

Resolution No. 2

Date: 2/10/2022

City: Orlando, FL

NAHB Resolution

Title: NAHB's Smart Growth Policy Statement: Building Better Places to Live, Work and Play  
Sponsor: Land Development Committee  
Submitted by: Don Whyte

WHEREAS, the National Association of Home Builders (NAHB) recognizes the nation's desire to develop land that provides housing, employment and commercial uses in harmonious and beneficial patterns, oftentimes referred to as 'Smart Growth';

WHEREAS, in its broadest sense, Smart Growth means meeting the underlying demand for housing in all forms of ownership created by a growing population by building a political consensus and employing market sensitive and innovative land-use planning concepts;

WHEREAS, Smart Growth means understanding that decentralized patterns of job growth, diverse housing needs and consumer preferences will continue to encourage growth in a wide range of locations;

WHEREAS, Smart Growth also means meeting housing demand in "smart" ways by planning for growth, building creatively at varying density and scale and creatively, preserving meaningful open space, and protecting environmentally sensitive areas;

WHEREAS, over the last 20 years, Smart Growth has evolved to include a focus on climate change, sustainability and resiliency, missing middle housing, and zoning regulations, which will consider housing opportunities for a community's economic spectrum;

WHEREAS, any land use policy must balance the basic human needs of a still expanding national population with legitimate public health, safety, welfare and environmental concerns;

WHEREAS, within that framework, housing opportunities for Americans at all income levels must be expanded and the freedom of housing choice must be assured; and

WHEREAS, there is no 'one-size-fits-all' application of Smart Growth, and application requires careful review and balancing of a number of factors, including

housing affordability, housing supply, projected growth, natural resources and various types of land uses,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders (NAHB) endorse the concept of Smart Growth as outlined in this statement, including the key elements of Smart Growth which include:

1. Anticipating and planning for economic development and population growth in a timely, orderly and predictable manner.
2. Establishing a long-term comprehensive plan in each local jurisdiction that makes available an ample supply of land for residential, commercial, recreational and industrial uses and sets aside meaningful open space. These plans should also protect environmentally sensitive areas and maintain a balance between the environment and growth. Jurisdictions should plan for population change by adequately planning for enough housing, at various price points and of varying size and design, to meet the needs of a growing and diverse population.
3. Developments that comply with the policies and regulations established by the community should be allowed to proceed without unreasonable oversight from relevant agencies.
4. Removing and avoiding the creation of policy barriers and avoiding creating new barriers that impede innovative land-use planning techniques to be used.
5. Ensuring that the actions of all levels of government address the affordability of all housing.
6. Ensuring that policies enhance rather than limit consumer choice and that these policies provide solutions that meet the needs of consumers and the concerns of neighborhoods.
7. Planning and constructing new schools, roads, transit systems, water and sewer treatment facilities and other public infrastructure in a timely manner to anticipate and keep pace with the demand for jobs and housing and finding fair and broad-based ways to underwrite the costs of infrastructure investment that benefit the entire community.
8. Ensuring that the process for reviewing site-specific land development applications is reasonable, predictable and fair for applicants.
9. Ensuring that policies enacted to achieve sound growth and environmental principles are supported by sound science, including field-tested, empirical and peer-reviewed data.

BE IT FURTHER RESOLVED when used appropriately and in concert with market forces, Smart Growth can serve as a blueprint for planning and building an even better America in the years ahead. To assist local communities in developing Smart Growth plans, NAHB support and encourage the implementation of the four Smart Growth Principles. [See Appendix]

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*Please note: If approved, this resolution will replace 2009.10 No. 4 NAHB's Smarter Growth Policy Statement: Building Better Places to Live, Work and Play.*

Leadership Council Action:	Approved
Resolutions Committee Action:	Recommends Approval
Construction, Codes & Standards Committee Action:	Recommends Approval
Custom Builders Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Land Development Committee Action:	Recommends Approval
State & Local Government Affairs Committee Action:	Recommends Approval
NAHB Remodelers Action:	Recommends Approval
55+ Housing Industry Council Action:	Recommends Approval
Environmental Issues Committee Action:	Recommends Approval
Federal Governmental Affairs Committee Action:	Recommends Approval
Single Family Builders Committee Action:	Recommends Approval
Multifamily Council Board of Trustees Action:	Recommends Approval
Land Use Policy Subcommittee Of the Land Development Committee Action:	Recommends Approval

## APPENDIX

### Smart Growth Principles

**Principal 1** - Meet the Nation's Housing Needs by Utilizing a Responsible and Comprehensive Process for Planning for Growth: As a fundamental part of any "Smart Growth" plan, a community must plan for and accommodate its anticipated growth in economic activity, population and housing demand as well as ongoing changes in demographics and lifestyles. The Harvard Joint Center for Housing Studies reports that nearly 18 million U.S. households spend more than half of their incomes on housing, and that one in ten households in the bottom income quartile live in housing that is physically inadequate. Statistics such as these demonstrate a substantial need for new housing that is both of good quality and affordable. Meeting this demand for shelter and increasing homeownership opportunities are compelling national goals that must be addressed in every community's comprehensive growth plan. It is the responsibility of every community to plan for and embrace the growth that is naturally triggered by economic prosperity.

NAHB supports comprehensive land-use planning that clearly identifies land to be made available for residential, commercial, recreational and industrial uses as well as land to be set aside as meaningful open space. This planning should also respect environmentally sensitive areas and consider a regional transportation system that implements appropriate modes of transportation including roads that are based on current and proposed land use patterns. Such plans should consider a community's projected economic growth rate, job location, demand for new housing and expanded infrastructure required to serve a growing population. Builders, land developers and other industry members should be encouraged to lend their expertise and participate in the design and periodic review of a community's comprehensive planning process. It is important to note that there is no one-size-fits-all approach to public policy and NAHB shall continue to stress the appropriate role of the federal government in supporting local government in advancing land use planning decisions.

**Principal 2** – Provide a Wide Range of Housing Choices and Sufficient Supply of Housing: NAHB recognizes the basic right of every American to have a free choice in deciding where and in what kind of home to live. NAHB surveys consistently show that two-thirds of prospective home buyers prefer single-family detached housing over other structure types and in a variety of settings. The surveys show that the majority of buyers are split roughly evenly in their preferences among a close-in suburb, an outlying suburb, and a rural location rather than a central city. Communities should recognize these basic preferences as part of any comprehensive planning process. Policy makers should understand that market preferences are fluid over time, and that their policies and regulations should be flexible enough to respond adequately to this fluidity.

NAHB supports planning for growth that allows for a wide range of housing types to suit the needs and income levels of a community's diverse population, while recognizing "smart ways" to manage growth by permitting higher densities, preserving open space and protecting environmentally sensitive areas where appropriate. Finding decent, affordable housing is an ongoing struggle for millions of American families any Smart Growth planning process should provide for housing affordability at all income levels.

Included in a wide range of housing types in housing that falls into the category now referred to as "missing middle housing". Missing middle housing includes duplexes, triplexes, cottage-courts, townhouses and other housing types that fall between single-family detached housing and large multifamily buildings. As land costs rise and so much land dedicated to single-family detached homes only, these housing types can add discreet density and affordability.

When used properly as a planning tool, Smart Growth can help expand homeownership opportunities and allow Americans to live in the homes and communities of their dreams. When not used properly, Smart Growth can be used as a tool to stop or slow growth; such a move would penalize and put at greatest risk those living at the edge of housing affordability—the young, minorities, immigrants and moderate-income families.

**Principle 3 - Plan and Fund Infrastructure Improvements Fairly:** Ensuring that the construction of schools, roads and other infrastructure keeps pace with the anticipated growth in population and economic activity is essential to any "Smart Growth" plan. Appropriate bodies of government should adopt capital improvement plans that fund and provide the infrastructure necessary to support new development. Planning major infrastructure improvements—particularly transportation—requires cooperation across governmental boundaries to resolve issues.

Ensuring that infrastructure is funded equitably and that the cost is shared equitably among all segments of the community—current residents as well as newcomers—is an even greater challenge. NAHB encourages local communities to rely on an array of balanced, reliable, and equitable tools to finance and pay for the construction and expansion of roads, schools, water and sewer facilities and other infrastructure required to serve a vibrant community.

Infrastructure investment carries with it long term benefits to a community and it is vital to long-term economic competitiveness. Because of this, it is important that local government prioritizes where and how this investment happens in its area. The public and private sectors should create partnerships with each other to plan and select the modes of transportation that work best for that region.

**Principle 4 - Use Land More Efficiently:** The housing market is characterized by a diversity of interests, including a strong consumer preference for single family homes on

individual lots in a variety of densities and settings. Planning therefore should serve the public interest and its many diverse aspirations.

NAHB supports innovative land-use policies to encourage more sustainable, compact, mixed-use, and pedestrian-friendly developments with access to open space and various transportation options. NAHB also recognizes that revitalizing older suburban and inner city markets and encouraging infill development is universally accepted as good public policy in terms of using land more efficiently. However, even under the best of conditions, urban and infill development will satisfy only a small percentage of a community's demand for new housing.

A great percentage of zoned residential land in the United States allows single-family detached housing only. Increasing density through missing middle housing is one way to use limited land more efficiently to produce more units. Local zoning codes must first allow such housing types in residential areas and decrease the exclusionary affect of single-family housing only. Similar zoning ordinances, such as minimum lot sizes, certain prescriptive design standards can also artificially raise housing costs and should be critically examined if housing affordability and production is a goal.

Generating greater public support for these types of more efficient development will require local governments to remove regulatory barriers to such development and educate citizen groups who are opposed to change in their communities and to any new growth. The federal government and the nation's cities will have to work closely with the housing industry to overcome other major impediments, such as aging infrastructure, high land costs, lending complexities that make redevelopment costly and difficult, and federal liability laws that increase risks for builders involved in the redevelopment of "brownfield" sites. Making cities safe from crime, improving the quality of schools and creating employment opportunities are prerequisites for rebuilding the nation's inner cities and for encouraging people to return to them.

A federal mandate which dictates the location, place and form of development does not respect local circumstances and is not appropriate. Policies that work in one region may have serious unintended consequences in another. The United States is far too diverse demographically, historically, geographically, and economically to successfully implement a "one-size-fits-all" program. The federal government's role should be to encourage and coordinate with, and not prescribe to, local communities to adopt long-term comprehensive plans that will meet the demand for new housing, economic development, and public infrastructure. The federal government should work to eliminate redundant and contradictory regulations that impede economic development and prevent the housing industry from meeting the demand for new housing.