



# America's Affordable Communities Initiative



**Are these  
homes  
affordable?**



# **America's Affordable Communities Initiative: Bringing Homes Within Reach Through Regulatory Reform**

***YES, THEY ALL ARE!  
YES, AFFORDABLE HOUSING FOR AMERICA'S  
WORKFORCE CAN BE ATTRACTIVE AND PART OF  
YOUR COMMUNITY.***

## **Goals:**

- **Promote education on the impact of regulatory barriers on affordable housing, focusing specifically on answering the following questions:**
  - **What are regulatory barriers and how do they impact the availability of affordable housing?**
  - **Who lives in affordable housing?**
  - **What is affordable housing and what does it look like?**
  - **How does your community benefit from affordable housing?**
- **Conduct studies on regulatory barriers to affordable housing to help find solutions to the affordable housing problem in America.**
- **Partner with outside organizations to help state and local governments, as well as the general public, understand how regulatory obstacles drive up the costs of adequate, affordable housing, and can even prevent its development.**
- **Provide incentives to state and local governments to encourage the removal of barriers to affordable housing so hard-working Americans such as police officers, firefighters, nurses, teachers, and returning veterans can find a place to call home.**
- **Change archaic thinking from “Not in my backyard” to “Why not in our community?”**

Dear Public Official:

Many Americans are being priced out of buying or renting a home they could otherwise afford because of a web of government regulations. Among those Americans being denied the “American Dream” are:

- Middle-income workers such as police officers, firefighters, teachers, nurses, returning veterans, and other vital contributors to our society who are often forced to commute long distances because they are unable to find affordable housing in the communities they serve;
- Lower income families and minorities who, because they have an especially hard time finding suitable housing, are often forced to live in crowded and/or substandard housing; and
- Elderly persons who cannot find apartments in communities near their children and many younger families who find it difficult to afford homes in the communities where they were raised.

This situation is created in part by a maze of state and local codes, processes, and regulations that delay and unnecessarily drive up the cost of new construction and rehabilitation. These regulatory barriers may even prohibit such seemingly innocuous actions as converting spare rooms into accessory apartments. In some communities, this “not in my backyard” mentality can lead to congested roadways, air pollution, lost productivity, and overall decline in that community’s quality of life. Further, the business community in many of these areas now sees the lack of affordable housing as a serious barrier to the economic health of their businesses.

In an effort to break down regulatory barriers that impede the production and availability of affordable housing, the Department of Housing and Urban Development launched *America’s Affordable Communities Initiative*. In addition, HUD’s *Regulatory Barriers Clearinghouse* ([www.regbarriers.org](http://www.regbarriers.org)) is providing state and local governments a national Internet forum to share ideas and develop solutions to address unique housing challenges.

My hope is that we can join together to overcome regulatory barriers to affordable housing and extend the “American Dream” to millions of families in communities across the nation. Working with public officials and community leaders at all levels, HUD hopes to more accurately identify the problems caused by these regulatory barriers and bring solutions and success stories to those working to help more Americans find an affordable place to call home.

Overcoming barriers to affordable housing will complement, not substitute for, HUD’s other efforts to boost the availability of affordable housing in this country. In fact, the removal of regulatory barriers is a crucial part of any national housing policy, and that is why HUD has chosen to lead by example.

**I encourage you to conduct a public forum in your community to discuss the impact that regulatory barriers have on your housing market and to identify local solutions to these barriers.** The information in this brochure is designed to assist you in this effort. HUD looks forward to working with you on this very important initiative.



Sincerely,

A handwritten signature in black ink that reads "Alphonso Jackson".

Alphonso Jackson  
Secretary

## Common Regulatory Barriers And Proposed Solutions

A regulatory barrier to the development of affordable housing is a public regulatory requirement, payment or process that significantly impedes the development or availability of affordable housing without providing a commensurate health and/or safety benefit. While often motivated by good intentions, regulatory barriers may be unnecessary, duplicative or excessive. By limiting overall supply and by adding costs, regulatory barriers impede housing rehabilitation and raise the cost of new development by up to 35 percent, effectively “pricing out” many Americans from buying or renting the kind of housing they otherwise could afford.

<b>Common Regulatory Barriers</b>	<b>Potential Solutions</b>
Duplicative or time-consuming design review processes or approval processes.	Implementing integrated single-permit reviews; utilizing one-step permitting centers; enforcing time limits on government reviews.
Out-of-date building codes that require old-fashioned, expensive materials and/or outdated construction methods that increase construction costs.	Using up-to-date model codes (e.g., most recent International Code Council Code); keeping building codes up-to-date as revisions to model codes are made; adopting the model code without local amendments.
Burdensome rehabilitation codes.	Adopting a rehabilitation code that establishes different levels of rehabilitation with gradual increases in public requirements based on amount of voluntary rehabilitation.
Excessive fees that increase housing costs.	Charging fees limited to the actual costs generated by the development; basing fees on the size or value of the home; waiving fees for low-income homes.
Restrictive or exclusionary zoning ordinances that contain regulations on land use that drive up the cost of housing (e.g., restricting development to large, single-family homes on large lots; prohibiting manufactured or multifamily housing; imposing disproportionate subdivision requirements).	Including in your Comprehensive Plan a “Housing Element” that estimates current and anticipated housing needs for all existing and future residents for the next 10 years, including housing for various types of income groups; having zoning ordinances and maps that provide sufficient land use and density categories to address existing and future housing needs, including low-, very low-, and moderate-income housing; allowing manufactured and modular housing in residential districts where all other requirements are met.
Excessive or “gold-plated” land development standards that unnecessarily raise the cost of infrastructure.	Using reasonable land development standards that do not impose such excessive requirements as overly wide street widths and inappropriate stormwater management standards.

## ENCOURAGING LOCAL SOLUTIONS

HUD is encouraging and helping state and local governments to develop their own unique solutions to regulatory barriers that unnecessarily drive up the cost of housing in their own communities. Far from attempting to become a super zoning authority, the Department is leading by example by identifying and removing federal regulations that may contribute to the high cost of housing. Working together, we can help change the thinking from “Not in My Back Yard” to “Why Not In Our Community?”

### LEADING BY EXAMPLE

Over the past few years HUD and the *America’s Affordable Communities Initiative* have undertaken a number of projects to promote national awareness of the importance of reducing regulatory barriers to affordable housing, including:

- Established the *Regulatory Barriers Clearinghouse* website to provide state and local governments a forum and valuable research tool ([www.regbarriers.org](http://www.regbarriers.org)).
- Published “*Why Not in Our Community?*” – HUD’s first substantive examination of the impact of regulatory barriers on affordable housing since the Department’s groundbreaking 1991 Report “*Not in My Backyard.*”
- Sought public input to identify HUD regulations that may unnecessarily drive up the cost of housing. The Department then published a response on how federal regulations could be streamlined to encourage more affordable housing.
- Put into place a new procedure to ensure that future proposed regulations proposed by HUD are reviewed to determine if they would create a barrier. This additional step in the clearance process provides an “affordable housing firewall” for all new regulations.
- Awarded priority points to grant applicants if they demonstrate positive local efforts to reduce regulatory barriers.
- Created a new national awards program recognizing outstanding state and local efforts that successfully reduced regulatory barriers. This award is named in memory of HUD’s former chief of staff, Robert L. Woodson, Jr.
- Convened national roundtables that stimulated dialogue on barrier reduction.
- Distributed two brochures to over 25,000 jurisdictions.
- Initiated several studies to better understand the nature of regulatory barriers and to identify potential solutions.

HUD’s mission continues. For more detailed information on the Department’s ongoing efforts to encourage the reduction of regulatory barriers and the production of affordable housing, visit HUD’s website at [www.hud.gov/affordablecommunities](http://www.hud.gov/affordablecommunities).



# U.S. Department of Housing and Urban Development

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For Additional Information: [www.hud.gov/affordablecommunities](http://www.hud.gov/affordablecommunities)

