

# RESTORING THE RIGHT TO BUILD: FOUR POLICIES TO SOLVE THE HOUSING CRISIS



Home prices are near all-time highs, yet land use regulations make it difficult and costly to build new homes. Pacific Legal Foundation (PLF) proposes four state-level reforms that would strengthen property rights and help expand the supply of housing.

## 1 SPEED UP PERMIT DECISIONS

**Problem:** Complex local regulations that require discretionary permitting for even standard housing projects. In Los Angeles, a simple variance adds about \$13,000, while a special permit adds about \$32,000 to a project.

**Solution:** PLF's By-Right Housing Development Act would require proposed housing developments that meet zoning and land use regulations to be approved by right, without the need for further discretionary review, including accessory dwelling units and multifamily units if allowed under existing zoning.

## 2 ENSURE TIMELY DECISIONS FOR PERMITS

**Problem:** Time is money, especially in homebuilding. A two-year review process for mid-rise developments in New York City added \$50,000 to the price of each unit. Some Washington counties experienced a 6.5-month permit delay and a greater than \$30,000 increase in home development costs.

**Solution:** PLF's Permitting Approval Timeliness Act would require permit applications be processed within 60 days, so applicants can promptly amend, appeal, or build.

## 3 LIMIT LAWSUITS TO EXPEDITE PERMIT APPROVALS

**Problem:** Opponents of new housing tend to be a small but loud minority who don't represent younger, lower-income families, who are most likely to benefit from an increased housing supply. After long approval processes and lots of public input, local NIMBYs can kill approved projects with frivolous lawsuits.

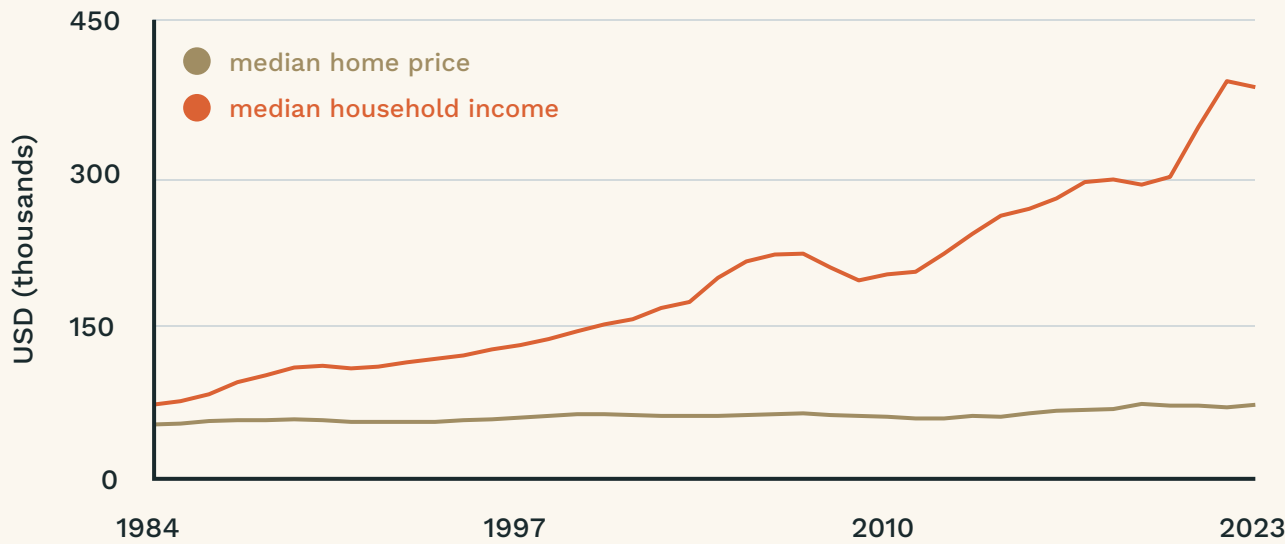
**Solution:** PLF's Third Party Challenges to Development Permits Act would protect local building approvals from frivolous lawsuits. Only adjacent property owners who can show genuine harm would be able to challenge a development permit.

## 4 MAKE IMPACT FEES PROPORTIONAL AND CONNECT THEM TO REAL IMPACTS

**Problem:** Impact fees are intended to cover new housing's impact on infrastructure but often lack a connection to actual development impacts.

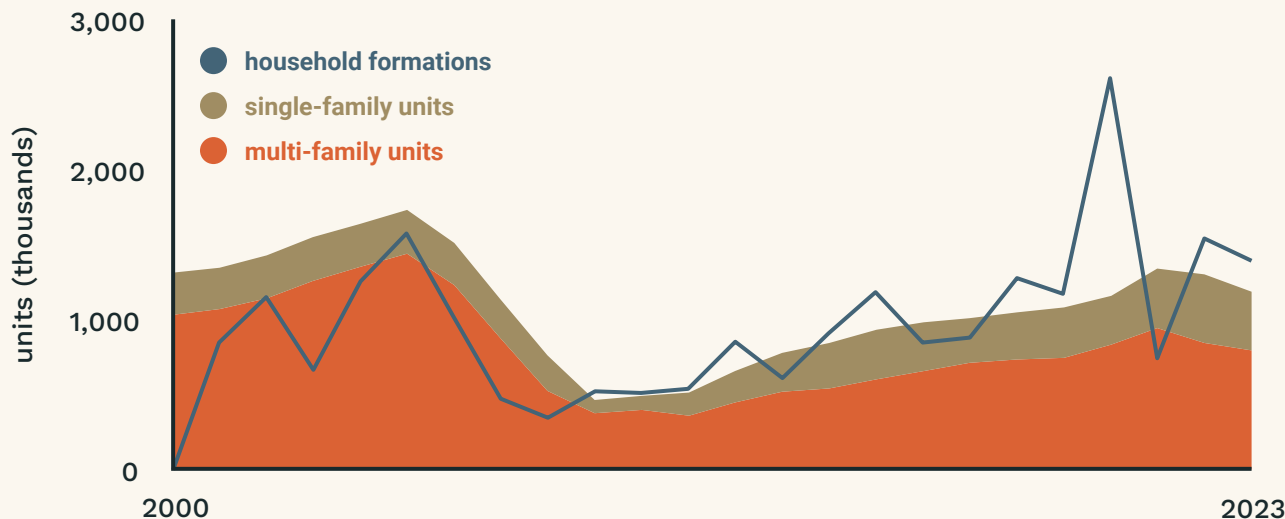
**Solution:** PLF's Safe Harbor from Excessive Exactions Act would require project fees to be proportional to specific impacts. It would mandate local governments, upon request, to itemize fees and justify those fees' relation to development costs, as well as entitle property owners entitled to a quick appeal.

# HOME PRICES REMAIN NEAR ALL-TIME HIGHS, BUT INCOMES HAVE GROWN MORE SLOWLY



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