

||Housing
||Multiplier
||Project

FAS CENTER FOR
REGULATORY
INGENUITY

State and Local Policies Checklist

About Us

The research informing this checklist was led by the Housing Multiplier Project in partnership with the Federation of American Scientists Center for Regulatory Ingenuity and the Lincoln Institute of Land Policy — with co-authors from MIT, Urban Land Institute, World Resources Institute, RMI, University of Denver's Center for Housing Research and Innovative Solutions, and UC Berkeley's Center for Law, Energy & the Environment.

The Housing Multiplier Project works at the local, state, and federal level to advance an agenda that solves the housing shortage faster and more cost effectively — and makes housing a force multiplier for progress. Our research shows that when we solve the housing shortage strategically, new homes lower housing, transportation, and energy costs; strengthen resilience and insurance markets; improve state and local fiscal health; increase grid reliability; protect open and working lands; and reduce emissions.

The FAS Center for Regulatory Ingenuity (CRI) is building a new, transpartisan vision of government that works — that solves complex challenges like climate change in ways that improve people's daily lives. CRI's core conviction is that there is a mismatch between highly dynamic modern problems and the aging regulatory strategies and institutions we rely on to solve them. Our work focuses on addressing this mismatch in the climate context by (1) creating high-trust environments where stakeholders who don't always work together can pressure-test the big ideas needed to modernize government institutions and the democratic feedback loops that hold them accountable; and (2) cultivating a "network of networks" that helps policymakers and practitioners move these ideas from concept to implementation at scale. Housed at the Federation of American Scientists, one of the nation's oldest science-policy organizations, CRI's initiatives are shaping the next era of federal and subnational climate policy in the United States.

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■ State and Local Policies Checklist

States and localities have numerous policy levers to increase home production while lowering costs and delivering broader benefits to households and communities. This checklist translates the Housing Multiplier Project's research into specific actions that policymakers can take, many of which require limited public dollars and help create the conditions for private capital and targeted public investment to get homes built.

Many of these policies achieve multiple goals—from increasing housing supply and affordability to strengthening resilience, improving grid reliability, and reducing emissions.

Housing reforms require special care. The goal is to shed outdated legacy requirements while retaining those that keep people safe, buildings sound, and communities thriving.

Zoning and Land Use Reform

Allow homes of all shapes, sizes, and price points in lower-hazard established neighborhoods, cutting costs while steering growth away from hazard-prone and environmentally sensitive areas.

1. As-of-right housing

- ✓ Allow more housing by-right, without discretionary review, variances, or rezoning
 - ✓ On existing single-family parcels: at a minimum, allow ADUs, duplexes, manufactured homes, and starter homes; where communities are ready to go further, allow townhomes, triplexes, fourplexes, and sixplexes
 - ✓ In areas served by transit or zoned commercial, light industrial, or mixed use: allow larger apartment buildings (40 or more homes per acre)
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2. Adaptive reuse and existing buildings

- ✓ Allow adaptive reuse of existing buildings for housing by-right, without discretionary review, variances, or rezoning
 - ✓ Allow new apartments to be built within existing single-family homes and apartment buildings (e.g., basement conversions or dividing existing apartments into several smaller apartments)
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	✓ Deem buildings, uses, and features that already exist in a neighborhood automatically compliant with the zoning code
3. Size, height, setbacks, and lot splits	✓ Increase the maximum number of homes allowed on existing lots ✓ Allow small lots and the splitting of existing lots into smaller parcels ✓ Eliminate floor area ratios, height limits, massing restrictions, street frontage requirements, and setback requirements ✓ Eliminate minimum home sizes to allow starter homes, single-room occupancy, boarding houses, cottages, and tiny homes
4. Parking	✓ Eliminate parking mandates
5. Arbitrary restrictions	✓ Eliminate bans on manufactured and modular housing ✓ Eliminate occupancy restrictions (e.g., limits on renters, number of occupants, or relationship of occupants) ✓ Eliminate covenants that limit new housing
6. Disaster-prepared zoning	✓ Make it easier to build in lower-risk areas and harder to build in higher-risk areas ✓ Overlay a resilience index backed by scientific hazard data on zoning maps ✓ In high-risk areas, steer growth elsewhere and prohibit new housing without stringent above-code building standards ✓ Conserve land that serves as a resilience buffer, including open space, farmland, forests, other working lands, and wildlands

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- ✓ Before disaster strikes, adopt a post-disaster zoning code that takes effect immediately following a disaster to expedite resilient reconstruction
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7. Zoning for energy affordability and grid reliability

- ✓ Allow by-right grid-interactive appliances, solar, and storage
 - ✓ Plan and site electric grid infrastructure upgrades and clean energy (e.g., utility-scale and community solar) as part of rezoning and land use reforms to speed up hookups for new homes and cut utility bills
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Streamlined Permitting

Cut red tape and speed up timelines and approvals.

1. Permitting

- ✓ Set ambitious, but achievable, building permit approval targets (e.g., 24-hour or 30-day approvals) with “shot clocks”
 - ✓ Publish clear, objective criteria for approving and rejecting permits and entitlements
 - ✓ Eliminate redundant review steps
 - ✓ Eliminate discretionary reviews and enable staff-level approvals
 - ✓ Allow third-party plan reviews and inspections
 - ✓ Adopt AI and automated tools
 - ✓ Eliminate annual building permit caps
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2. Pre-approved plans

- ✓ Provide a catalog of pre-approved home plans that receive automatic building permits
 - ✓ Include a mix of home types ranging from ADUs to missing middle housing
 - ✓ Include both site-built and modular designs that optimize for low-cost construction
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- ✓ Design plans to be resilient, efficient, grid-interactive, and electric with low embodied carbon construction materials
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3. Environmental review

- ✓ Streamline environmental reviews under the National Environmental Policy Act (NEPA) and state equivalents
 - ✓ Carve out categorical exemptions for housing in established neighborhoods outside high-hazard zones and environmentally sensitive areas
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Building Code Simplification for Missing Middle Housing

Simplify building codes while preserving health, safety, and building soundness.

1. Single-stair and small-elevator reforms

- ✓ Allow missing middle housing to be built with one staircase instead of two when modern fire-safety standards are met
 - ✓ Allow apartment buildings up to six stories to use smaller elevators
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2. Residential versus commercial codes

- ✓ Allow missing middle housing to adopt either the residential code (IRC) with enhanced safety features or a modified commercial code (IBC)
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Fees and Property Taxes

Adjust fees and property taxes to stimulate home production and to reflect the cost of services and infrastructure (e.g., roads, water, sewer, electric utilities) in established neighborhoods versus greenfields and lower-hazard versus higher-hazard areas.

1. Impact, permit, and connection fees

- ✓ Calculate fees based on building square footage, rather than number of dwelling units or occupants, to encourage more homes per parcel
 - ✓ Defer fees (e.g., impact, permit, utility hookup) until occupancy to reduce capital costs for builders
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- ✓ Waive demolition fees when increasing density on lots in established neighborhoods
 - ✓ Reduce or eliminate impact fees in lower-hazard established neighborhoods
 - ✓ Set higher impact and utility connection fees in greenfield and higher-hazard locations to reflect the cost of extending and maintaining services and infrastructure
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2. Property taxes

- ✓ Provide property tax abatements in lower-hazard established neighborhoods
 - ✓ Reassess property taxes in higher-risk areas and greenfields to reflect the cost of municipal infrastructure, maintenance, and services
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Resilience and Insurability

Expand home production in lower-hazard neighborhoods (see policies above) and ensure new homes are built to last.

1. Expand home production in lower-hazard neighborhoods

- ✓ See policies above
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2. Resilient construction

- ✓ Adopt modern building codes to reduce physical risk in extreme weather
 - ✓ Encourage above-code standards that further reduce physical risk (e.g., IBHS Fortified and Wildfire Prepared Home)
 - ✓ Require rigorous above-code standards in higher-hazard areas
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3. Insurance market reforms that reward resilience

- ✓ Require insurers to be transparent on how they price hazard risk
- ✓ Require insurers to price resilience into their rates
- ✓ Encourage insurers, the state, or other entities to offer insurance discounts, incentives, and financing for resilience investments

Energy Affordability

Cut utility bills, connect new homes to the grid faster, improve grid reliability and resilience, and protect residents from extreme heat.

1. Energy efficient construction

- ✓ Adopt modern energy codes as the floor for new home construction
- ✓ Use fuel-debiased metrics in energy codes and standards so that all-electric and mixed-fuel buildings are measured against the same energy target
- ✓ Prioritize above-code standards for deeper energy savings (e.g., Passive House)
- ✓ Accelerate grid-interactive, electric construction
- ✓ Allow by-right grid-interactive appliances, solar, and storage (see policies above)
- ✓ Encourage low embodied carbon construction materials

2. Utility reforms

- ✓ Site grid upgrades and clean energy as part of zoning and land use reforms (see policies above)
 - ✓ Shorten hookup times for new homes
 - ✓ Offer electric-friendly and solar-friendly rate structures
 - ✓ Allow VPPs, demand response, distributed renewable energy, and microgrids
 - ✓ End the gas obligation to serve and limit extensions of gas infrastructure beyond the existing footprint
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Low Embodied Carbon Materials

Cut pollution from home construction and materials.

1. Housing types that use less materials

- ✓ Allow adaptive reuse of existing buildings (see policies above)
- ✓ Allow missing middle housing and smaller starter homes, which use less material per home (see policies above)
- ✓ Eliminate parking mandates that drive structured and underground parking (see policies above)
- ✓ Streamline approvals for modular and manufactured housing (see policies above)

2. Building codes that allow low embodied carbon materials

- ✓ Update building codes to allow lower embodied carbon materials and natural refrigerants

3. Material standards and measurement

- ✓ Target the four material categories that account for more than 70% of new home embodied carbon: concrete, insulation, cladding, and interior surfaces
- ✓ Use the RESNET/ICC 1550 Embodied Carbon Standard to measure results
- ✓ Require low embodied carbon materials in pre-approved home plans and in homes built on public land (see policies above)

State and Local Public Land and Financing

Streamline the use of state- and locally-owned land and public financing for housing.

1. State- and locally-owned land

- ✓ Streamline the use of state- and locally-owned land in lower-hazard established neighborhoods for housing

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- ✓ Prioritize land that is underutilized, outside environmentally sensitive areas, and not serving public purposes such as rights-of-way, parks, or open space
 - ✓ Include deed-restricted affordable housing and starter homes
 - ✓ Require homes to be resilient and built to withstand local hazards
 - ✓ Require homes to be efficient, grid-interactive, and electric, with low embodied carbon construction materials
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2. Public financing

- ✓ Consolidate public financing sources (e.g., for affordable housing) into one-stop shops to reduce development costs
 - ✓ Offer multiple public financing sources through a single joint notice of funding availability, with one application, one contract, one set of legal documents, one legal counsel, one construction inspector, and one set of design requirements
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A note on policies to increase production of homes for lower-income households. The policies above will go a long way toward meeting the nation’s housing shortage and making homes less expensive. However, policies designed specifically to increase safe, stable homes for lower-income households — at the scale that is required — fall outside the scope of this checklist. Producing homes that are affordable to those households will require more federal assistance, other financing sources, and targeted policies. Preserving existing affordable housing is equally essential, and it too is under mounting pressure from rising insurance costs, energy burdens, and more frequent disasters. Finally, safeguards are also needed to ensure that current residents aren’t priced out of their neighborhoods. The policies that address these needs are not secondary to this checklist’s production agenda. They are its necessary complement.

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