

Measuring the Impact of State Pro-Housing Policies: Empirical Traps to Avoid

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The New York Times Magazine

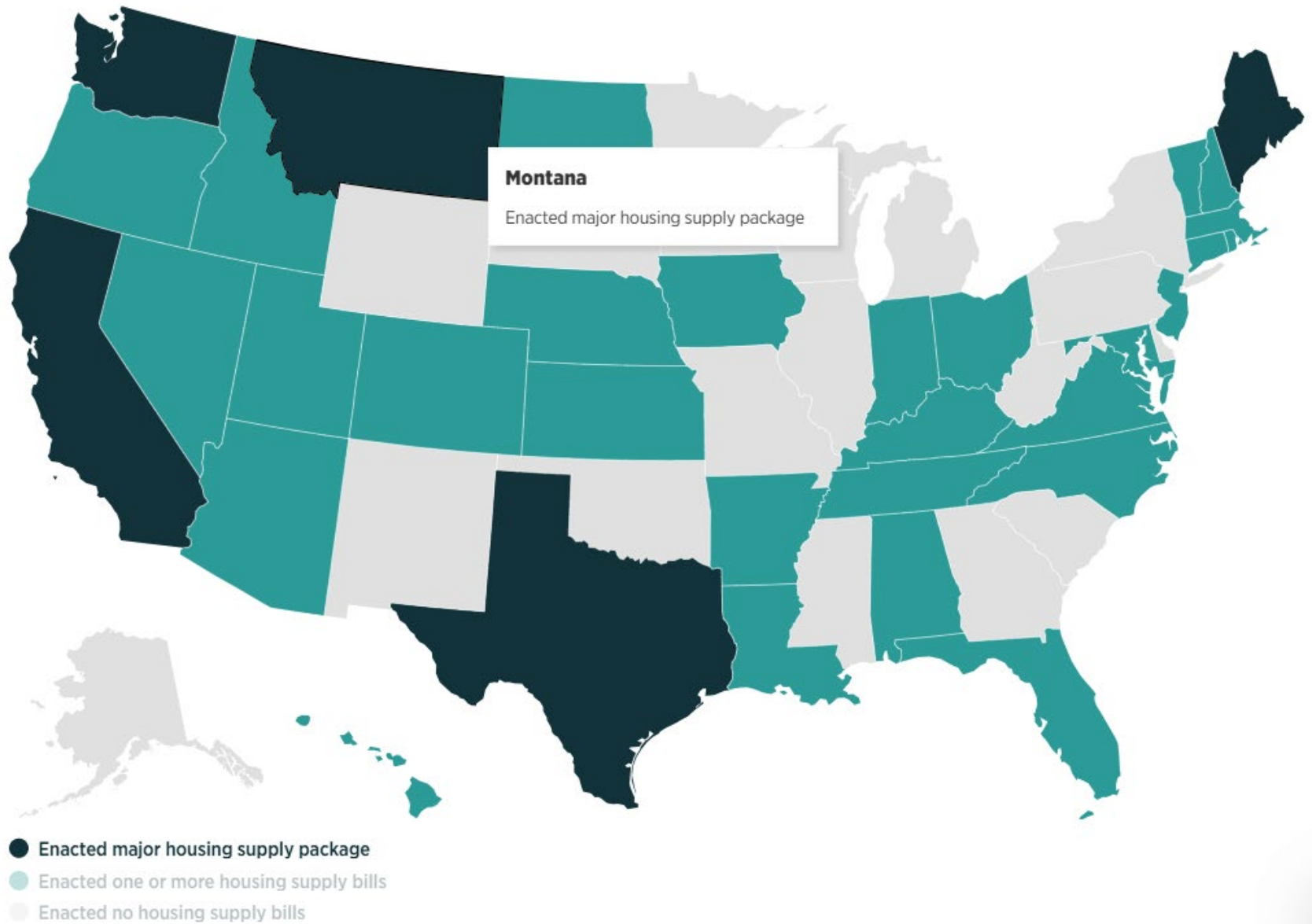


Illustration by Kiel Danger Mutschelknaus

<https://www.nytimes.com/2025/12/18/magazine/affordability-economy.html>



FIGURE 1. States that enacted housing supply bills, July 2024-June 2025



Note: California, Massachusetts, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, and Wisconsin typically pass bills in the second half of the calendar year.

Source: Authors' tabulation and analysis.

Are pro-housing reforms improving affordability?

- 25+ states have adopted pro-housing policies
- How well are they achieving their goals?
 - Increased quantity & diversity of homes
 - Shorter development timelines
 - Spillovers on prices & rents
- So much policy experimentation, not much research yet.
 - New: Journal of Housing Economics [Special Issue on Upzoning](#)
- Six challenges to evaluating pro-housing reforms



Empirical challenges to evaluation

- Classical program evaluation framework:
 - Compare changes in outcome (housing units built)
 - Before & after policy goes into effect (state legalizes middle housing)
 - For entities in control & treatment groups (state did/did not legalize middle housing)
 - Controlling for other time-varying factors (concurrent policy changes, input prices...)
- State housing production policies...don't really work like that. (Sigh.)



Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
- How does political will affect policy adoption & housing outcomes?
- Can we disentangle complex interactions between policies & market conditions?



Complex bundles of policies

Policy type	Legislation passed
Legalize "middle housing" ADUs Townhomes, duplexes, triplexes Starter homes; small lots	AR 2025; AZ 2024; CO 2024; HI 2024; MD 2025; ME 2023; MT 2023; NH 2025; RI 2024; UT 2021, VT 2020 ME 2025; OR 2018 TX 2025
Location-specific housing Transit-oriented development Apts in commercial Land owned by churches or schools (YIGBY)	CO 2024; MA 2021; WA 2025 FL 2023; MT 2025 FL 2025
Production goals Targets; housing needs assessment Fair share/Affordable	FL 2024, OR 2023 RI 2023
Other Parking reform Single-stair buildings Process streamlining	MT 2025, NH 2025, WA 2025 CT 2024; MN 2024; MT 2025; TN 2024; TX 2025; MT 2025; NH 2024, 2025



Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
 - Montana Miracle 2023/2025; Colorado 2024; Texas 2025
 - Do bills reinforce one another? Counteract? Bog down compliance?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
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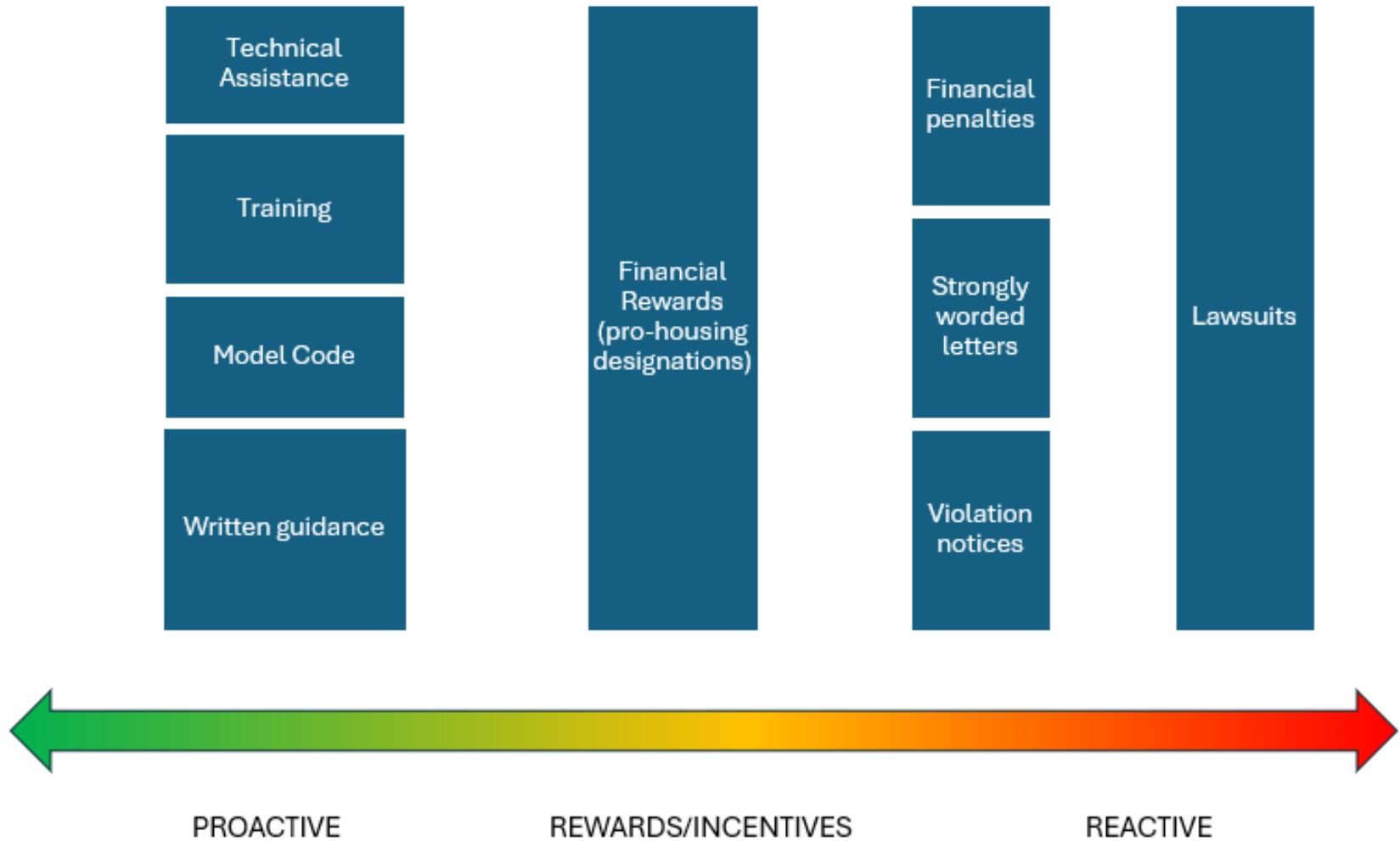


Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
 - CA spent ~10 years closing off loopholes to ADU legalization
 - Implementation & enforcement matter (and vary hugely)
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
- How does political will affect policy adoption & housing outcomes?
- Can we disentangle complex interactions between policies & market conditions?



States have a wide spectrum of mechanisms to help enforce housing policies



Source: Lincoln Institute and Brookings Institution.

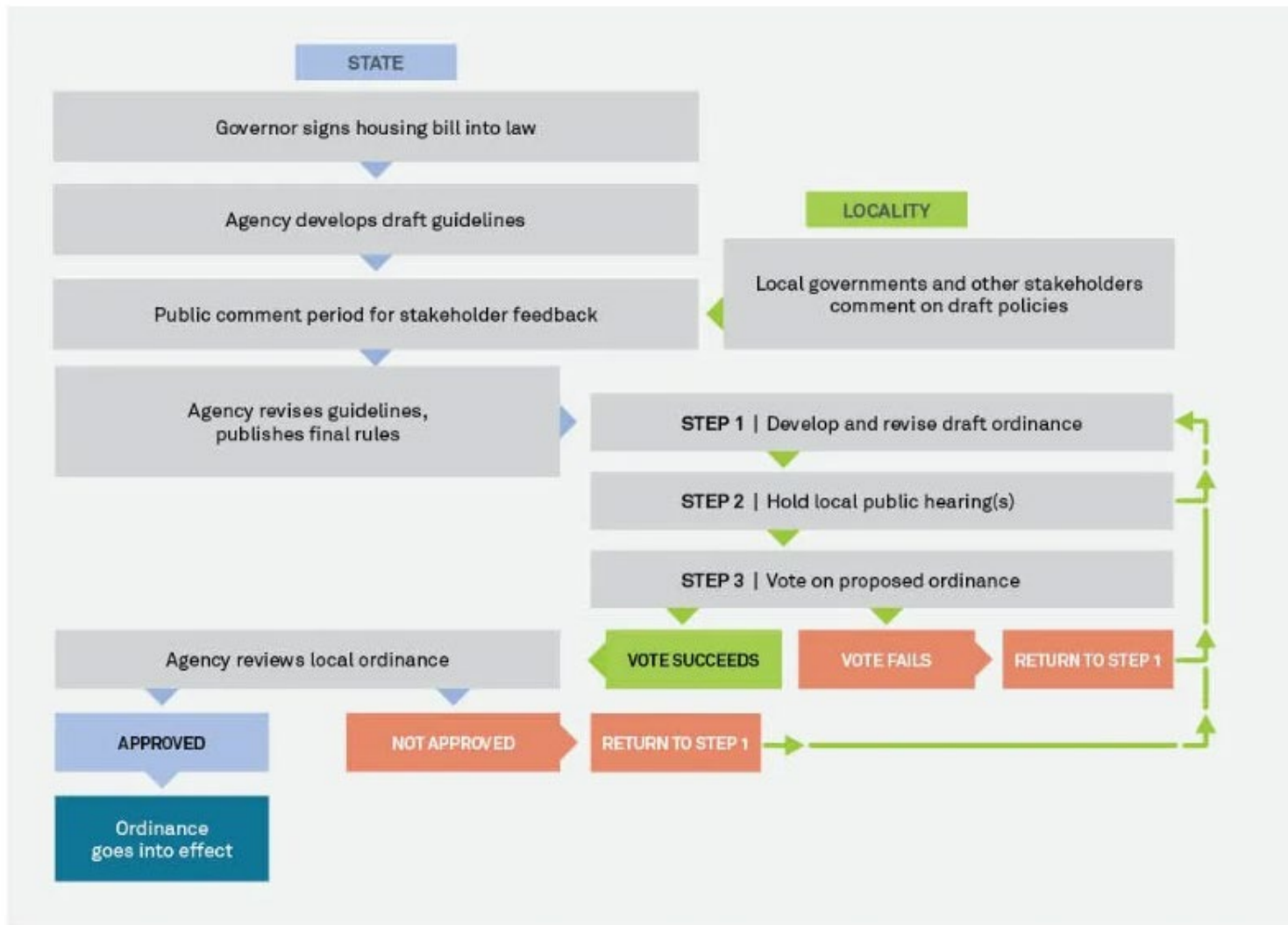


Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
 - Date legislation passed? Goes into effect? Clean up bills passed?
- Do we even know how many homes get built each year?
- How does political will affect policy adoption & housing outcomes?
- Can we disentangle complex interactions between policies & market conditions?



Figure 1. Pathways and Bottlenecks: Implementing State Policies



Source: Lincoln Institute and Brookings authors.

Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
 - How many ADUs does the US build each year? “Starter homes”? Off-street parking spaces per newly built?
 - Net change in housing = Baseline + new construction – demolitions
- How does political will affect policy adoption & housing outcomes?
- Can we disentangle complex interactions between policies & market conditions?



Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
- How does political will affect policy adoption & housing outcomes?
 - Will pro-housing legislators find ways to boost production, independent of policy specifics? Will NIMBYs continue to kill production?
- Can we disentangle complex interactions between policies & market conditions?





Empirical challenges to evaluation

- What outcomes are directly affected by complex policy bundles?
- Distinguishing “strong” from “weak” production policies
- When do new policies actually go into effect?
- Do we even know how many homes get built each year?
- How does political will affect policy adoption & housing outcomes?
- Can we disentangle complex interactions between policies & market conditions?
 - Underlying ADU demand is different in CA and Texas
 - Macro shocks to housing markets: WFH increase, interest rates, tariffs...



Harness good research for public good

- Policymakers would benefit from thoughtful descriptive analysis quickly, not just “gold standard” evaluations 10 years from now.
- Chipping away at knowledge gaps, one piece at a time
 - Inventory of statewide policies
 - Descriptive analysis of policy design & political context
 - Challenges & successes of implementation, including litigation
 - Interviews with developers & commercial real estate brokers about pre-development activities
 - Mining administrative data to create better production metrics
- Researchers have a once-in-a-generation to evaluate policies in real time & inform the public debate about affordability.



Comments and questions welcome!

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