

March 17, 2020

The Honorable David Price Chairman Subcommittee on Transportation, and Housing and Urban Development, and Related Agencies Appropriations Committee U.S. House of Representatives

The Honorable Mario Diaz-Balart
Ranking Member
Subcommittee on Transportation, and Housing
and Urban Development, and Related Agencies
Appropriations Committee
U.S. House of Representatives

Dear Chairman Price and Ranking Member Diaz-Balart:

Our nation is missing millions of homes, leaving Americans to face increasingly unaffordable prices and rents. As Members of the New Democrat Coalition, we have done extensive work to identify the drivers behind our housing shortfall, finding that homebuyers and homebuilders are held back by limited access to financing, increasing building material costs, a limited pool of skilled labor, and restrictive land-use policies. Local zoning and planning policies can also prevent the integration of housing and infrastructure development, disconnecting communities from access to public transit, their jobs, public services, and other necessities.

As you consider the Fiscal Year (FY) 2021 Transportation and Housing and Urban Development Appropriations bill, we request report language to encourage the Department of Housing and Urban Development (HUD) and Department of Transportation (DOT) to issue joint guidance outlining best practices for land use policies to increase the supply of affordable and market-rate housing and encourage transit-oriented development.

Our housing supply is being outpaced by demand, making it prohibitively expensive for many Americans to move to or live in desirable areas of economic opportunity. In order to grow our economy, drive mobility, opportunity and commerce, protect our climate, and support American workers and families, localities must embrace 'smart growth' plans to accommodate for more affordable and market-rate housing development, particularly along transit lines.

Local and state authorities design and implement land use policies, which can stimulate or hinder housing development. While land-use policies are ultimately a local authority, zoning reform guidance and encouragement from Congress, and the federal government at large, could have a serious impact in reducing the cost of housing for constituents and communities. And certainly, Congress has a significant role and interest in housing and transportation policies that interact with those state and local policies. Your committee appropriates more than \$2 billion each year for large public transit projects, and the success of these projects relies on strong ridership. Building more affordable and market-rate housing near transit would drive use of those projects.

As we consider solutions to addressing both our housing and transit needs, the federal government is well-resourced and positioned to assess the perspectives and approaches across different jurisdictions and municipalities, enabling agencies to act as a conduit for the sharing of best practices with local governments in order to build more housing.

We therefore ask the Subcommittee to include the following language in its Committee Report:

The Committee is concerned with urban sprawl, overwhelming traffic, and lack of housing supply in job-rich areas; and encourages the Department of Housing and Urban Development to consult with the Department of Transportation and issue joint non-binding guidance outlining best practices for land use policies to increase the supply of affordable and market-rate housing. The guidance shall provide recommendations for local and state land use agencies to improve their zoning, such as: increasing density, reducing minimum lot sizes, creating by-right development for multi-family homes, streamlining or shortening the permitting processes, eliminating impact fees, allowing accessory dwelling units, density bonuses, or land value capture mechanisms. The guidance shall focus on providing best practices to local land use agencies and transit agencies who work together to promote transit-oriented development, and shall consider the variations of best practices among urban, suburban, and rural communities.

The New Democrat Coalition believes that smart zoning practices would have a significant impact on the availability of affordable housing, and endorsed legislation earlier this Congress that would address restrictive land-use policies, support affordable housing construction, and promote transit oriented development. In the end, the best way to making housing affordable is to make more affordable housing. This proposed report language would go a long way toward achieving that goal. We appreciate your leadership on this issue and consideration of this request.

Sincerely,

Scott H. Peters Vice Chair

New Democrat Coalition

Denny Heck Co-Chair

Housing Task Force New Democrat Coalition

Denny Heck

Ben McAdams

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