EQUITABLE HOUSING INSTITUTE

Promoting housing stability, fairness and affordability by combating exclusionary practices

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Will the second Trump Administration take actions that advance EHI's mission?

Two of President-elect Donald Trump's campaign promises last Fall may promote EHI's mission, which is to increase the housing supply where it's needed, by eliminating regulatory barriers to housing affordability. [1]

First, Trump vowed to eliminate regulations that drive up housing costs.[2] Second, he promised to open up some tracts of federal land for housing construction.[3] This memorandum will discuss key issues concerning those promises and will note other, more controversial promises he made relevant to housing policy.

1. Reducing regulations

Regulatory costs imposed by local, state and federal governments on housing development and construction account for about 24% of the cost of a single-family home and about 41% of the cost of producing a multifamily home, according to the National Association of Home Builders (NAHB).[4]

If Trump's second Administration can cause local governments, in particular, to reduce their fees and other costly requirements on housing development to the minimum amounts necessary, tremendous savings can result. But it is important that those

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[1] *See, e.g.,* Joint Ctr. for Housing Studies, Harvard Univ., *State of the Nation's Housing 2007*, p. 28, posted at https://www.jchs.harvard.edu/publications/markets/son2007/index.htm:

> State and local regulations are among the principal culprits behind the nation's persistent affordability problems. By limiting the land available for and density of new development, as well as imposing impact fees and subdivision requirements that raise production costs, state and local governments make it difficult to build affordable housing.

[2] *See, e.g.,* Ana Teresa Solá, *Here's what the Trump presidency could mean for the housing market, experts say,* CNBC (Nov. 11, 2024; updated Dec. 16, 2024) (quoting speech at the Economic Club of New York, Sept. 5, 2024); posted at https://www.cnbc.com/2024/11/11/what-trumps-presidency-could-mean-for-the-housing-market-in-the-us.html.

[3] *Id*., quoting Trump remarks at news conference, Aug. 15, 2024.

[4] *See* CNBC (12/16/24), *supra* n. 2.

savings get passed on to homeowners and renters. Unless sufficient amounts of housing are added to create a reasonable balance between supply and demand, developers and builders may not have enough incentive to pass the savings along.

The high regulatory costs of upfront impact fees are prime targets for reform. Such fees often are assessed on new developments, in order to cover the public costs of increased infrastructure related to them. Examples are fees for additions to schools, libraries, and other public facilities in the jurisdiction, and for improvements to roads near the development. However, upfront fees can substantially and unnecessarily increase the price of homes in the development—especially for people of modest means.

Many alternatives to upfront impact fees can be used by local governments. One method is bond financing, which allows repayment by the new homeowners over a period of years, for the public costs of purchasing the bonds. Bond financing can permit repayment over as much as 20 years or more.[5] EHI urges the new Administration to do all it can to reform upfront impact fees on housing developments—especially on low- and moderate-income housing units.

The regulatory costs identified by NAHB and discussed above don't even include the highly inflationary cost of land that must be purchased initially by the builder or developer.[6] Land costs have been climbing well ahead of overall inflation for decades, due to exclusionary zoning and other overly restrictive land use regulations.[7] EHI urges the incoming Administration to do all it can to rein in land cost inflation.

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[5] Among the bond financing options are Capacity Unit Assessment (CUA) programs, under which:

> Rather than charging home builders an upfront per-unit fee — which is often passed on to buyers through an increase in home prices — local governments finance the costs of the new infrastructure, typically through the sale of bonds. Buyers of the new homes then pay an annual tax surcharge over a defined number of years to service this debt. While there are generally additional administrative fees and interest charges associated with collecting payments over time, homeowners benefit from the ability to spread costs over the life of the CUA, which may be up to 20 or more years.

National Housing Conference, *Common revisions to Impact Fees*, posted at https://nhc.org/policy-guide/impact-fees-the-basics/common-revisions-to-impact-fees/ (accessed Jan. 9, 2025). That article also discusses numerous other alternatives to upfront impact fees.

[6] *See* Paul Emrath, Ph.D., *Government Regulation in the Price of a New Home: 2021,* NAHB (May 5, 2021), posted at https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics-plus/special-studies/2021/special-study-government-regulation-in-the-price-of-a-new-home-may-2021.pdf.. (By NAHB's definition, development costs begin with the costs of applying for zoning approval for land already acquired by the landowner or developer. Construction costs consist of "[f]ees paid by the builder after purchasing the lot" and other costs related to building the home after zoning approval.)

[7] *See, e.g., State of the Nation's Housing 2007*, p. 28, *supra* n. 1.

For example, from 2012 through 2022, the portion of the value of single-family residential properties that is due to the value of the land itself (the "land share")[8] increased almost 3% more than the overall price of those residences (on average).[9] The "land share" now accounts for about 40% of the average, overall price of single-family properties.[10]

Overall home prices also soared far above inflation generally during those years—about 45%,[11] versus 32% for the "all items" index, according to the Consumer Price Index (CPI-U).[12] To overcome the fundamental housing problem of the last several decades—deficient housing supply—the nation will have to tame land cost inflation.

A strength of Trump's first term from 2017 through 2019, before the COVID-19 public health emergency disrupted the economy, was strong wage growth—an average of 3.5% annually.[13] That rate even slightly exceeded the housing price inflation rate during that period (which averaged 3.4% annually).[14]

By contrast, wage growth had been lower between 2014 and 2016—about 3.1% on average, which was less than the housing inflation rate (which averaged 3.4% annually).[15] And under the Biden Administration, overall inflation accelerated. [16] Housing

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[8] FHFA, *Frequently Asked Questions: Experimental Dataset for the Price of Residential Land*, Q15 (2020), posted at https://www.fhfa.gov/sites/default/files/2023-04/FAQs-Land-10-28-20.pdf.

[9] During that 11-year period, land prices rose 7.96% per year nationally—or close to 90% overall—according to the Federal Housing Finance Agency (FHFA). FHFA, *Land Price Appreciation During the COVID-19 Pandemic* (Aug. 6, 2024), ("We estimate that the land share for the United States in the aggregate increased from 37.0 percent in 2012 to 39.9 percent in 2022. This nearly 3 percentage point increase was driven by a rapid increase in land prices at the national level of 8.0 percent per year that outstripped the national rise in house prices."), posted at https://www.fhfa.gov/blog/statistics/land-price-appreciation-during-the-covid-19-pandemic#:~:text=We%20estimate%20that%20the%20land,national%20rise%20in%20house%20prices.

[10] *Id.*

[11] Federal Reserve Bank of St. Louis (FRED), *Consumer Price Index for All Urban Consumers: Shelter in U.S. City Average*, https://fred.stlouisfed.org/seriesBeta/CUSR0000SAH1;

[12] FRED, *Consumer Price Index for All Urban Consumers: All Items in U.S. City Average*, https://fred.stlouisfed.org/seriesBeta/CPIAUCNS.

[13] Federal Reserve Bank of St. Louis (FRED), *12-Month Moving Average of Unweighted Median Hourly Wage Growth: Overall*, https://fred.stlouisfed.org/seriesBeta/FRBATLWGT12MMUMHGO.

[14] See, e.g., FRED, *Consumer Price Index for All Urban Consumers: All Items Less Shelter in U.S. City Average,* https://fred.stlouisfed.org/seriesBeta/CUSR0000SA0L2.

[15] *See, e.g.,* FRED, *12-Month Moving Average of Unweighted Median Hourly Wage Growth: Overall*, https://fred.stlouisfed.org/seriesBeta/FRBATLWGT12MMUMHGO; FRED, *Consumer Price Index for All Urban Consumers: Shelter in U.S. City Average*, https://fred.stlouisfed.org/seriesBeta/CUSR0000SAH1.

[16] FRED, *Consumer Price Index for All Urban Consumers: Shelter in U.S. City Average*, https://fred.stlouisfed.org/seriesBeta/CUSR0000SAH1; FRED, *Consumer Price Index for All Urban*

price inflation was the biggest factor.[17] EHI supports reasonable measures to reduce housing cost inflation to a level less than wage growth.

At the end of Trump's first term, HUD issued a report discussing steps that governments at all levels can take to remove laws, land use requirements, and administrative practices that "artificially raise the costs of affordable housing development and contribute to shortages in housing supply."[18] That report "could be a blueprint going forward," according to Dennis Shea, executive director of the Bipartisan Policy Center's Terwilliger Center for Housing Policy .[19]

The report left it to the states and local governments to regulate exclusionary zoning and related regulatory barriers to housing opportunities.[20] As to the federal role: "The Federal Government can support and encourage state and local efforts to revise their land use regulations to increase housing supply, reduce price pressures, and increase affordability with strategies that meet the unique conditions of local housing markets and residents' needs."[21]

In response to HUD's 2019 request for information on regulatory barriers,[22] EHI had written to the agency: "We urge you to promote an effective, comprehensive ban on regulatory barriers to housing affordability." [23] EHI pointed to the federal Fair Housing Act[24] as a credible model for "a statute that would effectively ban regulatory barriers to

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Consumers: All Items Less Shelter in U.S. City Average, https://fred.stlouisfed.org/seriesBeta/CUSR0000SA0L2.

[17] *See, e.g.,* U.S. Bureau of Labor Statistics, *Consumer Price Index Archived News Releases, 2021-2024* (monthly summaries for each month, 2021-2024), https://www.bls.gov/bls/news-release/cpi.htm.

[18] HUD, *Eliminating Regulatory Barriers to Affordable Housing: Federal, State, Local and Tribal Opportunities* ("HUD, *Eliminating Regulatory barriers*") (Jan. 19, 2021), posted at https://www.huduser.gov/portal/publications/eliminating-regulatory-barriers-to-affordable-housing.html.

[19] CNBC (12/16/24), *supra* n. 2.

[20] HUD, *Eliminating Regulatory barriers*, *supra* n. 18, p. 70:

> Local jurisdictions' authority to enact land use regulations is governed by the states. Ultimately, each state determines the amount of authority it will provide local governments to govern development. States also impact housing through a range of regulations, including building codes, environmental policies, tax structure, and many others. Thus, states have an important role to play in increasing housing supply.

[21] *Id.*

[22] HUD, *Request for Information,* 84 Fed. Reg. 64,549 (November 22, 2019).

[23] EHI, *Comments to HUD re: RBHAs* (Jan. 31, 2020), posted at https://www.equitablehousing.org/images/PDFs/PDFs--2018-/Comments-to-HUD--RFI-re-RBHAs-1-31-20.pdf.

[24] 42 U.S.C. §§ 3601-3619.

housing affordability generally," either by states or the federal government.[25] However, HUD did not take EHI up on those suggestions.

HUD did support some zoning reform efforts by localities, such as allowing one or more "missing middle" forms of housing in certain single-family neighborhoods in urban and suburban America, in order to ease the effects of exclusionary, single-family zoning.[26] However, during the 2020 campaign, Trump argued that Democrats might "eliminate single-family zoning, bringing who knows into your suburbs, so your communities will be unsafe and your housing values will go down."[27]

Trump further asserted that his Democratic Party opponent, Joe Biden, wanted to "abolish" the suburbs, based on Biden's support of HUD's Obama-era Affirmatively Furthering Fair Housing (AFFH) Rule, which Trump repealed.[28] Trump's nominee to head HUD in the upcoming Administration, Scott Turner, has not yet announced a policy regarding "missing middle" housing.[29]

2. Opening certain federal lands for housing construction

One of the policy areas where Trump and his 2024 Democratic Party opponent Kamala Harris signaled at least partial agreement is on opening up some federal lands, especially

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[25] EHI, *Comments to HUD, supra* n. 23. The federal Fair Housing Act already prohibits such regulatory barriers where they have a disparate impact on a specific group based on race, disability, or certain other non-economic factors. *See, e.g., Texas Dept. of Housing and Community Affairs v. Inclusive Communities Project (ICP),* 576 U.S. 519 (2015). HUD and the Department of Justice help enforce those prohibitions. EHI has proposed an

[26] *See, e.g.,* Richard D. Kahlenberg, *Will 'Good Trump' or 'Bad Trump' prevail on housing?* The Hill (Dec. 19, 2024) (HUD Secretary Ben Carson traveled to Minneapolis in June 2019 and "lauded local officials for becoming the first major city to end exclusionary single-family zoning by legalizing duplexes and triplexes"). *See also* HUD*, Eliminating Regulatory Barriers, supra* n. 18, at p. 70 ("many communities throughout the country limit the production of the "missing middle" housing, that set of diverse, unsubsidized housing options that blend into single family neighborhoods, ranging from bungalow courts, townhouses, duplexes to fourplexes, and courtyard apartments, which is necessary to meet the spectrum of housing needs.")

"Missing middle" housing includes accessory dwelling units and/or certain other forms of small, additional units in residential neighborhoods that have been restricted to one dwelling unit per lot.

[27] David Weigel, *The Trailer: Can Trump sell fear to the suburbs?* Wash. Post (July 19, 2020), posted at https://www.washingtonpost.com/politics/2020/07/19/trailer-can-trump-sell-fear-suburbs/.

[28] *See, e.g.,* Danielle Kurtzleben, *Seeking Suburban Votes, Trump To Repeal Rule Combating Racial Bias In Housing,* NPR (July 21, 2020), posted at https://www.npr.org/2020/07/21/893471887/seeking-suburban-votes-trump-targets-rule-to-combat-racial-bias-in-housing. *See also* Kahlenberg, *supra* n. 26 (noting that Heritage Foundation's Project 2025 "recommended that the new administration 'oppose any effort to weaken single-family zoning'").

[29] Adriana Gomez Licon, *What to know about Scott Turner, Trump's pick for housing secretary*, AP News (Nov. 3, 2024), posted at https://apnews.com/article/housing-secretary-trump-scott-turner-nfl-727417b56d0e1f85a40eaf5f7d13d42f.

properties in metropolitan areas, for housing development.[30] In fact, under the Biden Administration:

> In July, the Bureau of Land Management authorized the sale of a 20-acre parcel in the Las Vegas Valley at a discount — $100 per acre, well below the land's market value — to allow Clark County to develop thousands of units that would be sold to first-time homebuyers.[31]

(The federal government controls 95% of the land in Clark County and 85% of Nevada land.[32]) There may be numerous opportunities of that type, including surplus federal buildings. (USPS owns many post offices in urban areas, for example.)[33]

However: "Building homes on federal lands, even in Western states like Nevada, Utah and Wyoming where the federal government owns the majority of the land, won't solve the housing crunch on its own, experts warn."[34] Also: "Some experts warn that failing to place specific designations or deed restrictions to ensure that the parcels include housing for middle- and low-income residents will only result in land being turned into luxury or vacation homes that don't address the housing or affordability issue."[35] EHI supports a thorough review by the new Administration of public properties that appropriately could be opened to housing development in areas with unmet housing demand.

3. Other issues

The President-elect made other, more controversial campaign statements about ways to address the housing affordability crisis. We will note major ones below but will state no position on them.

a. Increased deportations

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[30] Scott Streater, *Build housing on federal land? Both Harris and Trump are in favor*, E&E News by Politico (Oct. 2, 2024), https://www.eenews.net/articles/build-housing-on-federal-land-both-harris-and-trump-are-in-favor/.

[31] *Id.* "At the same time, the White House outlined a broader strategy that included directing BLM and other federal agencies to determine whether they have 'surplus' lands' that 'can be repurposed to build more affordable housing across the country.'" *Id.*

[32] *Id.*

[33] Alliance for Housing Justice, *Repurposing Public Land for Affordable Housing: President Biden's Plan*, https://www.allianceforhousingjustice.org/post/biden-public-lands-summary (accessed Jan. 12, 2024). The Pres-elect has not detailed his plans for opening public land for housing development.

[34] "One problem is that so much of the available land might not be useful, as it's located in remote areas far removed from jobs, much less water and sewer access, roads and other infrastructure, said Alex Horowitz, director of the Pew Charitable Trusts' Housing Policy Initiative." Streater, *supra* n. 30.

[35] *Id.*

Trump argues that by carrying out "the largest deportation operation in American history," he will ease housing prices by reducing the demand/supply imbalance.[36] He has indicated that undocumented immigrants share the blame for America's once-in-a-generation home affordability crisis.[37]

According to Riordan Frost, a senior research analyst at Harvard's Joint Center for Housing Studies, "an influx of immigrants, documented or not, adds to housing demand, potentially increasing competition for homes in certain parts of the US." [38] However, immigrants also "help expand the supply of homes, given their outsize role in the construction industry." Frost concludes that "what's really defined the affordability crisis that we have had since the late 2010s and the pandemic has been native-born household growth."[39]

Almost a third (31%) of construction workers in the U.S. are immigrants, according to the National Association of Home Builders.[40] According to a recent CNBC article: "Without foreign-born labor, the U.S. labor pool would shrink because of lower birth rates and an aging workforce, making it harder to finance programs such as Social Security."[41]

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[36] The quotation is from the 2024 GOP Platform, posted at https://www.presidency.ucsb.edu/documents/2024-republican-party-platform; *See also, e.g.,* Keith Griffith, *Donald Trump Will Return to the White House: What His Presidency Means for the Housing Market,* Realtor.com (Nov 6, 2024), posted at https://www.realtor.com/news/trends/donald-trump-president-housing-market/.

[37] Trump told the Economic Club of New York on Sept. 5: "We also cannot ignore the impact that the flood of 21 million illegal aliens has had on driving up housing costs." *See, e.g.,* S. Pangambam, *FULL TRANSCRIPT: Trump Speaks At The Economic Club of New York*, Singju Post (Sept. 6, 2024), https://singjupost.com/full-transcript-trump-speaks-at-the-economic-club-of-new-york/?singlepage=1); cited in Jeanna Smialek, *et al., Trump Blames Immigrant Surge for Housing Crisis. Most Economists Disagree*, New York Times (Sept. 6, 2024), posted at https://www.nytimes.com/2024/10/11/business/economy/trump-housing-crisis-deportations.html. (Actually, there were about 11 million unauthorized immigrants in the United States as of 2022, according to the latest federal data available. NBC News, https://www.nbcnews.com/politics/2024-election/trump-immigration-deportations-home-building-costs-rcna172886.)

[38] Samantha Delouya and Julia Vargas Jones, *Here's how mass deportations could change the housing market*, CNN (Nov. 19, 2024) (quoting Frost), posted at https://www.cnn.com/2024/11/19/economy/new-home-undocumented-immigrants-trump/index.html.

[39] *Id.*

[40] CNBC (12/16/24), *supra* n. 2.

[41] Greg Iacurci, *Immigration is 'taking pressure off' the job market and U.S. economy, expert says,* CNBC (March 2, 2024), posted at https://www.cnbc.com/2024/03/02/immigration-taking-pressure-off-the-job-market-us-economy-expert.html. "Given the needs of the U.S. workforce, immigration has been 'a net benefit for the economy,' said [Jack Malde, senior policy analyst at the Bipartisan Policy Center], who specializes in immigration and workforce policy." *Id.*

As of 2022, almost one-quarter of U.S. immigrants (or about 11 million residents) were undocumented, according to the latest federal data available.[42] Trump's remarks about deportations refer only to immigrants who are undocumented, criminals, and/or terrorists.[43]

b. Increased tariffs

Another controversial Trump policy envisioned as an aid to American businesses and workers is greatly expanded tariffs. He has floated a "universal tariff" of 10 to 20 percent on most foreign products and tariffs of 60 percent or more on China.[44] However,

> A blanket tariff at 10% to 20% on raw building materials like lumber could push housing costs higher, as well as materials for home renovations, experts say. "Any tariffs that raise the cost of the products are going to flow directly to the consumer," [Jim Tobin, president and CEO of the National Association of Home Builders] said.[45]

Trump said earlier this month that the higher the tariffs, the better they would be at forcing factories to return to the United States.[46] However: "Mainstream economists are generally skeptical of tariffs, considering them a mostly inefficient way for governments

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[42] *See, e.g.,* NBC News, *supra* n. 37:

> Immigrants accounted for about 14% of the U.S. population in 2022, according to Pew [Research Center], citing most recently available federal data. Most are in the U.S. legally: Undocumented immigrants represented 3.3% of the total U.S. population and 23% of immigrants in 2022, Pew said. Their number has increased in recent years, to 11 million, but remains below its 2007 peak of more than 12 million.

Greg Iacurci, *Are immigrants taking jobs from 'native' U.S. workers? Here's what economists say*, CNBC (Sept. 28, 2024), posted at https://www.cnbc.com/2024/09/28/are-immigrants-taking-jobs-from-us-workers-heres-what-economists-say.html; citing Jeffrey S. Passel and Jens Manuel Krogstad, *What we know about unauthorized immigrants living in the U.S.,* Pew Research Center (July 22, 2024), posted at https://www.pewresearch.org/short-reads/2024/07/22/what-we-know-about-unauthorized-immigrants-living-in-the-us/.

[43] *See, e.g.,* Julia Ainsley, *Incoming Trump administration plans to deport some migrants to countries other than their own,* NBC News (Dec. 5, 2024), posted at https://www.nbcnews.com/investigations/incoming-trump-administration-plans-deport-migrants-countries-rcna182896:

"President Trump was given a mandate by the American people to *stop the invasion of illegal immigrants*, secure the border, and *deport dangerous criminals and terrorists* that make our communities less safe. He will deliver," according to Karoline Leavitt, a Trump-Vance transition spokeswoman. *Id.* (Emphasis added).

[44] Ana Swanson, *Trump's Vast Tariffs Would Rock Global Businesses and Shake Alliances*, NY Times (Oct. 28, 2024).

[45] CNBC (12/16/24), *supra* n. 2.

[46] Swanson, *supra* n. 44.

to raise money and promote prosperity. They are especially alarmed by Trump's latest proposed tariffs."[47]

c. Lower mortgage rates

Trump also claimed during the campaign that he would lower mortgage rates (and other interest rates) if elected. Presidents do not control interest rates (including mortgage rates), although they may influence related policies of the Federal Reserve.[48] Interest rates actually increased immediately following the news that Trump had won the election, in anticipation of higher domestic inflation in a Trump Administration.[49]

CONCLUSIONS

Two of President-elect Donald Trump's campaign promises in 2024 may promote EHI's agenda—which is to increase the housing supply where it's needed, by eliminating regulatory barriers to housing affordability. First, Trump has vowed to eliminate regulations that drive up housing costs. Second, he has promised to open up some tracts of federal land for housing construction.

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[47] Paul Wiseman, Associated Press, *Trump favors huge new tariffs. How do they work?* PBS News Hour, (Sept. 27, 2024), posted at https://www.pbs.org/newshour/economy/trump-favors-huge-new-tariffs-how-do-they-work.

> This week, a report from the Peterson Institute for International Economics concluded that Trump's main tariff proposals – assuming that the targeted countries retaliated with their own tariffs — would slash more than a percentage point off the U.S. economy by 2026 and make inflation 2 percentage points higher next year than it otherwise would have been.

Id.

[48] *See, e.g,* CNBC (12/16/24), *supra* n. 2; Griffith, *supra* n. 36. For example, the President nominates the members of the Federal Reserve Board, subject to Senate confirmation. A full term for a Member is 14 years. *See, e.g.,* Federal Reserve Board, *Board members,* posted at https://www.federalreserve.gov/aboutthefed/bios/board/default.htm#:~:text=The%20seven%20members%20of%20the,term%20may%20not%20be%20reappointed (accessed Jan. 13, 2025).

[49] *See, e.g.,* Hanna Ziady, *Why Trump's return could spark another bout of inflation and delay interest rate cuts*, CNN (Nov. 6, 2024), posted at https://www.cnn.com/2024/11/06/economy/inflation-interest-rates-donald-trump-presidency/index.html. The day after the election:

> US stock markets opened sharply higher, buoyed by Trump's decisive victory. Treasury yields — or market interest rates — spiked, while the dollar has rallied against major currencies, partly as traders price in higher domestic inflation and therefore fewer interest rate cuts by the Federal Reserve. (Higher interest rates tend to boost the value of a currency by attracting more capital from abroad as investors seek bigger returns.)

Id. "Ultimately, the supply and demand for loans and credit in the market will dictate interest rates over the long run." Nick Lioudis, *Who Determines Interest Rates?* Investopedia (updated Aug. 13, 2023), posted at https://www.investopedia.com/ask/answers/who-determines-interest-rates/#:~:text=The%20Federal%20Reserve%20doesn't,rates%20over%20the%20long%20run.

As to regulatory costs on housing development and construction, key targets for reform are exclusionary zoning rules and other, overly restrictive land use regulations. They are responsible for the rapidly rising cost of purchasing land for development. Land costs have been climbing well ahead of overall inflation for decades. They now constitute about 40% of the overall value of single-family properties, on average.

There has been insufficient action to eliminate those undue restrictions. EHI urges the incoming Administration to do all it can to rein in land cost inflation.

Other prime targets for regulatory reform include the high costs often imposed on housing developments by upfront impact fees. There are feasible alternatives to those fees, such as bond financing—which allows repayment by the new homeowners over a period of years (as much as 20 years or more) for the public costs of purchasing the bonds. EHI urges the new Administration to do all it can to reform impact fees and ensure that the savings are passed along to homeowners and tenants—especially those of low- and moderate-income.

Trump and his 2024 Democratic Party opponent, Kamala Harris, signaled at least partial agreement on opening up some federal lands to housing development, especially properties in metropolitan areas. EHI urges the new Administration to do a thorough review to find public properties that can be repurposed for housing in areas with unmet housing demand.

Trump also made other, more controversial campaign statements relative to the housing affordability crisis—such as promising “the largest deportation operation in American history,” with the goal of helping ease housing prices by reducing the demand/supply imbalance. We have noted such campaign statements, along with some experts’ views of those subjects, but we will not state a position of our own on them.