

State and Local Housing Action Plan

National Housing Crisis Task Force

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State and local governments have more power than they might realize, more capital than is first apparent, and more capacity than they may have utilized in recent decades. State governments and their housing finance agencies regularly raise billions of dollars for housing development, housing preservation, and single-family mortgages through bond offerings. Local governments have created housing trust funds, new revolving loan funds, and new public development agencies. Community foundations and other philanthropies are investing in people, projects, and communities. While state and local zoning reforms have garnered the most attention, innovations to create faster, better, and more attainable housing have also occurred around land, construction, capital, regulation and governance.

Housing development and preservation in the United States is a federated system. It is largely undergirded by the federal government. Institutions like the Federal Housing Administration, Federal Housing Finance Agency, and the Treasury Department set the baseline conditions for almost all housing finance in the U.S. The Department of Housing and Urban Development, through direct funding to public housing authorities and continuum of care organizations, supports millions of low-income households in every part of the country. Medicaid, the Department of Agriculture, Veterans Administration, and other federal agencies provide additional support to individuals, landlords, and mortgage lenders.

The Trump Administration and Congress appear likely to carry out the most sweeping restructuring of federal policy in decades. Actions taken by the Administration have already eliminated fair housing protections and scaled back the HUD workforce. Further actions, if successful, could increase the cost of construction, reduce federal support for public housing, vouchers and other appropriated programs and tax incentives and alter the current system of primary mortgage insurance and secondary market credit enhancements.

The end result of these actions would be to devolve to states and localities, and private and civic stakeholders, greater responsibility for expanding the supply of housing, boosting homeownership and helping low- and moderate-income households afford and access quality rental housing. This would amount to the greatest change in the U.S. housing ecosystem since the 1930s.

Many of the recent state and local innovations in housing represent a de-facto *defederalization* of housing activity in the United States as housing demands have grown and federal policy has been in near stasis for decades. States, localities, and the civic sector are looking to their own balance sheets, their own constitutional powers, their own enabling legislation, to identify what they can



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do to develop housing, preserve housing, protect tenants, encourage homeownership, minimize displacement, and ensure that their residents can achieve the American dream.

These state and local innovations have gained new urgency and importance. Many of them are programs, policies, or processes that places across the country can implement now without any federal support, and could measurably increase housing production, preserve their existing housing stock, reduce homelessness, and lead to a more prosperous community. There may be no pure substitute for the size and scale of the federal government’s role in housing in this country, but state and local leaders can make a real difference.

These innovations have already led to the creation of multiple toolkits that feature examples of best housing practices and, in some cases, “how-to” guides on designing and implementing these practices at the state or local levels. They include toolkits and playbooks from the [National League of Cities](#), [National Association of Counties](#), [National Multifamily Housing Council](#), [Local Housing Solutions at the Furman Center at NYU](#), and from the [Department of Housing and Urban Development](#), among others.

The National Housing Crisis Task Force’s **State and Local Housing Action Plan** draws from recent and promising innovations that have the greatest potential to transform state and local housing ecosystems towards greater production and preservation at lower cost and greater speed. The premise of the Action Plan is threefold.

- First, the Action Plan highlights complementary activities across the five segments of the housing ecosystem: land, capital, construction, regulation, and governance. Any given tool, when paired with other tools from the Action Plan, should be complementary such that, taken together, the tools are greater than the sum of their parts. The theory of impact of the state and local action plan is that, within a given community, at least one tool from each of the five segments can be implemented, either by the local government, the state government, or the local civic sector. Implementing five tools simultaneously should have a catalytic impact in a region.
- Second, the Action Plan connects the roles of different actors in the housing ecosystem: state governments and housing finance agencies, local governments and public housing authorities, philanthropies, private sources of capital, and private companies. By engaging with national constituency groups such as the National Governors Association, National League of Cities, National Association of Counties, Urban Land Institute, National Multifamily Housing Council, and others, the Task Force’s Action Plan serves as a node between traditionally siloed components of the housing ecosystem to more efficiently diffuse innovations across the country.
- Third, the Action Plan largely draws on the innovations from members of the National Housing Crisis Task Force, who are coauthors of the tools in the action plan and describe in detail how the programs, policies, or processes were created and can be replicated.



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Additional learnings are drawn from the experience of Accelerator for America’s network of local leaders.

The State and Local Action Plan serves as *both* a guide so that communities can implement the tools in the Action Plan now *and* a roadmap to identify how these innovations can scale more rapidly in more places.

Not every part of the State and Local Housing Action Plan will make sense in each jurisdiction. Some tools are appropriate for high-growth, high-cost markets where land is scarce and expensive. Other tools are more appropriate for legacy communities where land is abundant, vacant structures a blight, and rehabilitation the most pressing need. Given the federated nature of housing solutions, details matter. Differences in state law make certain things a non-starter in some communities that will be obvious in others. The tools within the State and Local Housing Action Plan spell out the type of communities where the tool is most appropriate and actionable.

The State and Local Housing Action Plan is not meant to be exhaustive — many of the existing toolkits and playbooks offer a breadth of tools that many communities have developed over decades. Instead, the Action Plan is meant to highlight new innovations from across the country that have the potential to be catalytic when implemented.

However, many of these innovations are built on the foundation of the federal system. Many local capital tools are meant to integrate with the Low-Income Housing Tax Credit, Project-Based or Section 8 Vouchers, New Market Tax Credits in mixed-use developments, and other sources of federal funds. Many private-sector deals rely on mortgage insurance by the Federal Housing Administration, on secondary markets guaranteed by Fannie Mae and Freddie Mac, and on prime mortgage rates set by the Consumer Financial Protection Bureau. Actions taken by local governments, public housing authorities, and public transit agencies often require signoffs from the federal government, including staff approvals from HUD and DOT.

Thus, in the shifting and uncertain times of early 2025, **the State and Local Housing Action Plan is meant to be a living document.** As places develop new tools to respond to changes from the federal government, the Task Force will identify what those are and how they can diffuse and scale to other communities across the country. These new innovations will need to be developed in a more difficult environment, with even less access to federal funds, greater market uncertainty, and with related investments in community and economic development under threat.

To most effectively use the State and Local Housing Action Plan, communities should:

1. Assess the tools that they already have at their disposal. Cities can use existing tools like the [Housing Strategy Review](#) from Local Housing Solutions, or the [Housing Supply Accelerator Field Guide](#) from the National League of Cities. Local Housing Solutions also provides a [Housing Needs Assessment](#) tool with data from PolicyLink that can serve as a valuable resource.



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2. Convene the players in their housing ecosystem: the state government, county government, city government, philanthropic community, major employers, developers and homebuilders, financial institutions, tenant advocates, and homeless service providers. States, counties, and cities should create a “Housing Strike Team” (outlined as a tool in the Governance section), and should also collaboratively agree to a “State and Local Compact” (a tool being developed for future release in the Governance section).
3. Identify the tools from the State and Local Housing Action Plan that can make an impact in their communities and identify the existing entities that are able to implement them. Outline **Commitments to Action** where each player commits to implementing their part of a localized plan.
4. Pass policies, create programs, and improve processes from the State and Local Housing Action Plan that can reduce the cost and speed of construction, preserve existing housing, and allow people of all backgrounds to afford to live in the places they wish to call home.

These tools are drafts, meant for public comment and engagement as the Task Force develops the rest of its State and Local Housing Action Plan over the coming months. They also represent an initial batch of tools that communities can implement *right now* to support their residents in a time of great uncertainty. We cannot lose sight of the housing crisis, and we must continue to implement solutions now that set the foundations for long-term change towards a better housing system in the United States.



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Land interventions seek to ensure that publicly owned land is put in the service of housing production and preservation, and privately owned land, including land owned by non-profits and faith-based institutions, is encouraged towards its highest and best use. Currently, the public sector owns extensive but underutilized land and property assets that hold immense potential for addressing pressing housing challenges.

- **Municipal Property Advisors:** Cities like Austin are using local procurement practices to contract with external third-party “Municipal Property Advisors” (“MPAs”) to serve as intermediaries on the jurisdiction’s behalf. These MPAs are responsible for identifying, monetizing, and redeveloping underutilized public assets to drive public objectives, including the production of affordable housing, through private investments. The Task Force is impressed by The Putting Assets to Work (PAW) Initiative, which has been working with several U.S. cities to invent solutions that are ripe for replication, like Municipal Property Advisors.
- **Urban Development Corporations:** Cities like Atlanta are creating special purpose entities to redevelop public land into mixed-income housing. The City of Atlanta appropriated \$4 million to launch the [Atlanta Urban Development Corporation](#) and authorized additional bonding of \$100 million to leverage the city’s underutilized public assets; Atlanta has also secured significant philanthropic support that leverages public dollars and dramatically expands impact.
- **Land Value Taxes:** Cities like Detroit are trying to implement Land Value Taxes or Split Rate Taxes to address inefficiencies with their housing markets. Many cities in Pennsylvania, including Scranton, Allentown, Harrisburg, and Altoona, have long used this tax structure. Land value taxes have a long history in the United States, having been proposed at the turn of the 20th century. Unlike traditional property taxes, which tax both land value and improvements, land value taxes are meant to increase the holding costs of unproductive land and thus encourage development, without discouraging improvements through their taxation.

Construction interventions seek to reduce the cost of building and renovating housing. As the housing crisis has worsened, the housing sector is (finally) being disrupted by technological



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innovations and advances in building techniques and modular construction. The housing industry is witnessing new ways to aggregate market demand, new forms of designing, financing and delivering off-site manufacturing solutions and new solutions to address associated supplier, workforce and logistics issues.

- **Public Purchasing of Modular:** Cities like Cleveland are actively recruiting modular factories with the promise of using a combination of government grants and publicly-owned land. The Metropolitan Area Planning Council — a regional urban planning agency in the Boston area — has [launched a partnership](#) with Newton, Cambridge, Everett and Boston to bring a modular housing manufacturing facility to their region. The Minneapolis Public Housing Authority successfully sited 84 units with 16 modular apartments as part of a public housing redevelopment.
- **Enabling Small Multifamily:** From accessory dwelling units (ADUs) to multifamily buildings under six units (e.g., duplexes and quadplexes), local governments are finding ways to enable small multifamily and other missing middle housing types. This includes cities across the country developing pre-approved building plans or model building plans that small-scale builders can use to design, permit, and build new housing in their communities. Startups like [Frolic](#) in the Pacific Northwest are using upzoning and creative capital stacks to help low-income homeowners build income-restricted cooperatives in their own back yards.

Capital interventions seek innovative capital stacks that enable more affordable housing. As federal funding sources shift, there will be an even greater need for cities to partner with local investors, banks, and philanthropy to create new capital stack components that can provide the necessary subsidy, close the gap, and produce housing, at scale, regardless of the macro-economic cycle. Consider the following:

- **Public Capital for Mixed-Income Housing:** A few places have created special purpose financing vehicles. The [Montgomery County Housing Production Fund](#) stands out as a unique publicly driven vehicle creating meaningful amounts of mixed-income housing. The [Utah First Homes](#) starter home program demonstrates the impact of pairing interventions on the demand side like homebuyer assistance with interventions on the



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supply side like an infrastructure bank and funding for construction. A few private and community foundations have deployed concessionary capital in ways that leverage up large capital stacks of public resources, investor equity and bank debt.

- **Derisking Private Capital:** [San Francisco's Housing Accelerator Fund](#) has developed a set of tools and practices allowing them to deliver affordable units without up-front public subsidy; the public sector engages by pledging future operating support through Permanent Supportive Housing vouchers. This effectively turns real estate risk into public finance risk and regularizes the process of designing and building affordable housing.
- **Smarter Uses of Public Capital:** Places like Chattanooga, Atlanta, and Texas are using tax abatements to ensure the creation or preservation of affordable housing. While some models — like [Chattanooga's](#) — are dialed in to ensure the appropriate trade-off between public and private costs and benefits, many are poorly targeted, resulting in low uptake or public sector giveaways. The Task Force is developing an open-source tool “local tool for affordability” so localities can better calculate the value of their public investments.
- **Smarter Uses of Philanthropic Capital:** The Community Foundation for Greater Atlanta has a multi-faceted strategy to address Atlanta's urgent need for housing that includes the [GoATL Affordable Housing Fund](#), a for-profit subsidiary of the foundation that invests private capital in affordable housing developments, and the [TogetherATL Affordable Housing Fund](#) that makes grants to nonprofit housing projects and supports the [WORTH](#) initiative to expand access to homeownership in communities of color. The Chicago Community Trust convened a large group of partners to launch the [3C Initiative](#), which supports homeownership opportunities for residents of disadvantaged communities through counseling, down payment assistance, and lower-interest mortgages, with a focus on households making 60% of AMI. The San Diego Foundation has partnered with developers to launch the [San Diego Housing Fund](#) with the goal of producing 10,000 new units of affordable housing by 2034. These leaders are reimagining the role of community foundations and place-based philanthropy in funding the production and preservation of housing in their regions. philanthropy in funding the production and preservation of housing in their regions.



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- **State and Local Housing Ballot Measures:** In 2024, local and state voters considered [53 measures](#) to raise or preserve local revenue for affordable housing, less than half of the estimated 120 transportation and infrastructure [related measures](#) that state and local voters considered last year. This suggests that there are opportunities to greatly expand the use of housing ballot measures as a tool to promote local investment in housing production. These funds have the benefit of being locally controlled, are more responsive to local priorities and needs, and can be leveraged with private, philanthropic, and federal funding. [Los Angeles County’s Measure A](#) will provide over \$1.1 billion annually to fund homes, shelter, and services to the homeless, as well as broader support for affordable housing production. Recent failed measures in places like [Denver](#) and the [Bay Area](#) also provide lessons that other communities can learn from as they consider how to design, organize, and campaign for their own local funding sources.

Regulation interventions reduce obstacles in the way of housing production through efforts such as land use, permitting, and building code reform as well as protect renters through practices like rental registries. Cities and counties are recognizing that too many local regulations drive up the cost and slow down the construction of housing while also acknowledging that their regulatory powers can ensure a fairer housing market.

- **Land use, Permitting, and Building Code Reform:** States as different as Oregon, Montana, California, Connecticut, Utah, Washington, Arizona, Vermont, Colorado, Hawaii, Massachusetts, Maine, Florida, New Hampshire, Maryland, and Minnesota have all enacted statewide zoning reform in recent years. Cities and counties across the country from Portland, OR and Boise, ID to Minneapolis, MN and Austin, TX, to Arlington, VA and Cambridge, MA have all done substantial rewrites of their zoning codes to allow for more homes of all shapes and sizes. Cities, counties, and states are also tackling building code reform to allow for more types of housing on more parcel types — such as small multifamily buildings with only a single stair. And states and local authorities having jurisdiction are all experimenting with ways to make the permit processes faster, including expedited review for affordable housing, concierge project management, and broader regulatory reform.



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- **Rental and Vacancy Registration:** Cities across the U.S., including Washington, DC, Dallas, TX, and Monterrey, CA have implemented rental registries to better identify the location of rental units and provide support to renters and landlords, especially smaller local landlords alike in times of crisis. Cities like Cleveland are similarly requiring the registration of vacant properties, in order to track blight and ensure property upkeep.
- **Tenant Protections:** Given the incredible jump in rent across many jurisdictions, cities and states are taking a new look at tenant protections and other anti-displacement tools. As the rental housing provider sector has gotten more technologically advanced and more professionalized, many of the old inefficiencies in the rental market are going away, with rent increases, fees, and evictions becoming more common. Tenant protections can take many forms, and some work better than others. To retain a functional rental housing market, however, tenant protections must reasonably balance the needs and interests of the tenants and those of rental providers.
- **Preservation Notification:** Most affordable housing developments in the United States are required by the terms of various affordable housing programs to only be affordable for a limited period of time — sometimes 15 years, sometimes 30, sometimes more. When those affordability requirements expire, the owners are able to convert them to market rate. Often, this can be disastrous for current tenants, who may be evicted from their homes. State and local government have limited tools to keep the developments affordable, and landlords, non-profit or for-profit, often don't have the funding available to make needed capital upgrades while keeping rents low. Some states, like [Massachusetts](#) and [California](#), have expiring affordability notification laws that require owners of subsidized affordable housing to notify the state, nonprofits, and tenants of upcoming expiring affordability requirements and gives public and non-profit entities an opportunity to make a matching purchase offer when the housing development is offered for sale.

Governance interventions seek to build capacity for affordable housing at scale by forging greater collaboration across sectors and jurisdictions at the local and regional level. Innovations include new mayor-led organizing efforts as well as the creation of nonprofit intermediaries.

- **Strike Teams:** Under the leadership of Mayor Andre Dickens, the City of Atlanta has



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launched a [Housing Strike Force](#). It includes the senior executives of every major public agency that touches housing or has public land that could be developed for housing. It aims to catalyze the production of 20,000 affordable housing units and has launched more than a dozen initiatives, including selecting 40 public land sites for housing development, raised \$370M+ in public, private and civic commitments, created an expedited permitting system for affordable projects and built a one-stop-shop for residents called the [Housing Help Center](#).

- **Capital Organizing:** Founded in 2018, Opportunity Alabama (“OPAL”) is a private economic development organization focused on transforming Alabama’s communities through public and private investment in physical spaces and places. OPAL helps communities leverage federal Opportunity Zone tax incentives for projects and initiatives that improve quality of place and re-energize local economies. OPAL works with a broad network of developers, property owners, economic development professionals, local community leaders, and investors to support projects that move communities forward with new workforce housing, market rate housing, mixed-use development, historic revitalization, industrial development, and more.
- **Housing Command Centers:** Cities and counties across the US are organizing their governments and nonprofit communities differently around homelessness solutions. These “Housing Command Centers” in Cleveland, OH, Houston, TX and other localities utilize a disaster-response approach to homelessness, enabling them to act with urgency and bring together systems advocates, coordinated outreach teams, and government departments to expediently re-house people who are unsheltered. The Command Centers conduct weekly [case conferencing](#) meetings to coordinate the process and work with private landlords to provide people with housing and the critical support services needed to end their homelessness and ensure they remain stably housed.

As outlined in the introduction to the State and Local Action Plan, all of the aforementioned innovations *already exist*, and can be diffused and scaled across the country. But the current moment also calls for new innovations that the Task Force will be identifying, and, in some cases, developing, in the coming months. For example, a moment of crisis — with a housing shortage



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that is not abating, and the likely decrease of federal support for affordable and market rate housing — requires that states and localities work together to address the housing shortage. The quick action to address the housing crisis during a moment of federal retrenchment calls for “State and Local Compacts.” A **State and Local Compact** will outline the contours of what states, counties, and cities should do to address the housing crisis and enable these levels of government to work together in collaboration rather than in conflict, as has often been the case. The Task Force will be working on a model “Compact” to present in the coming months.



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