

FIXER-UPPER:

HOW TO REPAIR AMERICA'S BROKEN HOUSING SYSTEMS

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June 2022



Brookings Metro

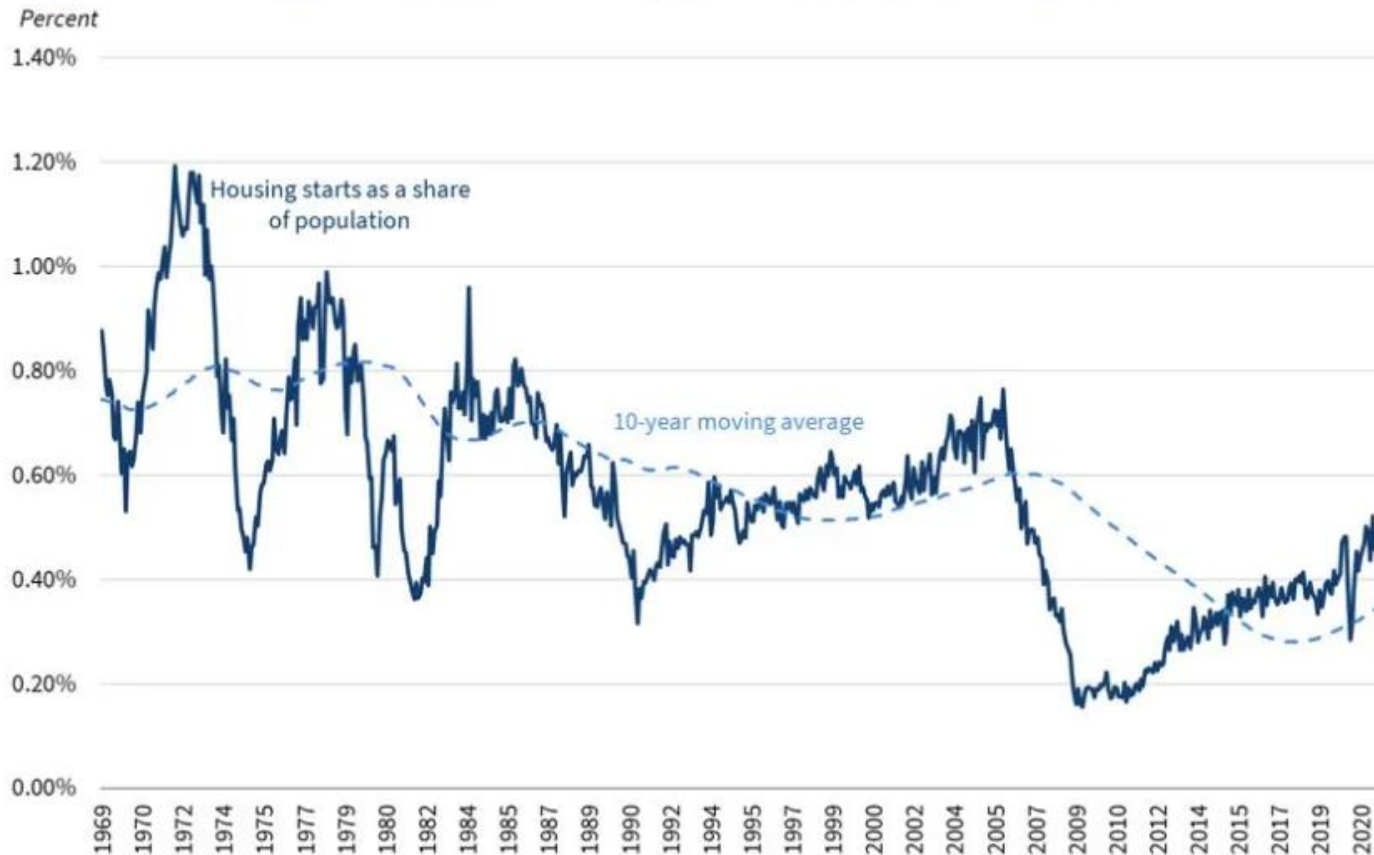
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Build more homes where people want to live

Figure 2: Housing production has not kept pace with population growth



Source: Federal Reserve Economic Data (FRED); CEA calculations.

Source: <https://www.whitehouse.gov/cea/written-materials/2021/09/01/alleviating-supply-constraints-in-the-housing-market/>

Rigid, one-size-fits-all land use regulations prohibit diverse homes

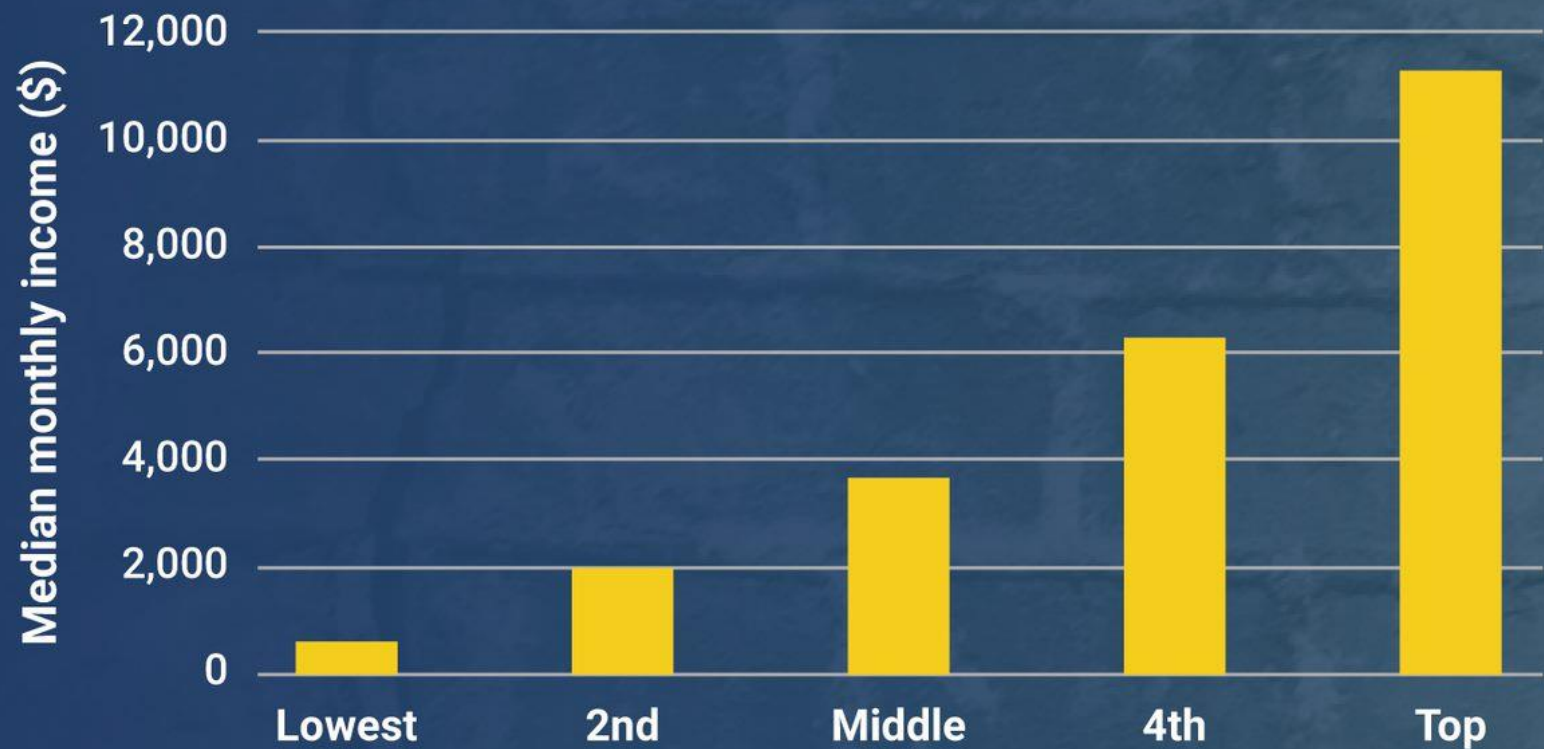


Existing residents exercise veto power over new development



Give poor people money

Figure 4.1: Low income renters have little cash left after paying rent



Stop building homes in the wrong places



National Centers for
Environmental Information
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

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1st Quarter Release: Fri, 8 Apr 2022, 11:00 AM EDT

The U.S. has sustained 310 weather and climate disasters since 1980 where overall damages/costs reached or exceeded \$1 billion (including CPI adjustment to 2021). **The total cost of these 310 events exceeds \$2.155 trillion.**

Catastrophic costs of California wildfires

Brendan Montague | 7th December 2020 | © Creative Commons 4.0

At least 22 killed and more than 50 missing in Tennessee flood

AUGUST 23, 2021 / 7:27 AM / C

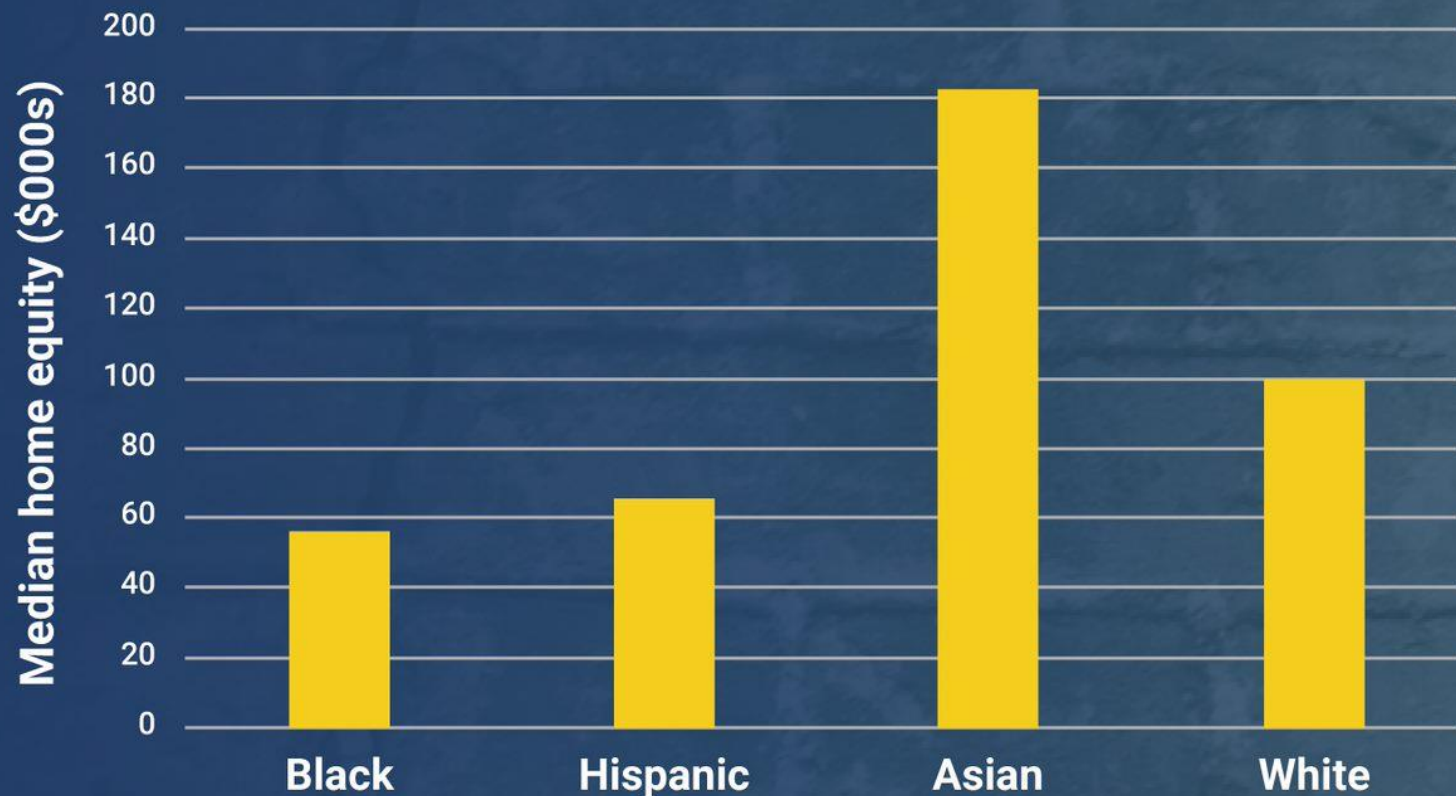
Flood Insurance Problems that Bedeviled Sandy Homeowners Still Remain: Who Will Fix Them?

SCOTT GURIAN | NOVEMBER 20, 2019 | [ENERGY & ENVIRONMENT](#)

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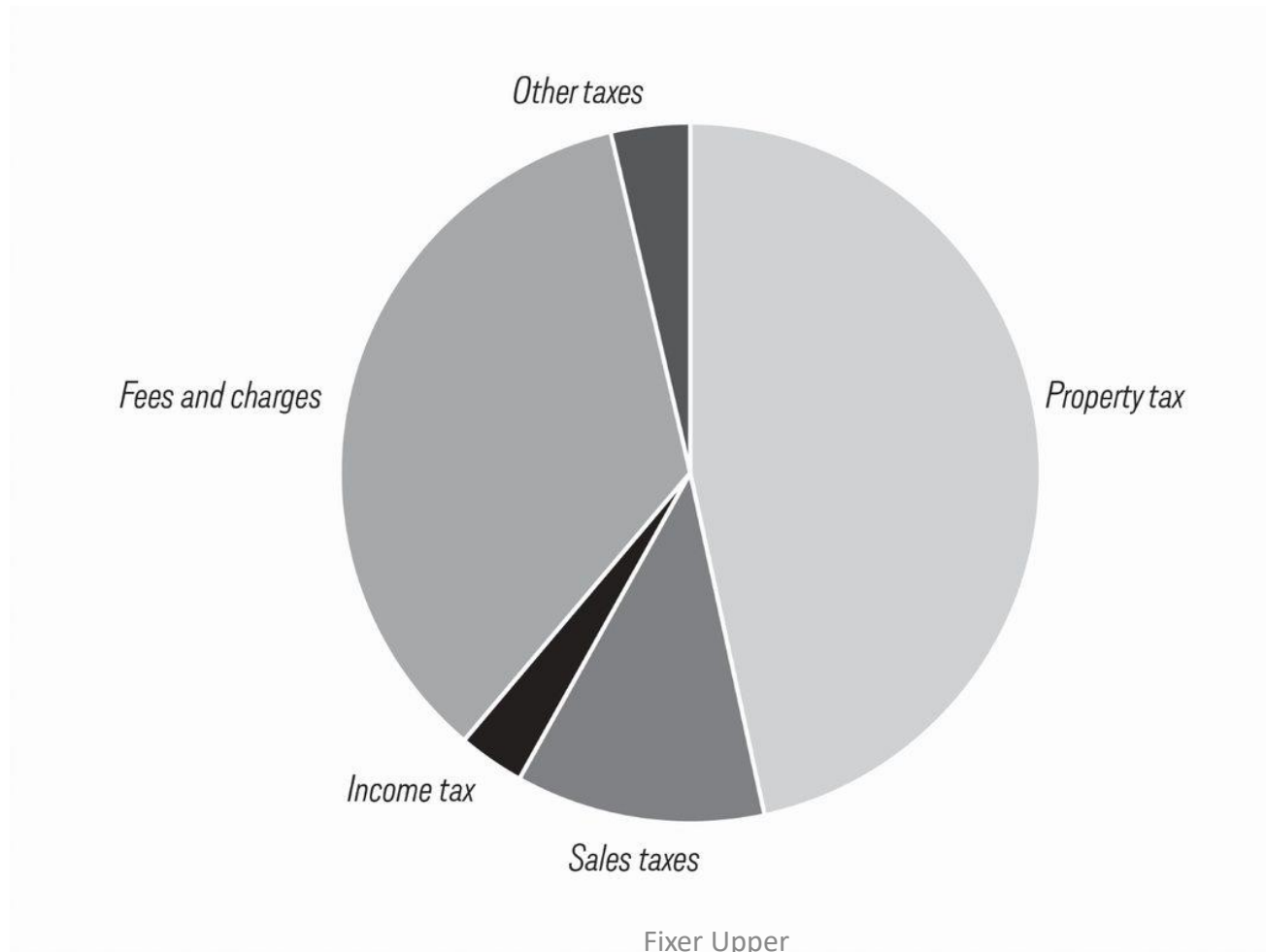
Homeownership is the root of the racial wealth gap

Figure 5.3: Black and Latino homeowners have less home equity



Reliance on property taxes encourages "fiscal zoning" by local govts

Figure 6.2 Local governments depend heavily on property taxes



We need systemic policy changes

- Local
 - Reform rules governing housing production
 - Allow diverse housing types at wider price range
- State
 - Create financial carrots & sticks that nudge localities toward pro-housing reforms
 - Share revenues & infrastructure costs regionally
- Federal
 - Expand financial support for low-income households
 - Encourage wealth-building outside homeownership

TABLE 8-2. An action plan to fix America’s housing systems.

Policy reforms needed by federal, state, and local governments.

GOAL	POLICY RECOMMENDATIONS	GOVT. LEVEL
Increase quantity and diversity of housing; reduce housing costs in high-opportunity places	Legalize rowhouses, duplexes, and apartment buildings	Local
	Make housing development process simpler and more transparent	Local
	Create financial incentives for better housing outcomes	State, federal
Shrink household carbon footprints; reduce financial exposure to high-climate risk places	Allow more housing near job centers and public transit	Local
	Remove barriers to mixed residential-commercial development	Local
	Increase taxes on driving and improve noncar transportation	Federal, state, local
	Accurately price climate risk into property insurance and mortgage loans	Federal
Improve access to decent-quality, stable housing	Provide income supplements and housing vouchers to poor people	Federal
	Improve effectiveness and efficiency of federal housing subsidies	Federal
	Revise building codes and zoning that restrict low-cost rental housing	State, local
Improve financial security for lower-income households; reduce racial wealth gap	Subsidize asset-building for low- and moderate-income families	Federal
	Encourage short-term liquid savings for all households	Federal
	Reform federal tax subsidies for homeownership	Federal
Invest in efficient, climate-friendly community infrastructure; improve services in low-income communities	Share revenues and infrastructure costs regionally	Local, state, metro
	Tax expensive land and allow higher-density infill development	Local, state
	Allow local governments fiscal flexibility	State
Improve regional housing and labor market outcomes	Set clear guidelines for good housing market outcomes	Federal, state
	Use federal and state funds to incentivize regional cooperation	Federal, state
	Offer technical assistance to resource-constrained local governments	Federal, state

The main obstacle to better housing outcomes is not the absence of good policy ideas, but wicked hard politics.

CALIFORNIA

UC Berkeley may be forced by court to cut 3,000 undergraduate seats, freeze enrollment

NIMBYism Reaches Its Apotheosis

Phil Bokovoy thinks Berkeley the school is putting Berkeley the city at risk. And he sued to stop it.

By Annie Lowrey

Housing Choice brings the biggest changes to Massachusetts zoning laws in decades

It was one of Gov. Baker's biggest legislative priorities, and one of his biggest victories

By [Jon Chesto](#) Globe Staff, Updated February 8, 2021, 7:20 p.m.



CITYLAB

CityLab Daily: Inside the Virginia Bill to Allow Denser Housing

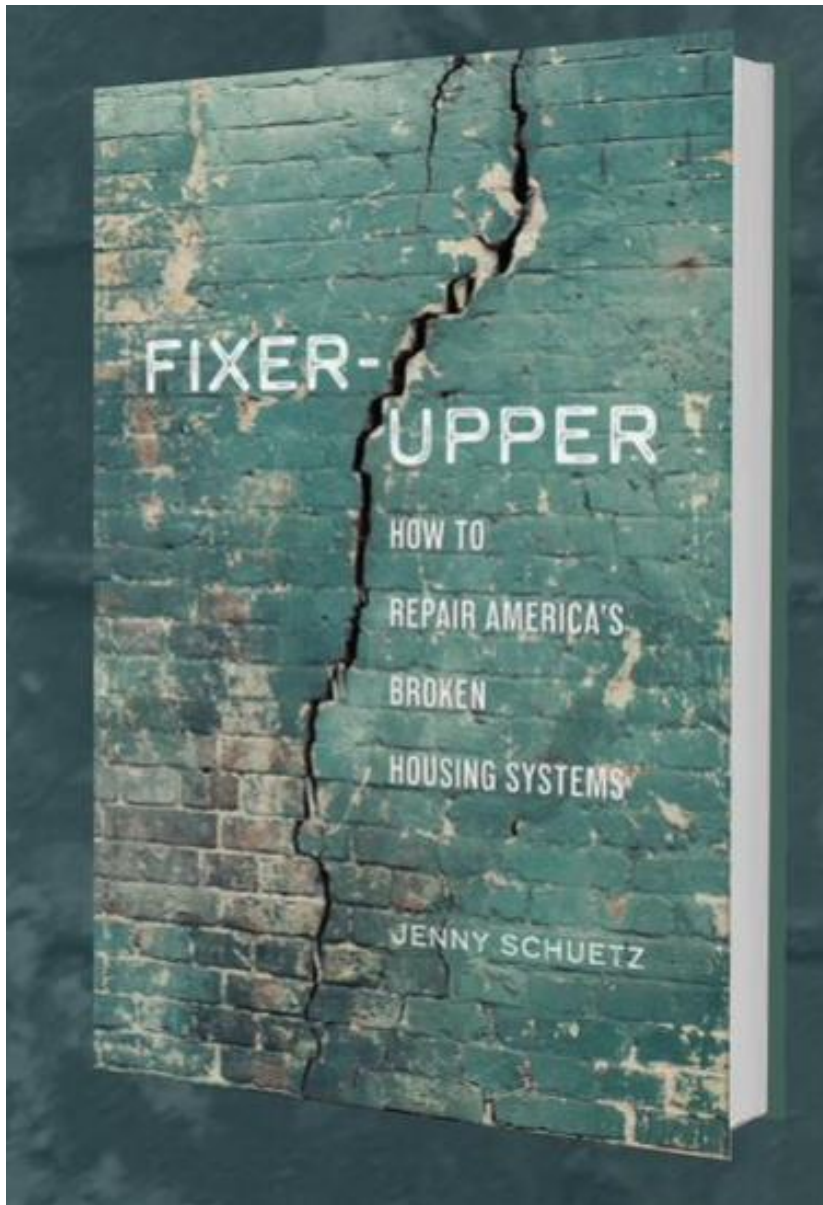
OREGON JUST VOTED TO LEGALIZE DUPLEXES ON ALMOST EVERY CITY LOT

The bill, which would also legalize fourplexes and cottage clusters in larger cities, cleared both House and Senate with wide, bipartisan majorities.

OPINION

North Carolina's SB 349 is the most ambitious state zoning reform yet

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- 1 Housing Sits at the Intersection of Several Complex Systems
- 2 Build More Homes Where People Want to Live
- 3 Stop Building Homes in the Wrong Places
- 4 Give Poor People Money
- 5 Homeownership Should Be Only One Component of Household Wealth
- 6 High-Quality Community Infrastructure Is Expensive, But It Benefits Everyone
- 7 Overcoming the Limits of Localism
- 8 Build Political Coalitions around Better Policies