

HOUSING REFORM: AFP's Solutions

*Americans for Prosperity (AFP) strives to create an economy that works for all—empowering people to earn success and realize their potential. **Overly burdensome regulations** related to housing, land use, and zoning make housing more costly and erect barriers to economic growth that inhibit opportunity and geographic mobility. For example, expensive housing prevents people from moving to areas with the most economic opportunities. It also makes it harder to start and raise families and seek out other opportunities. This erodes their dignity and diminishes their ability to self-actualize. **Preempting these local barriers through changes in state law** would bolster property rights and foster economic opportunity, improving outcomes for workers, renters, homeowners, and landlords.*

AFP is focused on enacting these foundational housing reforms in all 50 states. The accompanying [report](#) provides model legislation, success stories, and resources for policymakers. Policy reforms are split into three tiers based on their potential impact on property rights and housing supply:

TIER 1

Highest Value:

- **Permit “missing-middle” housing by right:** Single-family only zoning prohibits any non-single-family home (including townhomes, duplexes, triplexes) from being constructed on a given residential lot. Single-family only zoning significantly reduces housing supply, raising prices for prospective buyers and renters.
- **Legalize multifamily and mixed-use buildings in commercial zones:** Many localities also have commercial-only zoning, limiting where housing can be located. States should legalize apartments and mixed-use buildings in previously commercial-only zoned areas. Additionally, as increased remote work has reduced commercial office space utilization, states and cities should allow commercial buildings to be converted into apartments.
- **Legalize accessory dwelling units:** An ADU is an additional residential unit built on the same lot as an existing, larger home. ADUs can be a separate, detached residence or attached to the main residence. However, many local governments either ban or severely restrict ADUs, worsening housing crises in those areas and reducing private property rights.
- **Eliminate or reduce indirect density restrictions:** Additional land-use regulations, including minimum lot sizes, parking requirements, height restrictions, setback requirements, also reduce the housing supply. Minimum lot size requirements mandate that housing lots be at least a certain square footage, increasing the cost of parcels of land to build homes. Parking requirements mandate that houses and apartment buildings provide residents with designated parking spaces, reducing the available space for housing, while building height restrictions limit skyscrapers and apartment buildings.



TIER 2

Moderate Value:

- **Repeal restrictions on manufactured housing, tiny houses, and innovative construction:** Many state and local regulations exist on mobile and tiny homes, limiting where they can be situated, their uses, what materials the homes can be built of, and more. Additionally, states and localities also restrict or ban the use of new technologies and innovations in home building, such as 3D printed homes, factory-built housing, and modular homes.
- **Repeal or prohibit mandatory inclusionary zoning:** Mandatory inclusionary zoning is the practice of requiring certain new housing developments to set aside a percentage of units for income-restricted housing. While this requirement is ostensibly to create more affordable housing, research shows that mandatory programs actually increase overall housing prices.
- **Repeal and preempt rent control laws:** Rent control is a price-fixing scheme limiting the rental increases a landlord can institute. While aimed at increasing affordable rental housing, rent control reduces the housing supply by diminishing the profit incentive to build more, and results in inadequate and worsening housing conditions for low-income people.
- **Enact “shot clock” provisions:** A “shot clock” bill gives local governments a clear time limit to issue decisions on building permit applications. Any permit application that does not receive a decision (such as an approval, denial, or approval with conditions) by the time limit will be automatically approved and allowed to proceed to the next stage, reducing costly delays.
- **Repeal or Reform Protest Petitions:** Protest petitions allow a small minority of nearby property owners to stop rezonings in their neighborhood. These petitions trigger a supermajority vote requirement for local government approval of the rezoning. Protest petitions reduce property rights and circumvent the normal approval and democratic process.

TIER 3

Lower Value:

- **Eliminate Urban Growth Boundaries:** Urban Growth Boundaries are boundaries around city centers that limit housing and commercial development outside the urban area. By limiting housing development, these boundaries raise the cost of housing, making cities less affordable.
- **Allow single-room occupancy housing:** Single-room occupancy housing (such as boarding houses) once provided quick and affordable housing for single adults and low-income individuals. However, since the 1970s, many localities have banned these arrangements.
- **Allow single-staircase apartment buildings:** Single-staircase buildings are common in Europe but are banned in many cities in the U.S. Allowing single-staircase apartment buildings would increase housing supply and affordability.
- **Allow third-party reviews and inspections:** Third-party reviews allow private, licensed, professionals to review building plans, permit applications, and perform inspections. Allowing third parties to perform inspections and reviews reduces delays and costs for developers and builders.
- **Create a housing taskforce:** To start the process of zoning and land-use reform at the state level, an executive branch task force or special legislative housing committee can provide a platform and venue for legislators, housing policy experts, state-based advocates, and other stakeholders to discuss and formulate concrete housing reform proposals.

Contact:

Ilana Blumsack - iblumsack@afphq.org - Economic Policy Analyst