the most minimalist approach, with few direct regulations. Oregon, Massachusetts, and Utah lie between these two poles.

An inherent challenge in making housing policy recommendations is that not one “best” policy exists, no single template that will provide good results across all places. States start from very different baselines, considering their housing market conditions, political environment, and institutional and legal capacity. California would almost certainly benefit from simplifying and streamlining its myriad existing policies. Virginia will need to build state-level staff capacity and conduct market analysis before developing more active roles. Determining the direction and form of statewide policies is inherently a political choice directed by elected officials and influenced by their constituents’ preferences.

Although the federal government has limited legal authority over land use, three important channels exist through which federal agencies could support states and localities in encouraging more housing production. First, the need is urgent for high-quality, timely data collection and analysis to understand the effectiveness of state and local housing policy reforms currently under way. The U.S. Department of Housing and Urban Development (HUD) could provide financial support and coordination among research teams to learn what policy changes work (or do not work) in different types of housing markets. Second, as the results of this research emerge, HUD can develop guidelines for states and localities on “best practices” and pitfalls to avoid—not as detailed as new model zoning codes but outlines for effective policy design backed by solid evidence. Third, HUD can fund and provide technical assistance to states and localities that want to undertake policy reforms but lack staff capacity, expertise, or financial resources.

The broader question of *why* U.S. housing production persistently lags demand—in economic terms, why housing supply has become inelastic in so many places—touches on complicated political and economic factors. Exclusionary zoning is not a new problem—academics have been publishing on this topic for more than 50 years—but an increasing number of localities have adopted increasingly restrictive regulations, leading to a larger cumulative production gap (Davidoff and Gold, 1970; Gyourko, Hartley, and Krimmel, 2021; Gyourko, Saiz, and Summers, 2008). A decade of underbuilding, reflecting tight credit supply to both homebuyers and builders and reductions in the construction workforce, followed the historic collapse of housing construction during the Great Recession (Paciorek, 2015). Demographic trends on the demand side also matter. Longer healthy lifespans among Baby Boomers have coincided with Millennials reaching their peak household formation and homebuying years (Gonzalez and Beras, 2021). The United States

subsidizes homeownership through multiple policies, including the mortgage interest deduction, capital gains exclusion, state and local tax deduction, and the government-sponsored enterprises (Gale, Gruber, and Stephens-Davidowitz, 2007; Schuetz, 2022). However, the fact that similar housing shortages are present in other countries with different policies and institutions—including Canada, Germany, and the United Kingdom—complicates tying the problem to U.S.-specific policies (Williams, 2020). Disentangling the underlying drivers of housing shortages remains an important area for future research but should not hinder policymakers from undertaking promising reforms in the short term.

Acknowledgments

The David Eccles School of Business at the University of Utah supported this research. The author thanks Adam Looney, Amy Dain, Andra Ghent, Andrew Flowers, Ben Metcalf, Elizabeth Kneebone, Joe Cortright, Luc Schuster, and Paavo Monkkonen for the excellent comments.

Author

Jenny Schuetz is a Senior Fellow at The Brookings Institution. Please direct inquiries to jschuetz@brookings.edu.

References

- Andersen, Michael. 2019. "Oregon Just Voted to Legalize Duplexes on Almost Every Lot." Sightline Institute. <https://www.sightline.org/2019/06/30/oregon-just-voted-to-legalize-duplexes-on-almost-every-city-lot/>.
- Badger, Emily, and Quoctrong Bui. 2019. "Cities Start to Question an American Ideal: A House With a Yard on Every Lot," *The New York Times*, June 18.
- Barbour, Elisa, and Michael Teitz. 2005. *CEQA Reform: Issues and Options*. San Francisco: Public Policy Institute of California.
- Been, Vicki. 2005. "Impact Fees and Housing Affordability," *Cityscape* 8 (1): 139–185.
- Bernstein, Jared, Jeffrey Zhang, Ryan Cummings, and Matthew Maury. 2021. "Alleviating Supply Constraints in the Housing Market." <https://www.whitehouse.gov/cea/blog/2021/09/01/alleviating-supply-constraints-in-the-housing-market/>.
- Brinker, Andrew. 2023. "As New Housing Law Takes Effect, Most Towns Fall in Line, for Now," *The Boston Globe*, February 3. <https://www.bostonglobe.com/2023/02/03/business/new-housing-law-takes-effect-most-towns-fall-line-now/>.

California Department of Housing and Community Development (California DHCD). 2021. "Mobilehome Owner & Park Services." <https://www.hcd.ca.gov/>.

Capps, Kriston. 2019. "With New Democratic Majority, Virginia Sees a Push for Denser Housing." <https://www.route-fifty.com/infrastructure/2019/12/new-democratic-majority-virginia-sees-push-denser-housing/162048/>.

Chesto, Jon. 2021. "Housing Choice Brings the Biggest Changes to Massachusetts' Zoning Laws in Decades," *The Boston Globe*, February 8. <https://www.bostonglobe.com/2021/02/09/business/housing-choice-brings-biggest-changes-massachusetts-zoning-laws-decades/>.

Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. 2016. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence From the Moving to Opportunity Experiment," *American Economic Review* 106 (4): 855–902.

Chetty, Raj, Nathaniel Hendren, Patrick Kline, and Emmanuel Saez. 2014. "Where Is the Land of Opportunity? The Geography of Inter-Generational Mobility in the United States," *Quarterly Journal of Economics* 129 (4): 1553–1623.

Collins, Lorraine. 2019. "Justice Zoning: Without It, We Invite History to Repeat Itself," *NYU Furman Center blog*, March. <https://furmancenter.org/research/iri/essay/justice-zoning-without-it-we-invite-history-to-repeat-itself>.

Commonwealth of Massachusetts. 2021. "Executive Office of Housing and Livable Communities." <https://www.mass.gov/orgs/housing-and-community-development>.

Cortright, Joe. 2019. "In Oregon, the Middle Isn't Missing Anymore. City Observatory." <https://cityobservatory.org/in-oregon-the-middle-isnt-missing-any-more/>.

Crump, Sarah, Trevor Mattos, Jenny Schuetz, and Luc Schuster. 2020. *Zoned Out: Why Massachusetts Needs to Legalize Apartments Near Transit*. Boston Indicators report. <https://www.bostonindicators.org/reports/report-website-pages/zoned-out>.

Dain, Amy. 2019. *The State of Zoning for Multifamily Housing in Greater Boston*. Report prepared for the Massachusetts Housing Partnership. https://www.housingtoolbox.org/writable/files/resources/AMY-DAIN_Multi-Family_Housing_Report.pdf.

Davidoff, Paul, and Neil Newton Gold. 1970. "Exclusionary Zoning," *Yale Review of Law and Social Action* 1: 56–63.

Dougherty, Conor. 2020. *Golden Gates: Fighting for Housing in America*. New York: Penguin Press.

Einstein, Katherine Levine, David M. Glick, and Maxwell Palmer. 2022. *Economic Opportunity, Poverty, and Well-Being: 2022 Menino Survey of Mayors*. Boston, MA: Boston University Initiative on Cities. https://www.surveyofmayors.com/files/2023/04/2022-Menino-Survey_Poverty-Safety-Report_Final.pdf.

Einstein, Katherine Levine, Maxwell Palmer, and David M. Glick. 2018. “Who Participates in Local Government? Evidence from Meeting Minutes,” *Perspectives on Politics* 17 (1): 28–46.

Ellen, Ingrid Gould, Yonah Freemark, and Jenny Schuetz. 2023. “Rethinking Local Regulations Governing Housing Production.” In *A Research Agenda for Planning and Land Use Law*, edited by John Infranca and Sarah Schindler. Cheltenham, UK: Edward Elgar Publishing: forthcoming.

Elmendorf, Christopher, Nicholas Marantz, and Paavo Monkkonen. 2021. A Review of California’s Process for Determining, and Accommodating, Regional Housing Needs. Working paper. Davis: University of California.

Ferre-Sadurni, Luis, and Mihir Zaveri. 2023. “New York Officials Failed to Address the Housing Crisis. Now What?” *The New York Times*, April 27.

Fischel, William. 2005. *The Homevoter Hypothesis: How Home Values Influence Local Government Taxation, School Finance, and Land-Use Policies*. Cambridge, MA: Harvard University Press.

———. 2013. Fiscal Zoning and Economists’ Views of the Property Tax. Working paper. Cambridge, MA: Lincoln Institute of Land Policy.

Fisher, Lynn, and Nicholas Marantz. 2014. “Can State Law Combat Exclusionary Zoning? Evidence From Massachusetts,” *Urban Studies* 52 (6): 1071–1089.

Furth, Salim, and Joseph Coletti. 2021. “North Carolina’s SB 349 Is the Most Ambitious State Zoning Reform Yet,” *The Carolina Journal*, June 29. <https://www.carolinajournal.com/opinion-article/north-carolinas-sb-349-is-the-most-ambitious-state-zoning-reform-yet/>.

Furth, Salim, and Matthew Nolan Gray. 2019. *Do Minimum-Lot-Size Regulations Limit Housing Supply in Texas?* Arlington, VA: George Mason University Mercatus Center. <https://www.mercatus.org/students/research/research-papers/do-minimum-lot-size-regulations-limit-housing-supply-texas>.

Gale, William, Jonathan Gruber, and Seth Stephens-Davidowitz. 2007. “Encouraging Homeownership Through the Tax Code.” Brookings Institution Tax Notes. <https://www.brookings.edu/wp-content/uploads/2016/06/20070618.pdf>.

Gallagher, Ryan. 2016. “The Fiscal Externality of Multifamily Housing and Its Impact on the Property Tax: Evidence From Cities and Schools, 1980–2010,” *Regional Science and Urban Economics* 60: 249–259.

Ganong, Peter, and Daniel Shoag. 2017. “Why Has Regional Income Convergence in the U.S. Declined?” *Journal of Urban Economics* 102: 76–90.

Glaeser, Edward, and Joseph Gyourko. 2018. “The Economic Implications of Housing Supply,” *Journal of Economic Perspectives* 32 (1): 3–30.

Glaeser, Edward L., and Matthew Kahn. 2010. “The Greenness of Cities: Carbon Dioxide Emissions and Urban Development,” *Journal of Urban Economics* 67 (3): 404–418.

Glaeser, Edward L., Jenny Schuetz, and Bryce Ward. 2006. Regulation and the Rise of Housing Prices in Greater Boston. Working paper. Cambridge, MA: Rappaport Institute.

Gonzalez, Sarah, and Erika Beras. 2021. “Three Reasons for the Housing Shortage,” *NPR Planet Money podcast*, Aug 12. <https://podcasts.apple.com/kh/podcast/three-reasons-for-the-housing-shortage/id290783428?i=1000530554805>.

Goodman, Chris. 2019. “Local Government Fragmentation: What Do We Know?” *State and Local Government Review* 51 (2): 134–144.

Gray, Nolan. 2022. “The Housing Revolution is Coming,” *The Atlantic*, October 5. <https://www.theatlantic.com/ideas/archive/2022/10/california-accessory-dwelling-units-legalization-yimby/671648/>.

Gyourko, Joseph, Jonathan Hartley, and Jacob Krimmel. 2021. “The Local Residential Land Use Regulatory Environment Across U.S. Housing Markets: Evidence From a New Wharton Index,” *Journal of Urban Economics* 104: 103337.

Gyourko, Joseph, and Raven Molloy. 2014. Regulation and Housing Supply. NBER Working Paper 20536. Cambridge, MA: National Bureau of Economic Research.

Gyourko, Joseph, Albert Saiz, and Anita Summers. 2008. “A New Measure of the Local Regulatory Environment for Housing Markets: The Wharton Land Use Regulatory Index,” *Urban Studies* 45 (3): 693–729.

Hills, Roderick, and David Schleicher. 2011. “Balancing the ‘Zoning Budget,’” *Case Western Reserve Law Review* 62 (1): 81–133.

Hirt, Sonia. 2014. *Zoned in the USA: The Origins and Implications of American Land-Use Regulation*. Ithaca, NY: Cornell University Press.

Hsieh, Chang-Tai, and Enrico Moretti. 2019. “Housing Constraints and Spatial Misallocation,” *American Economic Journal: Macroeconomics* 11 (2): 1–39.

Jones, Christopher, and Daniel Kammen. 2014. “Spatial Distribution of U.S. Household Carbon Footprints Reveals Suburbanization Undermines Greenhouse Gas Benefits of Urban Population Density,” *Environmental Science & Technology* 48 (2): 895–902.

Kahn, Matthew. 2007. *Green Cities: Urban Growth and the Environment*. Washington, DC: Brookings Institution Press.

Kenney, Andrew. 2023. “Why Jared Polis’ Land Use Bill Imploded on the Final Day of Colorado’s Legislative Session,” *Colorado Public Radio News*, May 24.

Kingsella, Mike. 2020. “Washington Becomes the Latest State to Consider Statewide Zoning Reform,” *Up For Growth blog*. https://upforgrowth.org/news_insights/washington-becomes-latest-state-to-consider-statewide-zoning-reform/.

Kline, Jeffrey, and Ralph Alig. 2002. "Does Land Use Planning Slow the Conversion of Forest and Farmlands?" *Growth and Change* 30 (1): 3–22.

Larrimore, Jeff, and Jenny Schuetz. 2017. "Assessing the Severity of Rent Burdens on Low-Income Families." Washington, DC: Board of Governors of the Federal Reserve System. <https://www.federalreserve.gov/econres/notes/feds-notes/assessing-the-severity-of-rent-burden-on-low-income-families-20171222.html>.

Liberty, Robert. 2021. "Exclusionary Zoning Reform: How Oregon Translated Policy Into Reality," *Willamette University Law Review* 57 (3).

Ludwig, Jens, Greg J. Duncan, Lisa A. Gennetian, Lawrence F. Katz, Ronald C. Kessler, Jeffrey R. Kling, and Lisa Sanbonmatsu. 2013. "Long-Term Neighborhood Effects on Long-Income Families: Evidence from Moving to Opportunity," *American Economic Review* 103 (3): 226–231.

Mallach, Alan. 2019. "Rents Will Only Go So Low No Matter How Much We Build." Shelterforce. <https://shelterforce.org/2019/12/13/rents-will-only-go-so-low-no-matter-how-much-we-build/>.

Manville, Michael, and Paavo Monkkonen. 2021. "Unwanted Housing: Localisms and the Politics of Housing Development," *Journal of Planning Education and Research* 41 (1): 1–16.

Marantz, Nicholas, and Huixin Zheng. 2020. "State Affordable Housing Appeals Systems and Access to Opportunity: Evidence From the Northeastern United States," *Housing Policy Debate* 30 (3): 1–26.

Massachusetts Housing Partnership (MHP). 2021. "About Us." <https://www.mhp.net/about-us>.

McKellar, Katie. 2023. "What Are Utah Lawmakers Doing to Address Utah's Housing Crisis?" *Deseret News*, March 1. <https://www.deseret.com/utah/2023/3/1/23617149/housing-market-crisis-utah-legislature-bills-affordable>.

Monkkonen, Paavo, Michael Lens, and Michael Manville. 2020. Built-Out Cities? How California Cities Restrict Housing Production Through Prohibition and Process. Working paper. Oakland, CA: University of California Berkeley, Turner Center for Housing Innovation.

Murray, Cecile, and Jenny Schuetz. 2019. Is California's Apartment Market Broken? The Relationship Between Zoning, Rents, and Multifamily Development. Working paper. Oakland, CA: University of California Berkeley, Turner Center for Housing Innovation.

Newman, Sandra. 2008. "Does Housing Matter for Poor Families? A Critical Summary of Research and Issues Still to be Resolved," *Journal of Policy Analysis and Management* 27 (4): 895–925.

Oregon Department of Land Conservation and Development. 2021. "Oregon's Statewide Land Use Planning Goals." <https://www.oregon.gov/lcd/op/pages/goals.aspx>.

Oregon Housing and Community Services (OHCS). 2021. "Welcome to Oregon Housing and Community Services." <https://www.oregon.gov/ohcs/Pages/index.aspx>.

Paciorek, Andrew. 2015. "Where Are the Construction Workers?" Washington, DC: Board of Governors of the Federal Reserve System. <https://www.federalreserve.gov/econresdata/notes/feds-notes/2015/where-are-the-construction-workers-20150226.html>.

Pioneer Institute. 2006. "Local Housing Regulation Database." <http://masshousingregulations.com/>.

Richardson, Jesse, Jr. 2011. "Dillon's Rule is From Mars, Home Rule is From Venus: Local Government Autonomy and the Rules of Statutory Construction," *Publius* 41 (4): 662–685.

Robayna, Matthew. 2018. "When Incentives Aren't Enough: Challenges in Chapter 40R Massachusetts Smart Growth Overlay District Act." Thesis. Massachusetts Institute of Technology, Department of Urban Studies and Planning. <https://dspace.mit.edu/handle/1721.1/118237>.

Rosenberg, Ronald H. 2013. "The Potential Impact of Dillon's Rule Doctrine on Local Government Responses to Coastal Flooding and Other Aspects of Sea Level Rise." William and Mary Law School, Virginia Coastal Policy Center presentation. <https://scholarship.lawwm.edu/cgi/viewcontent.cgi?article=1005&context=vpcannual2013>.

Rothstein, Richard. 2018. *The Color of Law: A Forgotten History of How Our Government Segregated America*. New York, NY: Liveright Publishing.

Schuetz, Jenny. 2009. "No Renters in My Suburban Backyard: Land Use Regulation and Rental Housing," *Journal of Policy Analysis and Management* 28 (2): 296–320.

———. 2018. *HUD Can't Fix Exclusionary Zoning by Withholding CDBG Funds*. Washington, DC: Brookings Institution.

———. 2022. *Fixer Upper: How to Repair America's Broken Housing Systems*. Washington, DC: Brookings Institution Press.

Schuetz, Jenny, Rachel Meltzer, and Vicki Been. 2009. "31 Flavors of Inclusionary Zoning: Comparing Policies From San Francisco, Washington, D.C., and Suburban Boston," *Journal of the American Planning Association* 75 (4): 441–456.

Schuetz, Jenny, Tim Shaw, Katherine Lucas McKay, and Genevieve Melford. 2021. *Introducing the Housing Policy Matchmaker*. Washington, DC: Brookings Institution.

Shertzer, Alison, Tate Twinam, and Randall Walsh. 2022. "Zoning and Segregation in Urban Economic History," *Regional Science and Urban Economics* 94: 103652.

Stahl, Kenneth. 2021. "Home Rule and State Pre-emption of Local Land Use Control," *The Urban Lawyer* 50 (2): 179–212.

Tobias, Manuela. 2021. "California's Housing Crisis: How Much Difference Will a Zoning Bill Make?" *California Public Radio*, September 17. <https://www.capradio.org/articles/2021/09/17/californias-housing-crisis-how-much-difference-will-a-zoning-bill-make/>.

Trounstein, Jessica. 2018. *Segregation by Design*. New York: Cambridge University Press.

Urban-Brookings Tax Policy Center. 2018. “Briefing Book: The State of State (and Local) Tax Policy.” <https://www.taxpolicycenter.org/briefing-book/state-state-and-local-tax-policy>.

U.S. Department of Commerce. 1924. “A Standard State Zoning Enabling Act.” <https://www.govinfo.gov/content/pkg/GOVPUB-C13-18b3b6e632119b6d94779f558b9d3873/pdf/GOVPUB-C13-18b3b6e632119b6d94779f558b9d3873.pdf>.

Virginia Department of Housing and Community Development (Virginia DHCD). 2021. “Housing.” <https://www.dhcd.virginia.gov/housing>.

The Washington Post Editorial Board. 2022. “Youngkin Is Right to Focus on Building More Housing in Virginia.” *The Washington Post*, November 26. <https://www.washingtonpost.com/opinions/2022/11/26/virginia-affordable-housing-youngkin-plan/>.

Williams, Callum. 2020. “Housing Is at the Root of Many of the Rich World’s Problems,” *The Economist*, January 16.

Wong, Peter. 2023. “Lawmakers Add to Kotek’s Request for Housing Money,” *Portland Tribune*, March 2.

Wu, JunJie, and Seong-Hoon Cho. 2006. “The Effect of Local Land Use Regulations on Urban Development in the Western United States,” *Regional Science and Urban Economics* 37: 69–86.

Additional Reading

Schuetz, Jenny. 2008. “Guarding the Town Walls: Mechanisms and Motives for Restricting Multifamily Housing in Massachusetts,” *Real Estate Economics* 36 (3): 555–586.

———. 2021. *The Housing Challenges Virginia’s Next Governor Will Have to Face*. Washington, DC: Brookings Institution.

The Times Editorial Board. 2021. “Editorial: Watch out, NIMBYs. Newsom Just Dumped Single-Family Zoning,” *Los Angeles Times*, September 17. <https://www.latimes.com/opinion/story/2021-09-17/newsom-housing-sb9>.

Utah Housing Corporation. 2021. “Organization Overview.” <https://utahhousingcorp.org/about/overview>.