

ISSUE BRIEF:

Making It Happen: Leveraging Federally Owned Property to Create Affordable Homes

By Ahmad Abu-Khalaf

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Chuck Austin Place, Yakima

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COVER PHOTO: Chuck Austin Place, Yakima

About the Author

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About the Enterprise PD&R Team

PD&R provides thought leadership and data-backed recommendations to influence housing and community development policy, addressing both emerging policy issues and long-term needs. Read reports and policy briefs by the team (www.enterprisecommunity.org/learning-center)

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Chuck Austin Place, Yakima



Executive Summary

This issue brief draws on learned lessons from on-the-ground examples, discussing considerations, strategies, and attainable outcomes for repurposing underutilized federally owned property to create affordable multifamily homes.

As the country continues to face a profound shortage of affordable rental homes, developers, policymakers, and advocates continue to explore innovative strategies to expand the supply of affordable homes and contain the cost of affordable housing development. One promising approach is leveraging underutilized publicly owned properties—buildings or parcels owned by a governmental or government-chartered entity, such as units of federal, state, or local government, transit agencies, and school districts—for affordable housing development.

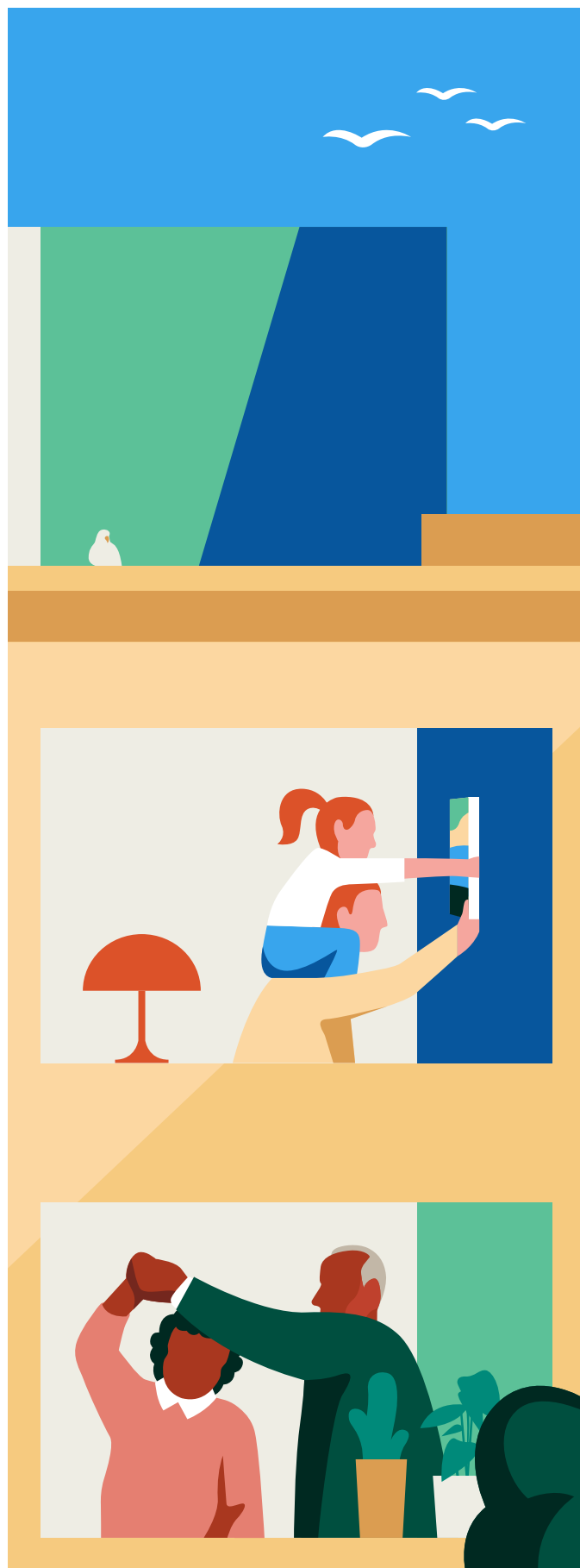
As of April 2025, the federal government owned nearly 640 million acres of land across the U.S. The Department of Agriculture’s U.S. Forest Service and the U.S. Department of the Interior’s Bureau of Land Management, U.S. Fish and Wildlife Service, and National Park Service manage about 95% of those tracts. To facilitate housing development on federally owned property, the federal government can collaborate with state and local governments to identify and dispose of federally owned land and buildings that are vacant/underutilized and suitable for housing development.

Identifying federally owned property suitable for housing development should be guided by key factors, such as the suitability of federally owned property for housing development; the exclusion of sites that are at high risk of natural hazards; and the prioritization of sites that are suitable for development, add density, and promote housing affordability.

Repurposing vacant and underutilized federally owned property (land or buildings and the sites they sit on) to create affordable multifamily housing is a promising approach that can help state and local jurisdictions ease their housing affordability and supply challenges. However, streamlining and expediting the process of making federally owned property available for affordable housing development is vital for scaling this strategy. To overcome barriers and expand opportunities to repurpose federally owned property for affordable housing development, our research offers a range of recommendations, including but not limited to:

- **Prioritize boosting affordable housing supply in any efforts to dispose of federally owned property for housing development.** Even when a property is not deemed suitable for prioritization for homeless assistance purposes, including permanent supportive housing, offering surplus federally owned property at a discounted price or no cost to support affordable housing development should be a top priority for the federal government in any property disposal effort.

- Dispose of surplus federally owned property for affordable housing development in large-scale in bulk.** Scaling the disposal of surplus federally owned property for affordable housing development requires that the federal government, possibly through the General Services Administration (GSA), move from a lengthy disposal process that is done on a site-by-site basis towards working in partnership with state and local officials to identify surplus federally owned sites that are suitable for housing development. Under this process, the federal government would dispose of several sites to a state- or local-level agency focused on housing development at once, allowing the agency to dispose of these sites for affordable housing development under a more streamlined and expedited process.
- Adopt solutions to overcome land use- and zoning-related challenges.** When a property is owned by the federal government, the underlying state and local land use and zoning regulations do not apply to the federal use of the property, unless the federal government chooses to voluntarily comply with such requirements. However, when the ownership of a federally owned property is transferred to a state or local municipality or a private owner, the property owner then has to comply with any underlying land use and zoning regulations, which may prohibit building multifamily housing on the site. Overcoming this challenge requires that the federal government pursue a lease agreement that maintains the site's exemption from underlying state and local land use and zoning regulations, expediting the process of repurposing federally owned property to create affordable housing. Additionally, state and local municipalities that are supportive of creating affordable housing on federally owned property within their geographic boundaries can pursue efforts to rezone the property ahead of disposal or offer conditional use permits to allow for building affordable multifamily housing on sites where underlying land use and zoning regulations would otherwise prohibit it.





Enterprise-issued research papers and briefs (between 2019 and 2022) that explored policy solutions to boost a range of housing supply strategies

Background

In 2019, the Enterprise Policy Development and Research (PD&R) team launched a series that examines different methods of overcoming the regulatory and financing barriers to scaling affordable housing design, construction, and production strategies. Between 2019 and 2022, Enterprise issued several research papers and briefs, which explored policy solutions to boost a range of housing supply strategies, including [off-site construction](#), [accessory dwelling unit \(ADU\) development](#), [low-density multifamily housing](#), and the utilization of land owned by [public entities](#) or [faith-based organizations](#) to create affordable homes.

In 2023, the Enterprise Policy Development and Research (PD&R) team launched an issue brief series titled, “Making it Happen.” The series explores recent progress in scaling affordable housing innovations and highlights newly launched initiatives designed to overcome regulatory and financing barriers to these innovations. Fourth in the “Making it Happen” series, this brief draws on learned lessons from on-the-ground examples, discussing considerations, strategies, and attainable outcomes for repurposing underutilized federally owned property to create affordable multifamily homes.

Public Benefit from Publicly Owned Property

As the country continues to face a profound shortage of affordable rental homes, developers, policymakers, and advocates continue to explore innovative strategies to expand the supply of affordable homes and contain the cost of affordable housing development. One promising approach is leveraging underutilized publicly owned properties – buildings or parcels owned by a governmental or government-chartered entity, such as units of federal, state, or local government, transit agencies, and school districts – for affordable housing development.¹

The rising acquisition cost of developable land, among other factors like high interest rates and construction material costs, has been driving the cost of residential development, impacting developers' ability to create affordable rental homes in communities nationwide. In a constrained financial environment, offering underutilized publicly owned properties at a

discounted price or no cost is an effective and proven strategy that helps contain the cost of affordable housing development and expands the supply of affordable homes. This strategy can enable mission-driven developers to access property suitable for affordable or mixed-income housing development in markets in which they struggle to compete for sites against better-funded market-rate developers.

However, there are significant challenges associated with leveraging publicly owned property for affordable housing development, including regulatory issues that can add time, cost, and complexity to the development process. These barriers may include federal regulations governing the use and disposition of federally owned property deemed surplus, as well as state or local land use and zoning regulations governing the specific site.



Abandoned building in a U.S. city

Disposal of Federally Owned Property for Housing Development

As of April 2025, the federal government owned nearly 640 million acres of land across the U.S. The Department of Agriculture's U.S. Forest Service and the U.S. Department of the Interior's Bureau of Land Management, U.S. Fish and Wildlife Service, and National Park Service manage about 95% of those tracts.²

Among these four agencies, the Bureau of Land Management has broad authority for the disposal of land under its control. The *Federal Land Policy and Management Act* authorizes the Bureau of Land Management to sell qualifying tracts of federally owned land for at least their fair market value. The *Recreation & Public Purposes Act* also authorizes the Bureau of Land Management to dispose of qualifying federally owned land to state and local governments, federally recognized Tribes, and eligible non-profit organizations for public purposes, including affordable housing development, at a discounted price that depends on the specific purpose for which the tract will be sold.³

Before the Bureau of Land Management can initiate the disposal of land under its control, it must be identified as available for disposal in resource management (land-use) plans covering lands within the jurisdiction of the agency's district or field offices, which serve as land management blueprints. Available for disposal land must meet one of three criteria: scattered, isolated sites that are difficult and uneconomic to manage and not suitable for management by other federal agencies; parcels that were acquired for a specific purpose and are no longer needed for that purpose; or the disposal of these sites will serve important public objectives that cannot be sensibly and feasibly accomplished on privately owned land, including economic development.

The Bureau of Land Management is statutorily required to devise the resource management plans for land under its control every two decades.⁴ However, the agency may revise (conducting a complete or near-complete re-write of an existing plan) or amend

(modifying one or more parts of an existing plan) its resource management plans at any time in response to changing conditions. Creating and updating resource management plans involves public notice and involvement, and environmental reviews under the National Environmental Policy Act and the National Historic Preservation Act, among other requirements.⁵

While the U.S. has 34 federal agencies that own and manage federally owned real property, including federally owned buildings and certain federally owned lands, only 20 of these are authorized to dispose of such properties. These agencies include the U.S. Departments of Agriculture, Housing and Urban Development (HUD), Interior, Labor, Transportation, Treasury, Veterans Affairs, and the United States Postal Service, among others.⁶

However, the United States General Services Administration (GSA) is authorized by law to dispose of federally owned property reported as excess by other agencies, including those that have property disposal authority, such as the Bureau of Land Management. When a property owned by a federal agency is deemed excess due to no longer being needed to fulfill official program responsibilities, the General Services Administration first offers this property to other federal agencies for potential transfer of ownership at the fair market value, with an option to request a waiver.⁷ It is important to note that disposing of federally owned property through the General Services Administration is not necessarily a more streamlined and expedited process, as each agency must conduct thorough due diligence, including environmental reviews, before reporting the property as excess to the General Services Administration. This process could be expedited by categorically excluding proposals to build infill housing — defined as building on vacant or underused land in existing built-up, urban areas — on federally owned sites from the National Environmental Policy Act (NEPA).

If the federally owned property is not needed within the federal government, the General Services Administration determines it is surplus and may dispose of the property through various paths:

- **Public Benefit Conveyance:** The General Services Administration may offer surplus property to state and local governments and, in some cases, to eligible nonprofits at a discounted price or no cost for public benefit use. Title V of the *Stewart B. McKinney Homeless Assistance Act* requires that the federal government prioritize homeless assistance over all other qualifying public uses in disposing of surplus federally owned property. Once HUD determines that a surplus federally owned property is suitable to be used for homeless assistance purposes, the property is listed on the HUD Exchange website, initiating a process under which applicants can submit letters of interest and full application packets to the U.S. Department of Health and Human Services, which may recommend approving the transfer of the property for to be used for eligible homeless programs. Following this step, the General Services Administration may transfer the property to state and local governments or eligible private non-profits at a discounted price (up to 100% reduction in fair-market value) to be used for eligible homeless programs, including permanent supportive housing and emergency shelters.⁸

Additionally, self-help housing is an eligible public benefit use. HUD Secretary may recommend to the General Services Administration selling or leasing a federally owned property to provide housing assistance for low-income households. However, this land conveyance option requires that households benefiting from housing assistance provide “sweat equity,” which is defined as a significant amount of labor toward the construction or rehabilitation of housing.⁹

- **Negotiated Sale:** The General Services Administration offers state and local governments the first right to purchase surplus federally owned property at fair market value before the property is offered to the general public. Under negotiated sales of federally owned property, state and local governments may acquire surplus properties for public use only. However, the law does not impose restrictions on public purposes, which may include housing development. State and local governments may elect to acquire surplus federally owned property via a negotiated sale instead of a specific public benefit conveyance.¹⁰
- **Public Sale:** When eligible entities do not wish to acquire a surplus federally owned property under the public benefit conveyance or negotiated sale options, the General Services Administration may offer the property to the public through a competitive sale, which could be a sealed bid or auction, without any restrictions on future property use.¹¹

Tribes and Tribal organizations follow a different process for acquiring federally owned property than states and localities or other non-federal entities. The U.S. Department of the Interior is required to provide Tribes and Tribal organizations with a list of excess federally owned property that is eligible for ownership transfer annually. If the federally owned property is deemed excess and located within a Tribe’s reservation, then the U.S. Department of the Interior’s Bureau of Indian Affairs, through the General Services Administration, may transfer the property at no cost to a Tribe or Tribal organization. Additionally, a Tribe or Tribal organization may request from the Bureau of Indian Affairs the purchase of an excess federally owned property for the fair-market value (unless a waiver is approved), if the acquisition helps carry out a contract or grant under the *Indian Self-Determination and Education Assistance Act*, which may include those related to housing development.¹²



Chuck Austin Place, Yakima

Federally Owned Property Suitability for Housing Development

To facilitate housing development on federally owned property, the federal government, through HUD and the Department of the Interior, can collaborate with state and local governments to identify and dispose of federally owned land and buildings that are vacant/underutilized and suitable for housing development. Identifying federally owned property suitable for housing development should be guided by key factors, including but not limited to:

- HUD and the Department of the Interior should co-lead an effort to take a comprehensive stock of federally owned property at the state level and gauge the development potential of each site. This analysis should include both vacant or underutilized federally owned land and buildings, and the suitability of each property to be developed into housing development, with a focus on affordable housing.
- Surveying federally owned property that can be developed into housing should focus on both non-utilization (vacant land or buildings that could be developed into housing) and under-utilization. While federally owned sites currently in use may not be immediate development opportunities, they may be underutilized, and therefore, offer an opportunity to develop housing either on unused portions of land or on the top of existing non-residential structures, unlocking the unused vertical development potential (unused air rights/the vacant space above the property) to build additional floors under allowable height caps. For example, the air rights of a two-floor U.S. Post Office (USPS) property could be sold to a developer to be used for constructing multiple residential floors on top of the USPS property. Another example is a Veterans Administration hospital with acres of underutilized surface parking that can offer an opportunity to develop surplus surface parking space into affordable housing for veterans.
- In identifying the suitability of federally owned property for housing development, such efforts should exclude the disposal of sites that are at high risk of natural hazards, including flooding, wildfires, and hurricanes, and any sites designated for preservation, such as national parks or sensitive lands that include wildlife habitats or wetlands.
- The disposal of federally owned property should prioritize sites that are suitable for development, add density, and promote housing affordability. Offering federally owned land/property at a discounted price or no cost can help contain the overall cost of residential development by increasing the financial feasibility of affordable housing development or achieving larger impacts, such as deeper affordability levels or greater density. Additionally, such efforts should take into consideration the property location and its access to resources, including proximity to essential services, such as transit, jobs, healthcare facilities, and schools.

- The state and local regulatory landscape significantly impacts the success of repurposing federally owned property into affordable housing. Once a federally owned property is disposed of through a sale agreement, then the site becomes subject to all applicable state and local regulations governing land use, zoning, and building codes. If the site's underlying local land use and zoning regulations prohibit multifamily housing, then the new owner will need to apply for a conditional use permit. Receiving a conditional use permit allows the developer to use the existing property in a way that does not conform to local zoning regulations, while being required to meet site-specific conditions imposed by the local jurisdiction.

Additionally, if the zoning regulations impose significant restrictions on multifamily housing development, such as excessive on-site parking, setback, and height cap requirements that compromise the feasibility of the development, then the new site owner will also need to apply for a zoning variance to get permission to deviate from these requirements. Local political, municipal, and community support is vital for receiving a conditional use permit or a zoning variance within a reasonable timeline.

It is important to engage local communities in discussions for the future disposition and use of surplus lands, in order to ensure early buy-in and support for residential development.

- The treaty rights of many Native American Tribes involve off-reservation hunting and fishing rights on federally owned lands, as well as co-stewardship agreements with the federal government. Department of the Interior and Department of Agriculture Joint Secretarial Order #3403 on Fulfilling the Trust Responsibility to Indian Tribes in the Stewardship of Federal Lands and Waters recognizes that federal land management agencies “are charged with the highest trust responsibility to protect Tribal interests and further the nation-to-nation relationship with Tribes.” Consistent with National Congress of American Indians Resolution #SEA-25-037 and National American Indian Housing Council Resolution #2025-08, the U.S. Department of Interior and U.S. Department of Housing and Urban Development must engage Tribal leaders in meaningful consultation prior to opening any federal lands for housing development.



Heirloom at Pebble is senior housing in Las Vegas that is affordable for households earning up to 60% of the Area Median Income. The property includes 195 homes: 139 one-bedroom and 56 two-bedroom apartments. Heirloom at Pebble was developed by Ovation on land previously controlled by the Bureau of Land Management and transferred to the developer through the Southern Nevada Public Land Management Act.

Heirloom at Pebble



Chuck Austin Place, Yakima

The Potential for Leveraging Federally Owned Property for Housing Development

Several recent analyses examine the potential for repurposing federally owned land for housing development, based on a set of factors and assumptions. For example, an analysis from Headwaters Economics projects that fewer than 700,000 new homes could be built on federally owned land near Western towns and cities with unmet housing needs, with the potential being concentrated in Arizona, California, Nevada, New Mexico, and Utah.¹³ The analysis — which examines land owned by the U.S. Forest Service and select Department of Interior (DOI) agencies, including the Bureau of Land Management (BLM) and the Bureau of Reclamation (BOR) - excludes federally owned land in the way of environmental risks, such as wildfires and flooding.

A mapping tool developed by the Center for Geospatial Solutions (CGS) at the Lincoln Institute estimates that there are about 5,200 acres of federally owned land that are prime for housing development nationwide, defined as large parcels in transit-rich urban locations owned by the federal government. The analysis projects that, if housing is built under higher-density standards of 25 units per acre, then the identified federally owned land could yield nearly 130,000 new housing units.¹⁴

It is important to note that these analyses are focused on vacant federally owned lands and do not include underutilized federally owned buildings. Additionally, high-level analyses that are based on a set of factors and assumptions will not necessarily translate into on-the-ground success in developing federally owned property into housing, as a set of regulatory challenges,

particularly issues related to the length and complexity of the disposal of federally owned property, will likely hinder or slow down the process of repurposing federally owned property into housing.

Lawmakers on both sides of the aisle have expressed some interest in advancing legislative proposals that aim to unlock federally owned property for housing development at scale, with differing stances on scope and implementation.¹⁵ In October 2023, Senators John Barrasso (R-WY), Mike Lee (R-UT), Cynthia Lummis (R-WY), Dan Sullivan (R-AK), as well as U.S. House Representative John Curtis (R-UT-03), introduced the *Helping Open Underutilized Space to Ensure Shelter (HOUSES) Act*.¹⁶ The legislation would amend the *Federal Land Policy and Management Act of 1976* to allow state and local governments to nominate a qualifying tract of land within the Bureau of Land Management's (BLM) jurisdiction to be sold for eligible housing development activities. The bill requires that no less than 85 percent of the purchased federally owned land be used for residential development and allowable community amenities, with specific residential density requirements of one home per quarter acre. An analysis from the American Enterprise Institute (AEI) estimates that the *HOUSES Act* can unlock nearly 86,000-115,000 acres of land controlled by the Bureau of Land Management that is suitable for residential development, enabling the development of 1 million new homes over a decade.

A more targeted legislative proposal was reintroduced by Senator Jacky Rosen (D-NV) in February 2025. The *Truckee Meadows Public Lands Management Act* directs the Bureau of Land Management to make available land under its control in Washoe County for sale, while prioritizing the sale of land for affordable housing, as well as setting aside 33 acres of land for affordable housing development that would be sold at a discounted price.¹⁷

The Executive Branch has also taken action on disposition strategies. In 2023, HUD and the U.S. Department of the Interior signed a memorandum of understanding to establish a process to make nearly 20 acres of federally owned land in the Las Vegas metropolitan area available for affordable housing development at a discounted price of \$100 per acre (far below the market-rate price). This agreement is under the authority of the *Southern Nevada Public Land Management Act of 1998*, which allows the Bureau of

Land Management to sell federally owned land within a specific area of Clark County, Nevada, for development purposes, while allowing state and local governments to purchase federally owned land at a discounted price to support affordable housing.¹⁸ An analysis from the Biden-Harris Administration estimated that the disposal of a total of nearly 600 acres of federally owned land in Southern Nevada, which were identified as suitable for residential development, could facilitate the development of nearly 15,500 affordable rental and for-sale homes.¹⁹

In March 2024, HUD and the U.S. Department of the Interior announced a joint formal agreement between the agencies to explore and implement strategies to utilize federally owned land to address the U.S. housing affordability crisis, including identifying underutilized federal sites that are suitable for residential development and streamlining federally owned land transfer processes.²⁰

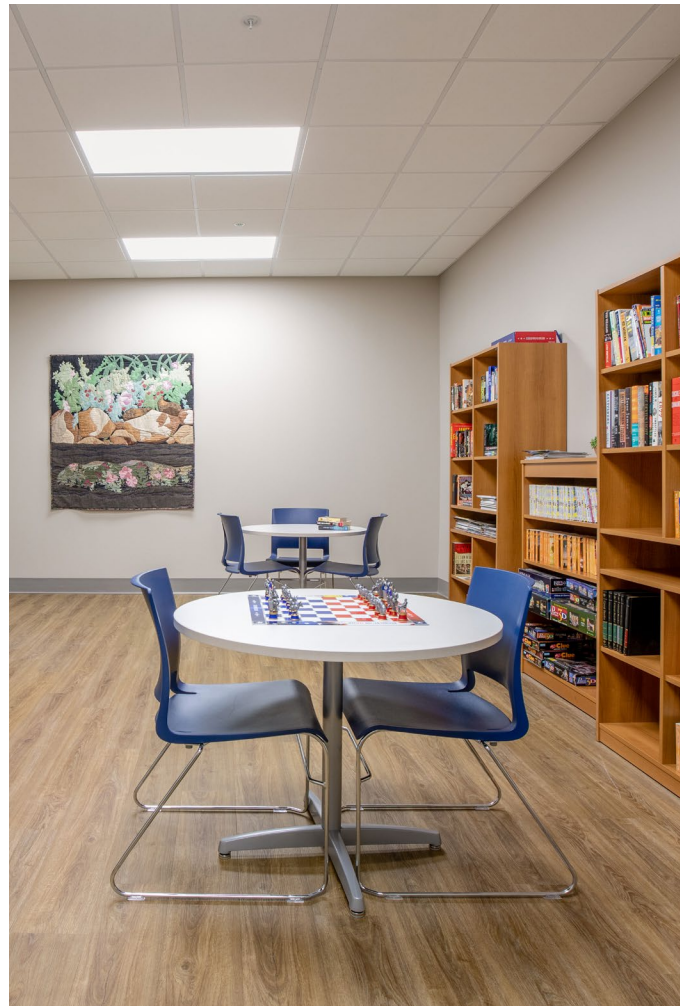




Barriers and Opportunities to Repurpose Federally Owned Property for Affordable Housing Development

- **Challenge:** While the developer is waiting for site control, either through a deed, lease, or purchase agreement, the developer cannot complete much of the due diligence and site pre-development processes without additional administrative work. An example is if the developer is unable to obtain a soil sample from the site without a temporary right-of-entry agreement, which delays the completion of civil and structural plans for the proposed residential development on the federally owned site. Additionally, without site control, the developer may be unable to complete the entitlement of the project by gaining necessary permissions and approvals from local government agencies, or face challenges in applying for and accessing necessary construction financing for the proposed project. These challenges can delay the development timeline and increase costs.
 - **Potential solution:** To avoid these delays, the federal entity that is disposing of the site for housing development can first transfer the ownership to a state or local entity that can complete the necessary due diligence work and manage the selection of a developer to repurpose the property into affordable housing under a more streamlined process. This would include conducting comprehensive legal, environmental, and physical analyses to determine the type of development that will be feasible to prevent future costly delays. The federal entity transferring the ownership of the site to a state or local agency can add deed restrictions (i.e., any affordability requirements) with a clause to get the property ownership back if the set requirements are not met. Under this process, the state or local entity holding the site can release a request for proposals (RFP) for repurposing the site previously owned by the federal government into affordable housing, with a specific vision for the future development and a set of requirements for the number of desired housing units, affordability targets, and developer eligibility, among other specifications, while attaching any available financial subsidies or public financing sources to the RFP. Once a developer is selected, then site control can be granted in a more expedited and streamlined manner, with clear expectations and responsibilities.

- **Challenge:** Whenever the ownership of the property is transferred to a state or local municipality or a private owner, the property owner then has to comply with any underlying land use and zoning regulations. If these regulations do not allow for building multifamily housing on the site, then there will be a need for obtaining a conditional use. An application for a conditional use seeks approval for using the property for purposes it is not zoned for (i.e., residential use on land that is zoned for commercial or industrial use), which can be a lengthy and complex process. Developers may also incur additional costs through the stakeholder engagement process, which often includes community meetings that may extend the development timeline. However, when a property is owned by the federal government, the underlying state and local land use and zoning regulations do not apply to the federal use of the property, unless the federal government chooses to voluntarily comply with such requirements. This preemptive authority could be used to expedite the development process.
 - **Potential solutions:** To avoid this challenge, the federal entity that owns the property can explore pursuing one of the following options:
 - Enter into a lease agreement that outlines the terms for allowing the developer to repurpose the property and own an affordable housing development on the site for a specific period of time, while the federal government retains the ownership of the land. Under a land lease, the property would maintain its exemption from any state and local zoning regulations due to sovereign immunity, which means that federal authority supersedes local rules for any federal project. This exemption can help expedite the process of repurposing federally owned property to create affordable housing.
 - Encourage state and local municipalities that are supportive of creating affordable housing on federally owned property within their geographic boundaries to pursue proactive pro-housing actions ahead of property disposal. Such actions may include re-zoning the property to allow for creating multifamily housing on the site, offering conditional use permits to allow for building affordable multifamily housing on the site on sites with underlying land use and zoning regulations that are prohibitive of this type of development, or issuing zoning variances to ease imposed restrictions that hurt the physical and financial feasibility of affordable multifamily housing development.



Chuck Austin Place, Yakima

- **Challenge:** The process of disposing of underutilized or vacant federally owned property for affordable housing development is often a lengthy process that is done on a site-by-site basis. The process typically involves multiple steps, including the property being deemed surplus; the disposal of the property being approved by relevant federal agencies; the announcement of the availability of the property for sale or lease; and the negotiation process between the federal government and a developer to complete a land sale or lease agreement. All these multiple steps for disposing of an individual property for affordable housing production can take years. Additionally, the timeframe for finalizing a land sale or lease with the developer may not align with the funding cycles for affordable housing financing resources, including the allocation of Low-Income Housing Tax Credits (Housing Credits) to affordable housing developments, which further results in significant delays in repurposing federally owned property for affordable housing development. Disposing of federally owned property on a site-by-site basis to support affordable housing development will likely not achieve a scale that would have a significant positive impact on a jurisdiction's housing scarcity and affordability issues.
- **Potential solution:** The federal government, possibly through the General Services Administration (GSA), can tackle this issue by creating city- or state-level public land registries that include surplus federally owned properties that have been identified for their suitability for housing development within the jurisdiction's geographic boundaries. Under this arrangement, the federal government can dispose of several properties to a state- or city-level agency focused on housing development at once, allowing the agency to lease or sell these sites under a more streamlined and expedited process.

Since states and localities are more familiar with affordable housing funding cycles and the availability of any public subsidies, state and local housing agencies can oversee any necessary due diligence, pre-development, and make sure that the timeline of property disposal aligns with the funding cycles for available resources, including Housing Credit allocation cycles. The state or local entity holding the site can also release an RFP for repurposing a site previously owned by the federal government into affordable housing, highlighting any available financial subsidies or public financing sources and the timeline for these sources.

Additionally, if the sites suitable for housing development are identified in partnership with state or local governments, governmental entities/agencies governing housing development could prioritize such parcels for by-right development (the approval of proposed housing projects as a matter of right if they comply with established land use regulations) to help meet the jurisdiction's affordable housing goals.



Heirloom at Pebble



Case Studies

Lessons Learned from Canada

In 2024, the government of Canada launched a whole-of-government housing plan, with making surplus public land available for housing development as a key component. As part of this effort, the government of Canada launched the Canada Public Land Bank, which features federal properties that have been identified for their suitability for housing development, with federal properties being added to the registry on an ongoing basis. Additionally, the government of Canada released an interactive map listing all federal properties available for housing development, including information on the site's size and location.²¹

Building on this effort, Canada's 2024 budget provided 500 million Canadian dollars over five years (nearly \$357 million U.S. dollars) to launch the Federal Lands Initiative to support the sale or leasing of federal land and buildings at a discounted price or no cost to eligible applicants to support the development of affordable housing. Under the Federal Lands Initiative, agencies owning federal property perform necessary due diligence on the property, including environmental and physical condition assessments, and zoning changes and pre-development work may be done by the federal property owners ahead of making federal land or buildings available for sale or lease through the Federal Lands Initiative, to streamline and expedite the process of developing surplus federal property into affordable housing.²²



Chuck Austin Place, Yakima

Chuck Austin Place, Yakima, Washington

Completed in 2021, the Chuck Austin Place is a 41-unit, permanent supportive housing development and service center serving veterans who formerly experienced homelessness (earning up to 30-60 percent of the area median income), which is developed on the site of the former United States Marine Corps Armory property in Yakima, Washington. The development involves two major components: the former Armory building was repurposed into 14 new studio units and 12,000 square feet of supportive services space, and a new-construction building with 17 one-bedroom units and 10 two-bedroom units was built on the site.

The property has an on-site resident care coordinator and on-site case manager from the Veteran Administration, as well as non-residential space occupied by the Yakima Neighborhood Health Services (YNHS), which provides a dental clinic, health, and behavioral health services on-site for both residents of Chuck Austin Place and non-residents.

The Yakima Housing Authority first leased and then acquired the site from the U.S. Department of the Navy in 2017, after the U.S. Department of Health and Human Services (the agency that oversaw the transfer of the site to the Yakima Housing Authority) recommended that the housing authority acquire the property under Title V of the *Stewart B. McKinney Homeless Assistance Act*. The site previously owned by the U.S. Department of the Navy, which included the former United States Marine Corps Armory building, was disposed at no cost by the federal government to the Yakima Housing Authority to support the development of permanent supportive housing for veterans, which is a qualifying public use under the *Stewart B. McKinney Homeless Assistance Act*. The development was funded through a blend of federal Low-Income Housing Tax Credits; Washington State Housing Trust Fund dollars; HUD's HOME Investment Partnerships Program (HOME); and public grants, among other resources.



Chuck Austin Place, Yakima

Key Takeaways

- Repurposing vacant and underutilized federally owned property (land or buildings and the sites they sit on) to create affordable multifamily housing is a promising approach that can help state and local jurisdictions ease their housing affordability and supply challenges. However, streamlining and expediting the process of making federally owned property available for affordable housing development is vital for scaling this strategy.
 - The disposal of federally owned property for housing development should be focused on boosting affordable housing supply. Even when a property is not deemed suitable for prioritization for homeless assistance purposes, including permanent supportive housing, offering surplus federally owned property at a discounted price or no cost to support affordable housing development should be a top priority for the federal government in any property disposal effort.
 - To scale the disposal of surplus federally owned property for affordable housing development, the federal government, possibly through the General Services Administration (GSA), should move from a lengthy disposal process that is done on a site-by-site basis towards working in partnership with state and local officials to identify surplus federally owned sites that are suitable for housing development. Under this process, the federal government could transfer several sites to a state- or local-level agency focused on housing development at once, allowing the agency to dispose of these sites under a more streamlined and expedited process.
 - Whenever the ownership of the property is transferred to a state or local municipality or a private owner, the property owner then has to comply with any underlying land use and zoning regulations. If these regulations do not allow for building multifamily housing on the site, then there will be a need for obtaining a conditional use. An application for a conditional use seeks approval for using the property for purposes it is not zoned for (i.e., residential use on land that is zoned for commercial or industrial use), which can be a lengthy and complex process. Developers may also incur additional costs through the stakeholder engagement process, which often includes community meetings that may extend the development timeline. However, when a property is owned by the federal government, the underlying state and local land use and zoning regulations do not apply to the federal use of the property, unless the federal government chooses to voluntarily comply with such requirements. This preemptive authority could be used to expedite the development process.
- Additionally, state and local municipalities that are supportive of creating affordable housing on federally owned property within their geographic boundaries can pursue proactive efforts to rezone the property ahead of disposal or offer conditional use permits to allow for building affordable multifamily housing on such sites with underlying land use and zoning regulations that are prohibitive of this type of development.

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About Enterprise Community Partners

Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$92 billion and created 1.1 million homes across all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands – all to make home and community places of pride, power and belonging. Join us at [enterprisecommunity.org](https://www.enterprisecommunity.org).