

NLGA – For Consideration:

NLGA Consensus Resolution on Strategic Infrastructure Investment to Lower Housing Construction Costs

WHEREAS, state and territorial leaders recognize that the availability of safe, accessible, and attainable housing is important to the economic, physical, and mental health of residents across states, commonwealths, and territories, and

WHEREAS, the high cost to build new housing presents a significant barrier to homeownership and affordable renting, straining family budgets and limiting regional economic growth, and

WHEREAS, the capital-intensive cost of developing essential foundational infrastructure—including roads, water treatment plants, high-speed broadband internet accessibility, and sanitary sewer systems—constitutes a substantial portion of the total upfront cost of new residential development,¹ and

WHEREAS, the substantial upfront costs, long repayment periods, and borrowing costs associated with infrastructure construction can create financing challenges that delay or prevent new housing development, and

WHEREAS, in the absence of sufficient or accessible private funding, state and local governments are uniquely positioned to utilize municipal bond markets and tax increment financing, etc. to secure reliable, long-term, and cost-effective capital necessary to fund critical public infrastructure projects, and

WHEREAS, when private developers bear the full financial burden of extending or upgrading public infrastructure networks without adequate public or private financing options, these costs are passed along to the consumer, thereby escalating the purchase prices and rental rates of newly constructed housing units, and

WHEREAS, coordinated investment in infrastructure and housing can support economic growth, help employers attract and retain workers, and improve residents' access to schools, jobs, and essential services, and

WHEREAS, pioneering states have demonstrated successful models for addressing these barriers by coordinating public-private partnerships and target grant opportunities, including Indiana's [Residential Housing Infrastructure Assistance Program](#), Wisconsin's [Infrastructure Access Loan Program](#), Utah's [Affordable Housing Infrastructure Grant](#), and Vermont's [Community and Housing Infrastructure Program \(CHIP\)](#), which altogether serve as scalable frameworks for how targeted state tools can successfully close housing development gaps, and

WHEREAS, infrastructure funding and financing can help address upfront development costs while providing lasting benefits to residents, businesses, and the broader community, and

¹ <https://www.housingwire.com/articles/infrastructure-cost-squeeze-builders/>

37 **WHEREAS**, modern infrastructure, such as reliable water treatment facilities and
38 comprehensive wastewater systems, ensures environmental sustainability, climate resilience,
39 and public health safeguards that protect communities for decades to come, and

40 **WHEREAS**, expanding robust broadband and high-speed internet infrastructure into newly
41 developed residential areas bridges the digital divide, ensuring that affordable housing
42 developments are fully integrated into the modern digital economy.

43 **NOW, THEREFORE, BE IT RESOLVED** that the National Lieutenant Governors Association
44 (NLGA) recognizes that strategic state-level investment in core infrastructure, such as roads,
45 water systems, broadband internet, and wastewater management, can be a direct, efficient,
46 and highly effective mechanism for reducing the cost of new housing construction and
47 expanding the supply of affordable housing.

48 **BE IT FURTHER RESOLVED** that the NLGA encourages its members to explore legislative and
49 executive initiatives that align infrastructure planning with housing affordability goals, such as
50 utilizing state capital improvement funds, municipal bond market funding, federal
51 infrastructure allocations, and innovative public-private partnerships to lower barriers for new
52 residential builds.

53 **BE IT FURTHER RESOLVED** that the NLGA authorizes its leadership to transmit copies of this
54 resolution to relevant federal, state, and territorial policymakers to signify the commitment of
55 NLGA Members to address housing affordability.

56 **ADOPTED**, this day, the ___ of December, 2026.

57 Co-Sponsors: *TBD following approval.*

58
59 *Proposed for the docket by:* National Association of Home Builders, NLGA Partner