

Resolution No.   4  

Date:   April 23, 2010  

City:   Washington, D.C.  

NAHB Resolution

Title:                               Inclusionary Zoning  
Original Sponsor:               Land Development Committee

WHEREAS, in many communities, there is a gap between the cost of housing and what people can afford to pay for it;

WHEREAS, the reasons for this shortfall are many and include barriers created by regulations themselves as well as comprehensive plans that do not sufficiently correlate projected job growth with housing need, zoning ordinances that limit the range of allowed housing types, costly and unnecessary regulations, growth controls that limit land supply, and lengthy and complex development approval processes – and there is no single solution;

WHEREAS, the National Association of Home Builders recognizes that the need for workforce and affordable housing is a continuing concern in most communities;

WHEREAS, NAHB has consistently supported efforts to increase the supply of workforce and affordable housing as further explained in NAHB's adopted Land Use Policy Statement;

WHEREAS, different income segments require different approaches for improving affordability, from removal of onerous regulations to more direct subsidy;

WHEREAS, a variety of approaches is needed to address this multidimensional problem and improve market provision of housing or increase funding through subsidies when incomes are insufficient;

WHEREAS, some communities are adopting and imposing inclusionary zoning requirements in the belief that this approach will close this gap, and it has become a politically expedient means for communities to claim that they are addressing the affordability problem instead of taking a more comprehensive approach to understanding and solving this issue;

WHEREAS, the effect of such programs shifts the added cost of building the subsidized units to the market-rate units;

WHEREAS, the density bonuses and other developer incentives that communities often include in such programs in an effort to offset these added costs are insufficient and difficult to achieve because of other zoning requirements;

WHEREAS, inclusionary zoning programs have failed to produce the volume of units compared to the need for affordable housing;

WHEREAS, research indicates that inclusionary zoning is a complex market intervention requiring sophisticated administration by local governments, generally increases the price of market rate housing, and is not effective at meeting housing demand and thus affordability.

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders:

- 1) Oppose the use of inclusionary zoning laws or ordinances that are not voluntary or do not include measures such as density bonuses, subsidy grants, or others that do not fully compensate for costs associated therewith,
- 2) Oppose existing inclusionary zoning laws or ordinances that are not voluntary or do not include measures such as density bonuses, subsidy grants, or others that do not fully compensate for costs associated therewith,
- 3) Support addressing housing affordability through the use of a competitive housing market that encourages and accommodates housing options for all income levels,
- 4) Support the provision of affordable housing through a broad and comprehensive strategy to address housing affordability at the state and local level that closely examines the causes of that problem and relies on a variety of targeted approaches to address those causes, including direct income and housing subsidies, removal of zoning and regulatory barriers to provide for a sufficient number of housing units to meet projected growth, rather than relying primarily on mandatory inclusionary zoning,
- 5) Support the production of a broad spectrum of housing by the home building industry that guarantees appropriate development incentives and subsidies,
- 6) Guarantee that the cost is not borne disproportionately by the new home buying public,
- 7) Continue monitoring research on the actual effectiveness of inclusionary zoning and actively communicate results to date.

Board of Directors Action:	Approved
Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Legal Action Committee Action:	Recommends Approval
State and Local Government Affairs Committee Action:	Recommends Approval
Multifamily Council Board of Trustees Action:	Recommends Approval
50+ Housing Council Board of Trustees Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
Land Use Policy Subcommittee of the Land Development Committee Action:	Recommends Approval