



## **Preempting Local Zoning and Land Use Regulations that Limit Housing Supply**

**The Problem:** Zoning regulations can create a major roadblock to developing more housing, and this increases housing prices especially when population and demand surge. The resulting scarcity makes homes less affordable for people with less money. Places with higher population growth have a tendency to respond to growth with more regulation. But as that happens, those areas experience higher prices, and consequently need more state subsidies for housing. This isn't fair for taxpayers in other parts of the state who end up seeing their tax dollars consumed by offsetting the negative impacts of regulation that results in higher housing prices in metropolitan areas.

**The Solution:** A state pre-emption for residential zoning regulations would roll back the strict local zoning practices that prevent development. In addition, it would mean that smaller counties would pay less in state taxes that subsidize the higher cost of living in the metro areas. Expanding options for different scales and typologies increases available housing and consequently lowers costs, rents, and prices.

**Legislative Proposal:** A bill to amend [NMSA 1978, Chapter 3, Article 21 \(Sections 3-21-1 through 3-21-14\)](#) to allow the state to preempt the zoning authority of large jurisdictions that shows rises in population growth and prices. Objective data would be gathered, and when a threshold crossed, preemptions would kick in. Preemptions could include eliminating limits on building heights, parking requirements, setbacks, and appeals, for example. These preemptions could be removed once prices and rents in the jurisdictions stabilized.

**Potential Partners:** Partners would be developers of both non-profit and market-rate housing, as well as landlords and tenant advocates. Realtors and apartment associations would likely support this as well.

**Potential Opposition:** Opposition would likely come from the Municipal League, Association of Counties, City Councils, and County Commissioners. Neighborhood associations may also oppose, due to fear of increased density in neighborhoods.

**How will we pay for it?** If our proposal for better permit, price, and population data passes, this would not cost the state any funds since data would be collected through the requirements in that legislation. Otherwise, this is simply an amendment to Chapter 3, NMSA.