



Yes In My Backyard: Analyzing the Benefits of Urban Development and Affordable Housing

The U.S. is currently facing a significant demand for rental properties and affordable housing. As the housing market continues to battle high-interest rates and home prices, the need for middle-income rental housing for those earning 60%-120% of the area median income also increases. Developers and owners continue to miss out on lucrative, low-cost development opportunities due to excessive zoning regulations, density restrictions, setbacks, height limits, and shadow requirements. Despite the need for more multi-family housing, developers face an uphill battle against local governments and communities that represent the Not In My Backyard (NIMBY) ideology.

The NIMBY movement describes the resistance from local residents and government officials to changes perceived to negatively impact their neighborhoods. Unfortunately, this movement often manifests in opposition to affordable housing developments, industrial facilities, transportation infrastructure, and renewable energy installations. The implications of NIMBYism significantly outweigh the misconception that NIMBYism protects the serenity of neighborhoods. Such implications include, but are not limited to, less economic growth, detrimental environmental consequences, and an imbalance between supply and demand for housing.

Proponents of the NIMBY resistance might argue that adding affordable housing, transportation, infrastructure, or industrial facilities near their neighborhoods would negatively impact property values. This is an economically misinformed argument. Adding affordable housing for low- to middle-income individuals or families increases the population of that locality, which typically enhances economic growth. Further, local businesses, schools, and churches benefit from the increase in

population. It forces government officials to consider adding or repairing infrastructure and rethink zoning regulations on new developments.

Cities and regions that embrace development and growth tend to attract businesses, talent, and investment. They become hubs of innovation and economic activity, driving prosperity for their residents. NIMBYist concerns that new housing developments will negatively affect the character of their communities overlook the possible benefits of well-planned development. Thoughtful urban planning can preserve the character of communities while revitalizing neglected areas, providing new amenities, and creating sustainable features. Further, multiple studies have shown that increasing the availability of housing can stabilize property values and contribute to economic stability.

Fortunately, a bipartisan legislative effort called the Yes In My Backyard (YIMBY) Act has been introduced in the House and Senate and is exactly the kind of bill developers and owners of rental properties should pay attention to. The YIMBY Act represents a critical legislative effort aimed at addressing the pervasive and complex issue of affordable housing in the U.S. The YIMBY Act would require certain Community Development Block Grant (CDBG) program recipients to submit information regarding their implementation of certain land-use policies, such as policies for expanding high-density single-family and multifamily zoning, to the U.S. Department of Housing and Urban Development (HUD). Reducing bureaucratic hurdles and organizing permit passage will pave the way for more efficient and cost-effective housing development. In turn, the YIMBY Act could lead to more housing, a stabilization of housing costs, and the possibility of homeownership for a broader segment of the population.

This narrow piece of legislation is nothing more than a stepping stone for YIMBY advocates to help track and hold accountable localities that use excessive zoning regulations. Despite the common recognition that the YIMBY Act will have little effect on new developments, this kind of bill could end up on the president's desk and immediately make a difference. It's not overbearing on either side. It has no effect on things like taxes or constitutional grants of freedoms. It will merely serve to track localities that receive Community Development Block Grants to see how they are implementing certain land-use policies like multi-family housing.

The CDBG is significant for a multitude of reasons. HUD uses the program to provide annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities for low- and moderate-income persons. Currently, there is not a clear way of knowing how municipalities are spending the CDBG. The YIMBY Act would require such recipients to report every five years on how they have used different land reforms or if they plan to address areas of complaint like zoning regulations. From a real estate developer's or owner's perspective, the YIMBY Act is something that will undoubtedly benefit those groups. More transparency, better zoning regulations, repairing or developing infrastructure – these are all things that developers should want because they increase the opportunity for investment where there normally would not be an opportunity at all.

*This post was drafted by [Tara Holterhaus](#) and **Ethan Sotak**, an attorney and summer associate, respectively, in the Omaha, Nebraska office of Spencer Fane LLP. For more information, visit www.spencerfane.com.*

Sources for this article include:

<https://www.multihousingnews.com/to-win-over-nimbys-build-workforce-housing-that-resonates>

<https://www.aier.org/article/the-sad-irony-of-not-in-my-backyard-nimby>

https://nlihc.org/sites/default/files/2022-03/2022AG_2-11_Avoiding-Overcoming.pdf

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