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## The Pro-Housing Movement Is Now a High ROI Climate Investment

### *Strategy Memo*

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Clear-eyed situational awareness is the foundation of good strategy, and the situation in mid-2025 is this: many US climate policies that were advancing a year ago are now blocked, at least temporarily, by the Trump administration and GOP Congress. One strategy that's alive and well, though, is the pro-housing movement. Building an abundance of homes in compact neighborhoods, through reforms to state and local zoning codes, is a surprisingly effective emissions cutter. Yet because almost no one thinks of it as a climate strategy, it can still win bipartisan support. Funders could get big returns on their climate dollars by shifting even modest sums into the pro-housing movement. Here are five reasons why.

**1. US climate action is severely constrained by partisan polarization of the issue.** In US politics, [anything](#) that [counts](#) as [climate action](#) will face withering fire during the Trump administration. At the federal level, much climate action will likely be [in retreat until 2029](#)—hopefully, a fighting retreat. Just so, at the state level, climate action will suffer if it requires federal approval or funding. If it requires only state funding, it will persist but face tight budgets in many states. Strategies to defend past gains remain worth their while, and some places still offer opportunities for progress. But the main reality is that climate hawks face diminished chances.

**2. Adding housing in compact communities yields outsized climate benefits.** Diminished opportunities for climate action has [an exception](#): reforms to [allow more homes within communities](#), especially in transport-rich town centers that mix jobs, shops, and housing.

Compact communities [lower emissions in several ways](#). Because they provide a profusion of local amenities close to each other, they let residents substitute proximity for mobility. The results are [reduced numbers and lengths of car trips](#), increased transit and other non-car trips, dampened car ownership, boosted building energy and materials efficiency (because multifamily structures share walls and floors and allow dwellings to insulate each other), and prevented conversion of carbon-absorbing rural land to new housing tracts. Further, code reforms that lower the costs of construction accelerate the turnover from fossil-fueled buildings to clean electric ones.

Comparing existing places, higher concentrations of people usually mean [lower greenhouse gas emissions](#). Residents of townhouses and low-rise apartments typically [cause half the per-capita climate pollution](#) of detached householders, and high-rises trim emissions another third. Can filling existing neighborhoods with more apartments, rowhouses, and backyard cottages yield impressive emissions reductions? Yes. Recent studies suggest infill housing reforms bring reductions that range up to [11 percent](#) or [14 percent](#). To achieve the high end of those ranges, the new homes ought to cluster in prime locations, close to transit and to rich mixes of other

amenities. Basically, for climate, the more urban, the better. In many cities, such reforms could be the single [most impactful emissions strategy](#) that's fully under local control.

The climate potential of infill housing reforms may be large, but can they work quickly enough to matter? Yes. Last year, [RMI showed](#) that over a decade, state-level reforms addressing the housing shortage with compact, infill housing could trim carbon as much as if half of US states adopted California's sweeping ban on internal-combustion vehicles, currently the most ambitious transportation electrification policy in the United States (but also [under federal assault](#)). A more recent [version of the study](#) implies that [locating most of the next 10 percent increase in the nation's homes](#) within existing neighborhoods would reduce US emissions from all sources by 1-2 percent within a decade. Given the hundred-year lifespan of buildings, that's big results quickly.

**3. Homebuilding is a priority for many non-climate reasons.** The climate case for zoning reform is strong partly because other motives are sufficient to justify it. The US housing shortage is a top political issue, and few people associate it with climate. America needs more homes, of all shapes and sizes, in most cities and towns. We need an abundance of housing to solve a [housing shortage](#) measured [in the millions](#) of new homes. At present, high housing costs are among the main drags on family budgets, productivity growth, quality of life, and economic mobility. Expensive housing [leads polls](#) for political concerns in many cities, and it's [entangled with homelessness and public disorder](#), other poll-topping concerns [that it worsens](#). Indeed, housing shortages contribute to so many contemporary ills that observers have begun to speak of a "[housing theory of everything](#)." Indeed, housing is central to the American "[affordability crisis](#)," and housing shortages are the poster child of most calls for an "[abundance agenda](#)."

Put another way: pro-housing reforms can allow millions of additional people to live in affordable, walkable, high-opportunity neighborhoods. These reforms can house us and our children. They can [lower rents](#) and chip away at [homelessness](#). They can reignite [economic and social mobility](#), [productivity growth](#), and rising incomes. They may even address one of the root causes of reactionary populism in the United States, the high and rising cost of living. Few policy reforms bring bigger payoffs or draw support from more constituencies. For climate hawks, that's a blessing: emissions reductions are invisible side effects.

**4. Housing reform is a bipartisan strategy.** Across North America, the pro-housing movement has been winning [with bipartisan support](#)—everyone from property-rights Republicans to social-justice Democrats. It's far from universally favored, but its opponents, like its proponents, span the left-right spectrum. This fact makes housing reforms winnable at times when other priorities are not. Pro-housing reforms can attract unusual coalitions, with diverse constituencies and motives. Fortunately, no one need mention climate change. Indeed, many Montana legislators who call climate change a hoax nonetheless voted for [Montana's two rounds of sweeping, Republican-led housing reforms](#) in 2023 and 2025.

One of the cross-partisan appeals of pro-housing reforms is that all they require of governments is to get out of the way. If we simply use the delete key on select lines of the building and zoning codes, the market will erect cottages, duplexes, rowhouses, three-story walkups, courtyard apartments, midrise apartment blocks, and high-rise towers. As the writer Payton Chung put it on

Twitter: “Millions of Americans want to spend billions of THEIR OWN dollars to cut their carbon emissions in half, if only local zoning would let them.” Plus, pro-housing reforms are entirely in the hands of state and local governments. They require neither federal funds nor federal sign-off. They rarely even require state funds. These facts make the pro-housing movement a singularly high-leverage climate investment right now.

### **5. The Pro-housing movement is on a winning streak, but its work is not complete.**

The pro-housing movement, though nascent and small, has a [gratifying record of success](#). In recent years, it has trimmed the thicket of onerous regulations that slow infill homebuilding. In the last nine years, [Arizona](#), [Arkansas](#), [California](#), [Colorado](#), [Iowa](#), [Massachusetts](#), [Montana](#), [Oregon](#), and [Washington](#) have all ended exclusive single-family zoning with a series of laws re-legalizing backyard cottages, duplexes, triplexes, or fourplexes on most or all lots. Individual cities from [Anchorage](#) to [Boise](#) to [Charlotte](#) have followed suit. [Colorado](#), [Massachusetts](#), and [Washington](#) have also legalized apartment buildings close to transit stations statewide.

These victories stem from the growing sophistication of the housing movement. It has learned how to assemble winning political coalitions for reforms. It has learned how to overcome many of the political challenges that once stymied it. It knows how to devise the most effective strategies, build strong coalitions, design sound policies, make persuasive arguments, and deploy messages and messengers. It has succeeded in a suite of red and blue states and is building momentum in others. Still, the movement’s work is far from complete. It took a century to erect the tangle of regulations that block the emergence of compact communities in the United States. It will take more time to eradicate these barriers than the one decade since the housing movement’s birth.

### **Housing reform deserves a place in climate philanthropists’ budgets.**

The pro-housing movement’s impressive record of success has come cheap. Pro-housing nonprofits have been logging major policy victories at costs that are typically in the low hundreds of thousands of dollars per win. At present, only three major national philanthropies support zoning reform; in contrast, scores support other forms of climate action. Altogether, the pro-housing movement spent at most \$40 million in the United States in 2023, according to Sightline’s research.<sup>1</sup> The same year, climate philanthropy in the United States amounted to an estimated \$4 billion for climate action inside the country, according to data from an [Indiana University study](#). In other words, the climate movement spends 100 times more than the pro-housing movement, but right now, the housing movement is the one with most room to run. Even shifting 1 percent of US climate philanthropy to housing would more than double pro-housing funding. Climate philanthropists, in short, may be able to reduce emissions by shifting some of their investments into the pro-housing movement.

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<sup>1</sup> In mid-2025, Sightline conducted a private survey of 84 US pro-housing nonprofit organizations. We found each organization’s most recently published IRS form 990 online, most of which were for 2023. Then we emailed each organization to request an estimate of their pro-housing spending. We added information from housing philanthropies Open Philanthropy Project and Arnold Ventures and from Welcoming Neighbors Network and the Abundance Network. From these sources, we documented \$35 million in spending. We were unable to get reliable figures from about a quarter of the groups, mostly smaller ones and those less involved in pro-housing advocacy. We estimate total spending at \$35-40 million.