

Potential Savings from Local Land-Use Regulatory Reform

Metropolitan Statistical Area	Overregulation Index	Average Home	Potential Savings	Average Rent	Potential Savings
Urban Honolulu, HI	2.67	\$635,389	\$286,587	\$1,434	\$330
San Francisco-Oakland-Hayward, CA	1.04	\$730,156	\$151,896	\$1,396	\$135
Oxnard-Thousand Oaks-Ventura, CA	1.55	\$504,699	\$148,869	\$1,424	\$201
Boston-Cambridge-Newton, MA-NH	1.85	\$435,813	\$148,569	\$1,105	\$184
New York, NY	1.26	\$509,686	\$125,687	\$1,174	\$136
Baltimore-Columbia-Towson, MD	2.13	\$322,853	\$122,895	\$998	\$188
Providence-Warwick, RI-MA	2.21	\$288,861	\$113,142	\$746	\$145
Seattle-Tacoma-Bellevue, WA	1.45	\$380,420	\$105,980	\$1,049	\$139
San Jose-Sunnyvale-Santa Clara, CA	0.58	\$839,357	\$102,531	\$1,580	\$87
Worcester, MA-CT	2.03	\$266,409	\$97,734	\$774	\$140
Los Angeles-Long Beach-Anaheim, CA	0.81	\$579,413	\$96,732	\$1,234	\$94
Bridgeport-Stamford-Norwalk, CT	0.68	\$654,537	\$93,072	\$1,163	\$75
San Diego-Carlsbad, CA	0.75	\$518,564	\$80,248	\$1,280	\$90
Denver-Aurora-Lakewood, CO	1.22	\$315,691	\$75,724	\$952	\$107
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	1.44	\$272,027	\$75,082	\$878	\$115
Tucson, AZ	1.94	\$205,048	\$72,395	\$719	\$124
North Port-Sarasota-Bradenton, FL	1.37	\$258,028	\$68,370	\$870	\$109
Washington-Arlington-Alexandria, DC-VA-MD-WV	0.68	\$459,384	\$65,229	\$1,384	\$89
Fresno, CA	1.50	\$226,817	\$65,127	\$752	\$103
Colorado Springs, CO	1.28	\$251,237	\$63,000	\$894	\$106
Miami-Fort Lauderdale-West Palm Beach, FL	1.00	\$282,308	\$56,903	\$1,025	\$96
Sacramento--Roseville--Arden-Arcade, CA	0.84	\$328,409	\$56,466	\$962	\$76
Hartford-West Hartford-East Hartford, CT	0.87	\$278,253	\$49,247	\$823	\$67
Phoenix-Mesa-Scottsdale, AZ	0.98	\$247,861	\$49,031	\$810	\$74
Riverside-San Bernardino-Ontario, CA	0.87	\$273,396	\$48,832	\$1,004	\$82
Spokane-Spokane Valley, WA	1.02	\$208,689	\$42,829	\$666	\$63
Milwaukee-Waukesha-West Allis, WI	0.90	\$230,304	\$42,370	\$712	\$60
Portland-Vancouver-Hillsboro, OR-WA	0.61	\$305,402	\$39,174	\$906	\$53
Minneapolis-St. Paul-Bloomington, MN-WI	0.75	\$248,659	\$38,754	\$876	\$62
Albuquerque, NM	0.71	\$215,973	\$31,922	\$713	\$48
Deltona-Daytona Beach-Ormond Beach, FL	0.93	\$168,053	\$31,674	\$762	\$66
Virginia Beach-Norfolk-Newport News, VA-NC	0.51	\$273,870	\$29,741	\$906	\$44
Orlando-Kissimmee-Sanford, FL	0.66	\$196,601	\$27,086	\$866	\$54
Chicago-Naperville-Elgin, IL-IN-WI	0.35	\$266,935	\$20,234	\$904	\$30
Columbus, OH	0.44	\$194,854	\$18,385	\$677	\$29
Atlanta-Sandy Springs-Roswell, GA	0.36	\$218,216	\$17,037	\$791	\$28

Notes: Potential savings measure how much less the price of a residence would be if land-use regulations were reduced to a sensible baseline. The Overregulation Index presented here is scaled so that the baseline is zero and is a form of the Wharton Residential Land Use Regulatory Index. The relationship between regulation and price is measured using instrumental variables and controlling for topography and region, among other things. The estimates are linear, so a New York apartment that costs twice as much as average would save twice as much as average from reform. For individual cities, the true effect may be stronger or weaker than reported. Metropolitan areas listed here are "Core-Based Statistical Areas" and often include distant suburbs of the core cities. Home value and average rent are from the 2013 American Community Survey.

Source: Salim Furth, "Costly Mistakes: How Bad Policies Raise the Cost of Living," Heritage Foundation *Backgrounder* No. 3081, November 23, 2015, <http://www.heritage.org/research/reports/2015/11/costly-mistakes-how-bad-policies-raise-the-cost-of-living>.