

# FREEDOM CITIES

Accelerating American Innovation by Reducing  
Regulatory and Administrative Burdens



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## Executive Summary

**Freedom Cities** are new urban districts—established on federal or opt-in private land—that cut through overlapping regulations to accelerate housing, biotech, aeronautics, and energy development. By waiving or streamlining NEPA reviews, fast-tracking permits, and offering strategic tax incentives, these enclaves aim to re-shore manufacturing and restore U.S. competitiveness. Proposed legislation provides regulatory opt-outs, pro-growth building codes, and a White House task force to ensure swift approvals and robust interagency coordination. Conservative estimates suggest \$94–\$99 billion in direct investment and roughly 768,000–783,000 total new jobs across ten pilot cities. Potential sites range from Utah’s desert expanses to the Bay Area’s Presidio, leveraging both existing infrastructure and underutilized federal acreage. In doing so, Freedom Cities present a transformative model for revitalizing American innovation, delivering affordable housing, and fostering next-generation industries.

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## The Future of Development

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*Empowering new cities with better governance to lift tens of millions of people out of poverty.*



The Charter Cities Institute is a non-profit organization dedicated to building the ecosystem for charter cities by:

- Creating legal, regulatory, and planning frameworks;
- Advising and convening key stakeholders including governments, new city developers, and multilateral institutions;
- Influencing the global agenda through research, engagement, and partnerships.



# Introduction to Freedom Cities

Freedom Cities are newly established urban districts, envisioned as hubs of economic dynamism, technological innovation, and streamlined governance. In a May 2023 speech titled 'Quantum Leap', President Donald Trump proposed the creation of up to ten Freedom Cities on federal lands as a bold plan to rejuvenate America.<sup>1</sup> His vision highlighted these cities as platforms for re-shoring industry, building affordable housing, fast-tracking infrastructure projects, and pioneering new regulatory models that empower entrepreneurs and innovators. While initially associated with Trump's proposal, the concept has since gained broader appeal as a strategy for restoring America's competitive edge in an increasingly complex and high-stakes global economy.<sup>2</sup>

In recent years, the United States has launched multiple efforts aimed at revitalizing its manufacturing base, spurring technological innovation, and making the domestic economy more competitive. From semiconductor manufacturing and biotech research to advanced energy and AI, a common goal underlies these initiatives: to reestablish the U.S. as a global leader in critical industries. Despite these efforts, however, some of the most dynamic sectors have found themselves ensnared by bureaucratic complexity and restrictive regulations that slow the pace of progress. As a result, many promising projects struggle to convert ambition into tangible results.

"Freedom Cities" offer an emerging framework to address these challenges, proposing designated urban districts where private industry, research institutions, and government partners can operate under streamlined rules. Instead of contending with the patchwork of federal, state, and local regulations that stifle new construction or complicate product development, stakeholders in these enclaves would benefit from a more predictable

and adaptive regulatory environment. By clearing the path for rapid housing approvals, allowing fast-tracked infrastructure projects, and supporting key industries—such as clean energy, semiconductors, biotech, and advanced manufacturing—Freedom Cities aim to lay the foundation for sustained economic growth and community resilience.

One distinctive advantage of the Freedom Cities concept is the potential to leverage federally owned land, which accounts for roughly 28% of the nation's territory. Much of this acreage lies in Western states, where significant parcels remain underutilized or unallocated. Developing master-planned urban centers on these tracts could offer substantial benefits: abundant space for new factories, logistical corridors, and housing complexes designed from the outset for 21st-century needs. Freed from the local or overlapping regulations that often bottleneck development, these areas could rapidly transition from idle terrain to vibrant hubs of industrial and technological activity.

Whether it's building a new generation of smaller, safer nuclear reactors, scaling semiconductor fabrication to meet surging global demand, or refining biotech solutions for healthcare, American innovators need fertile ground to experiment and expand. Yet time and again, they confront legal and procedural barriers—permitting delays, litigation risks, and outdated rules that fail to account for modern needs. Some initiatives, such as new "innovation hubs," have gained traction in various regions, but many still grapple with fractured regulatory frameworks and a lack of comprehensive oversight. By uniting these efforts under a Freedom Cities umbrella, local coalitions, federal agencies, and private investors could focus their energy on productive output rather than bureaucratic red tape.

A key impetus behind Freedom Cities is the recognition that piecemeal legislative fixes often don't go far enough to resolve systemic delays and overlapping requirements. In industries like nuclear energy, for instance, the licensing process can be so cumbersome that entire projects languish for years. Similar slowdowns beset cutting-edge fields like aeronautics and biotechnology. While many agencies have begun modernizing regulations, the sheer breadth of

<sup>1</sup> Meridith McGraw, "Trump calls for contest to create futuristic 'Freedom Cities'," *Politico*, March 3, 2023.

<sup>2</sup> Mark Lutter and Nick Allen, "Building Freedom Cities," *City Journal*, December 6, 2024.

challenges calls for a more sweeping, location-specific model—one that allows for regulatory opt-outs or streamlined approvals, subject to rigorous safety and environmental standards.

Although the term “Freedom Cities” conjures images of futuristic skylines, this approach is ultimately about regulatory innovation and administrative reform. By ensuring affordable housing, reliable infrastructure, and high-quality job opportunities, these planned districts could become magnets for families looking to put down roots. More than just factories and labs, they could foster local business ecosystems, educational programs tailored to emerging industries, and public spaces that encourage civic engagement. If executed carefully—with input from residents, local governments, and private partners—Freedom Cities might rebuild trust in public institutions and demonstrate how streamlined governance can serve the common good.



While transforming large swaths of federal land into cutting-edge urban districts is undoubtedly ambitious, the potential payoff is equally substantial. By consolidating key manufacturing operations at home, America reduces its vulnerability to global supply chain disruptions. By testing new technologies in real-world environments, domestic firms can gain a vital edge in international markets. And by revitalizing regions left behind in earlier waves of economic change, the country can pursue a more inclusive and balanced path to prosperity. In this sense, Freedom Cities are not merely a policy idea; they represent a broader vision for an America that leads in innovation, values local empowerment, and strives to rebuild its manufacturing prowess.

## Legislative Recommendations

We recommend passing bipartisan federal legislation to authorize the creation and governance of Freedom Cities. Key provisions of this legislation would include:

- **Regulatory Opt-Out Mechanisms:** Grant the heads of agencies, such as the Health and Human Services (HHS), Department of Transportation Secretary (DOT), Federal Aviation Administration (FAA) rules, discretion to waive or expedite certain regulations within Freedom Cities.
- **Streamlined Environmental and Building Approval:** Waive National Environmental Policy Act (NEPA) reviews and simplified building codes, ensuring that infrastructure, housing, and industrial projects can break ground within months rather than years.
- **Tax Incentives for Onshoring Critical Industries:** Offer tax credits, accelerated depreciation, and research and development incentives to firms establishing factories or labs in Freedom Cities, fostering robust manufacturing and innovation clusters.

- **Federal Land Acquisition & Conversion:** Allow private landowners to become Freedom Cities, allow municipalities to vote to become Freedom Cities, allow Freedom Cities to expand with the consent of the contiguous land owners.

- **Executive Branch Task Force & Approval Body:** Establish a White House-led task force to identify candidate sites, set performance benchmarks, and grant final approvals. This body would coordinate interagency policy alignment, ensure consistent application of regulatory waivers, and track outcomes to inform future reforms.

By enshrining these elements in law, Congress can ensure that Freedom Cities are more than a concept—they become a durable policy tool to advance America’s long-term interests.

## Policy Levers of Freedom Cities

### 1. Housing

Efficient, affordable housing is the backbone of any advanced economy, yet the United States suffers from a persistent shortage in critical growth centers. Driven largely by local constraints such as restrictive zoning, low-density mandates, and extensive permitting delays, this shortage exerts upward pressure on rents and home prices. States like California have strong employment markets but fail to add enough new units to meet demand, creating an environment in which young professionals, working families, and even well-established earners struggle to secure affordable housing. Meanwhile, pockets of land remain either underdeveloped or regulated into near-paralysis, preventing innovative building methods such as modular or prefab approaches from scaling effectively.

A Freedom City framework would address many of these root causes by offering regulatory relief, accelerated approvals, and flexible zoning. These measures can help jumpstart housing construction in high-demand areas—both on federal lands and through private properties that



opt in. The goal is to foster dense but livable neighborhoods oriented around transit, jobs, and educational resources. By eliminating bureaucratic hurdles, policymakers can directly influence housing supply, unlocking the agglomeration benefits that come when talent, innovation, and opportunity converge in vibrant urban districts.

- **California Shortfall:** The state is estimated to be 2–3 million units behind in meeting housing demand, with CEQA lawsuits often delaying even modest projects.<sup>3</sup>
- **NYC ULURP Delays:** Projects under the Uniform Land Use Review Procedure can take 2–3 years for approval, greatly increasing costs.<sup>4</sup>
- **Comparative Building Rates:** From 2010 to 2019, Texas—known for more lenient land-use rules—permitted 43 new housing units per 1,000 new residents, while California permitted only 10, exacerbating shortages in high-demand regions.<sup>5</sup>

Freedom Cities would streamline local barriers by:

- 1. Establishing Pro-Growth Codes** that allow denser residential development (e.g., mid-rise apartments) and alternative construction methods (modular, prefab), pre-empting local zoning and land use regulations
- 2. Fast-Tracking Permits** to sixty days, particularly on federal land near the Presidio (CA), Las Vegas outskirts (NV), or along the Utah-Colorado border.
- 3. Showcasing Cost Reductions** of up to 20–30% through bulk prefab approaches, encouraging replication elsewhere.
- 4. Allowing private land** to opt into Freedom City status circumventing local restrictive zoning codes

<sup>3</sup> California Legislative Analyst's Office. *California's High Housing Costs: Causes and Consequences*. Sacramento: LAO, 2015.

<sup>4</sup> New York City Department of City Planning. *About ULURP*. New York: NYC DCP, 2020.

<sup>5</sup> U.S. Census Bureau. *Building Permits Survey*. Washington, DC: U.S. Census, 2019.

Boosting housing affordability through Freedom Cities offers an immediate and far-reaching payoff: expanded living space for families, stabilized rents and home prices, and improved labor mobility. In an era when economic leadership hinges on attracting top talent, resolving housing bottlenecks through streamlined governance not only enhances quality of life but also strengthens America's position in high-value industries. By clearing hurdles to new construction in prime areas, Freedom Cities help unleash the full potential of agglomeration economies—where ideas, capital, and human ingenuity thrive in close proximity.

## 2. Biotech

The biotechnology landscape is evolving at breakneck speed, revolutionized by breakthroughs in mRNA vaccines, gene editing, and AI-driven drug discovery. Yet the U.S. regulatory apparatus, from the Food and Drug Administration (FDA) to overlapping patent offices, has struggled to keep pace with these paradigm shifts. Lengthy approval times—spanning years or even decades—slow the arrival of essential therapies, raising both financial and human costs.

Freedom Cities aim to rectify these inefficiencies by introducing specialized “biotech sandboxes” where early-phase trials, patent pooling, and regulatory reciprocity can proceed at an accelerated rate. By consolidating oversight under a more nimble framework, biotech innovators could bring transformative treatments—like advanced immunotherapies or AI-driven diagnostics—to patients far sooner. Through targeted policy changes, these enclaves would not only streamline the clinical pipeline but also create new openings for U.S.-based research and manufacturing, thereby bolstering domestic leadership in cutting-edge life sciences.

- **FDA Approval Lag:** It can take 8–15 years and up to \$2.6 billion to develop a new drug, from initial research to market.<sup>6</sup>

<sup>6</sup> Tufts Center for the Study of Drug Development. *Cost to Develop a New Drug Briefing*. Boston: Tufts CSDD, 2014.



- **Patent Bottlenecks:** Average biotech patent disputes/approvals can add 2–4 years to commercialization, often costing millions in legal fees.<sup>7</sup>

- **Global Competition:** Many mRNA or AI-based therapy firms in Europe or Asia secure faster approvals, gaining critical market advantages.

A Freedom City could pilot:

1. **Regulatory Sandboxes:** Reduce Phase I/II trial times by 1–2 years once preclinical safety is shown for mRNA or AI-based therapies.

2. **Patent-Pooling Arrangements:** Streamline licensing for gene-based or AI-driven treatments, avoiding overlapping legal conflicts.

3. **Reciprocity** with EMA/PMDA to eliminate duplicate trial requirements.

4. **Expanded Compassionate Use & Right to Try:** Simplify pathways for terminally ill patients or those with severe conditions to access experimental therapies, accelerating real-world data gathering.

Biotech is not merely another industry; it's a frontier that promises to reshape healthcare, longevity, and overall global competitiveness. By integrating streamlined regulatory pathways within Freedom Cities, the U.S. can anchor an environment in which breakthrough therapies move more swiftly from labs to patients. This approach benefits both public health and economic vitality, reinforcing America's status as a worldwide leader in scientific discovery and medical innovation.



<sup>7</sup> United States Patent and Trademark Office (USPTO). *Patent Litigation Data*. Washington, DC: USPTO, 2020.

### 3. Aeronautics

Aeronautics, particularly unmanned systems, stands at the edge of transformative growth. In China, a permissive environment for drone testing has led to commercial deliveries, advanced surveillance platforms, and even dual-use military applications that outstrip U.S. progress. Meanwhile, the Federal Aviation Administration (FAA) imposes stringent rules, especially restricting beyond-visual-line-of-sight (BVLOS) flights, causing domestic drone startups to lag behind. Further complicating matters, many drones in use across government and private sectors are imported, raising espionage and cybersecurity concerns.

A well-designed Freedom City provides a solution through drone corridors, accelerated licensing, and robust security protocols. By cutting months off the FAA's BVLOS approval timeline, these enclaves would let R&D teams test and deploy commercial or industrial drones at scale. Coupled with specialized tax incentives, this approach could rejuvenate U.S. leadership in UAV technology—safeguarding supply chains, boosting aerospace manufacturing, and ensuring American standards drive the next wave of aeronautics innovation.

- **Commercial Drone Market:** Projected to reach \$58.4 billion globally by 2026, with China expanding its share via large-scale pilot projects.<sup>8</sup>
- **BVLOS Waivers:** FAA approvals for beyond-line-of-sight can take 6–12 months, curbing rapid scale-up.<sup>9</sup>
- **Industrial Integration:** In 2022, Chinese drone firms conducted 100,000+ delivery flights in pilot programs—a scale U.S. counterparts struggle to match.<sup>10</sup>

<sup>8</sup> MarketsandMarkets. *Drone Market Global Forecast*, 2021.

<sup>9</sup> Federal Aviation Administration (FAA). *Part 107 Waivers*. Washington, DC: FAA, 2022.

<sup>10</sup> Caixin Global. "China's Drone Delivery Boom Risks Crashing into Regulations," February 15, 2022.

Freedom Cities could:

1. **Designate Drone Corridors** with expedited BVLOS approvals, cutting certification times from 12 months to under 3.
2. **Implement Robust Security Protocols** (secure command-and-control) to mitigate espionage and position U.S. drones competitively.
3. **Offer R&D Tax Breaks** for UAV firms in cargo, surveillance, or consumer drones, boosting local drone sector revenue by up to 50% within a few years.

Dominance in the drone space is not simply about industrial pride; it has national security and economic implications. Freedom Cities that integrate advanced regulatory frameworks for UAVs can both accelerate product development and shield U.S. interests from potential threats. By fostering a supportive environment for drone testing and manufacturing, policymakers set the stage for broad-based growth—encompassing next-gen delivery services, precision agriculture, and high-value defense technologies.

### 4. Energy

Energy is the linchpin for reindustrialization and the AI-driven future. While the shale revolution kept American energy costs below those of Europe, regulatory hurdles stymie progress in advanced nuclear, geothermal exploration, and other emerging power sources. Prolonged approvals from agencies like the Nuclear Regulatory Commission (NRC), alongside tangled permit pathways involving FERC and the EPA, can lock developers in years of waiting, inflating costs and deterring private investment.

Freedom Cities aim to break through these bottlenecks by offering streamlined licensing for small modular reactors (SMRs) and new energy technologies. By consolidating environmental reviews and allowing single-track permitting, these enclaves could ensure the stable, low-cost energy supply required for next-generation AI clusters, data





centers, and modern industrial hubs. High energy prices not only jeopardize grid stability but also impede broader economic revival—a challenge that Freedom Cities seek to solve through decisive policy reforms.

- **NRC Licensing Time:** Advanced reactor designs can idle 10+ years in NRC review, incurring hundreds of millions in overhead.<sup>11</sup>
- **SMR Delays:** Firms like NuScale and TerraPower report that 30–40% of costs stem from licensing and associated waiting periods.<sup>12</sup>
- **Geothermal Underutilization:** An estimated 530 GW in U.S. geothermal potential contrasts with only 3.7 GW installed capacity.<sup>13</sup>

Freedom Cities would:

1. **Pilot Consolidated NRC Approvals** for SMRs, limiting reviews to 12–18 months.
2. **Single-Track Permits** for geothermal drilling, hydrogen production, and advanced battery R&D—cutting multi-year approvals to 6–12 months.
3. **Ensure Abundant Energy:** Create stable, low-cost power to attract data centers, AI clusters, and heavy manufacturing.

Energy policy underpins every other area of high-tech growth. By expediting nuclear licensing and supporting alternative energies, Freedom Cities can meet surging demand while fortifying America’s competitive advantage. The result is a more resilient grid that powers reindustrialization, fueling AI breakthroughs and advanced manufacturing without the looming risk of energy bottlenecks.

<sup>11</sup> U.S. Nuclear Regulatory Commission (NRC). NUREG/BR-0282. Washington, DC: NRC, 2003.

<sup>12</sup> NuScale Power. *Technology Overview*; TerraPower. *Reactor Development Overview*.

<sup>13</sup> National Renewable Energy Laboratory (NREL). *Geothermal Research Overview*. Golden, CO: NREL, 2020.



## 5. Infrastructure and Environment

Robust infrastructure—roads, pipelines, digital networks—is the skeleton of a thriving economy. Yet, protracted reviews under the National Environmental Policy Act (NEPA), often extending 4–6 years or more, significantly slow or even derail major public works. Though environmental stewardship is vital, many of these delays stem from procedural lawsuits rather than genuine ecological risks. Equally concerning, America lags behind countries like China in experimental fields such as cloud seeding, partly because pilot projects face regulatory roadblocks and uncertain legal status.

Freedom Cities provide a unique avenue to reimagine the balance between responsible environmental oversight and timely project delivery. By restricting challenges to demonstrable environmental harm and imposing one-year review deadlines, these enclaves could showcase how streamlined processes can spur everything from new highways to pipeline infrastructure. In addition, test zones for advanced techniques—like weather modification or innovative agricultural systems—would allow for real-world experimentation without the usual bureaucratic lags.



- **NEPA Delays:** Federal projects can require 4–6 years of reviews, plus litigation.<sup>14</sup>
- **China’s Cloud Seeding:** Spent \$168 million between 2012–2017, mobilizing tens of thousands of weather-modification personnel.<sup>15</sup>
- **Infrastructure Gap:** Over \$2.6 trillion needed by 2030 for U.S. roads, bridges, and utilities, hampered by elongated NEPA processes.<sup>16</sup>

Freedom Cities would:

1. **Waive NEPA requirements** to accelerate investment
2. **Experiment with Cloud Seeding** in designated test zones to mitigate wildfires and boost crop yields.
3. **Fast-Track Infrastructure**—from roads to power lines—to demonstrate how streamlined NEPA procedures could unlock billions in additional private and public investment.

<sup>14</sup> Government Accountability Office (GAO). National Environmental Policy Act: Little Information Exists on NEPA Analyses. Washington, DC: GAO, 2021.

<sup>15</sup> South China Morning Post. “China Aims to Control Weather over Area Twice the Size of India,” December 2020.

<sup>16</sup> American Society of Civil Engineers (ASCE). Infrastructure Report Card. Reston, VA: ASCE, 2021.

Infrastructure development is the foundation on which modern economies thrive, yet administrative delays and litigation can stall projects to the point of irrelevance. Freedom Cities aim to prove that a more agile approach—one still grounded in evidence-based environmental protection—can accelerate essential projects. By reforming NEPA processes within these enclaves, America could reduce infrastructure backlogs, enhance public safety, and potentially adopt forward-looking methods like cloud seeding—all while preserving critical environmental standards.

## 6. Administrative State

A sprawling administrative state, governed by overlapping mandates and expansive civil rights rules, has become a hallmark of modern federal governance. While initiatives under the Trump administration attempted to rein in Diversity, Equity, and Inclusion (DEI) mandates, the broader bureaucracy remains largely unchanged. Procurement processes can drag on for over a year, and stringent credential requirements too often emphasize formal degrees over practical expertise. These inefficiencies not only bloat costs but also hinder the government's ability to pivot quickly in response to economic or security needs.

Within Freedom Cities, officials could test alternative frameworks for hiring, procurement, and management—relying on outcomes rather than bureaucratic checklists. By temporarily waiving or simplifying certain regulations under direct federal oversight, these enclaves would demonstrate whether performance-based hiring or streamlined contract awards can deliver better public services more cheaply. The data derived from these experiments would then inform broader reforms, offering a tangible alternative to nationwide mandates that may prove politically contentious or administratively unwieldy.

- **Federal Procurement Delays:** 12–18 months on average from RFP to contract award.<sup>17</sup>
- **Credential Creep:** Over 60% of federal jobs

mandate formal degrees, often unrelated to core job functions.<sup>18</sup>

- **Cost of DEI Compliance:** Some agencies interpret Title VII to require extensive documentation and training, costing organizations millions in overhead.<sup>19</sup>

Within Freedom Cities:

- 1. Performance-Based Hiring:** Allow partial waivers of civil rights directives tied to rigid DEI hiring mandates, while upholding fundamental anti-discrimination principles.
- 2. Streamlined Procurement:** Pilot awarding contracts in half the usual time, focusing on outcomes, not bureaucratic steps.
- 3. Reduced Credential Requirements:** Let agencies fill roles based on job-specific skills, trimming months off the hiring cycle and reducing recruitment costs.

The administrative state's size and complexity frequently undermine agility, inflating expenses and stifling innovation. By experimenting with more flexible hiring and procurement rules under the Freedom Cities umbrella, policymakers can gather concrete evidence that challenges long-standing assumptions. Successes in these zones could spur nationwide reforms, reconciling anti-discrimination goals with efficiency and cost-effectiveness—ultimately leading to a more adaptable and effective federal workforce.

## 7. Tax Incentives

Tax incentives play a decisive role in shaping both corporate behavior and individual career choices. In the United States, a combination of high corporate rates, complicated depreciation rules, and inconsistent R&D credits has discouraged extensive investments in capital-intensive sectors like semiconductor manufacturing or drone production. Although Opportunity Zones generated

<sup>18</sup> Office of Personnel Management (OPM). *Federal Employment by Education*, 2021.

<sup>19</sup> Federal Register. "Civil Rights Enforcement," June 25, 2022.

<sup>17</sup> Office of Management and Budget (OMB). *Contracting Guidance*, 2020.

some enthusiasm, their broad approach often lacked sector-specific focus and results did not always meet initial expectations.

Freedom Cities propose addressing this shortfall by introducing powerful, targeted incentives—especially in advanced manufacturing, biotech, AI, and unmanned systems. By raising immediate write-off limits (e.g., under Section 179), offering elevated R&D credits, and deferring long-term capital gains for strategic investments, these enclaves could stimulate private capital formation on a large scale. When paired with personal tax breaks for specialized talent, the result is an ecosystem that both attracts and retains high-value industries and their skilled workforces.

- **Corporate Rate:** The federal 21% base rate, plus state taxes, competes with Ireland's 12.5% and other low-tax hubs.<sup>20</sup>
- **R&D Credit Comparisons:** U.S. tax credit around 13–20%, while France offers 30%+ for qualified research.<sup>21</sup>
- **Opportunity Zone Investments:** Approximately \$48 billion deployed by 2020, below initial hopes.<sup>22</sup>

Freedom Cities could:

- 1. Boost R&D Credits** to 30% for AI, biotech, semiconductor, and drone-related technologies.
- 2. Expanded Section 179:** Raise immediate write-offs from \$1.08 million to \$50 million for large-scale equipment (e.g., advanced manufacturing lines).
- 3. Long-Term Capital Gains Deferral** for investments held at least 5 years in Freedom City startups or infrastructure, mirroring Opportunity Zone logic but focusing on high-tech sectors.

**4. Skilled-Worker Tax Relief:** Lower personal income tax rates for specialized talent (e.g., chip designers, UAV engineers), encouraging top professionals to relocate.

A revamped tax structure is vital for ensuring that both firms and high-skilled individuals view Freedom Cities as ideal bases for expansion. By combining heavier incentives for R&D and capital equipment with personal income tax relief, these enclaves can significantly outweigh the appeal of international tax havens, reinforcing the U.S. position in global competitiveness. In turn, the revenue gains from advanced manufacturing, biotech breakthroughs, and other high-value industries could more than justify the initial cost of targeted tax benefits.

<sup>20</sup> Internal Revenue Code (26 U.S. Code). *Title 26*, United States Code.

<sup>21</sup> Organisation for Economic Co-operation and Development (OECD). R&D Tax Incentive Database. Paris: OECD, 2020.

<sup>22</sup> Economic Innovation Group (EIG). Opportunity Zones: Investment Totals. Washington, DC: EIG, 2020.



## Economic Impact

Building on the case for streamlined governance and targeted reforms across sectors like housing, biotech, aeronautics, and energy, this section examines the conservative yet still substantial economic impact that could follow the establishment of ten pilot Freedom Cities. Modeled as enclaves where large-scale housing developments, cutting-edge laboratories, and major energy projects can proceed under expedited approvals and strategic tax incentives, each Freedom City provides an environment for rapid deployment of next-generation industries.

Even in the baseline scenario, these ten cities are projected to attract \$94–\$99 billion in direct investment over four years—distributed among housing construction, biotech R&D, drone manufacturing, advanced energy projects, and miscellaneous high-value manufacturing. Such capital inflows, in turn, could generate approximately 512,000–522,000 direct jobs, plus an additional 256,000–261,000 indirect or induced jobs through supply-chain expansion and consumer spending. Taken together, that equates to roughly 768,000–783,000 total new positions, sufficient to reinvigorate local labor markets, bolster family incomes, and support a broader reindustrialization strategy.

While these estimates deliberately do not account for every possible synergy—such as follow-on expansions, cross-sector linkages, or further regulatory refinements—their magnitude underscores the potential power of the Freedom Cities concept. If these pilot projects deliver on even a fraction of their promise, they would serve as compelling evidence that a more adaptive policy framework, one that unites streamlined governance, specialized “sandboxes,” and well-calibrated tax incentives, can significantly elevate America’s technological and industrial competitiveness.



## Defining the Scenario

- **Number of Initial Freedom Cities:** 10 pilot sites, each with an average area of 20–50 square miles.
- **Focus Industries:** Housing development, biotech, aeronautics (drones), and energy, with smaller but significant activity in advanced manufacturing (e.g., semiconductors, green tech).

Each city is assumed to receive:

1. **Streamlined permitting** for large-scale housing projects and industrial facilities,
2. **Regulatory sandboxes** in biotech, drone operation, and advanced energy R&D,
3. **Tax incentives** for capital expenditures in targeted sectors (e.g., semiconductors, nuclear, biotech).

## Sectoral Economic Projections

### A. Housing Development

1. **Problem Addressed:** Shortage of affordable homes in high-growth regions.
2. **Assumptions:**
  - Each city aims to build ~25,000 housing units over 4 years, primarily via modular/prefab construction.
  - Average per-unit cost: \$200,000 (including land infrastructure).
3. **Direct Investment:**
  - 10 cities × 25,000 units/city × \$200,000/unit = **\$50 billion** total direct construction spending.
4. **Jobs Created:**
  - Construction typically supports ~5–7 jobs per \$1 million of spending (varies by region).
  - Applying a middle-range 6 jobs per \$1 million:
    - \$50 billion ÷ \$1 million × 6 = **300,000** direct and indirect construction jobs.

### 5. Spillover:

- New residents spur additional consumer spending on retail, healthcare, and local services. Standard multipliers suggest induced employment ~30–40% above direct labor, adding **90,000–120,000** more jobs.

## B. Biotech

1. **Problem Addressed:** Long FDA timelines, duplicative trials, costly IP disputes.

### 2. Assumptions:

- 50 biotech startups and 10 major pharma expansions set up labs in Freedom Cities under expedited “phase I/II approvals,” new patent pooling, and partial reciprocity with foreign agencies.
- Average capital investment: \$50 million per firm in lab construction, equipment, and initial R&D.

### 3. Direct Investment:

- (50 startups + 10 major pharma expansions) × \$50 million each = **\$3 billion** total R&D and facility outlay.

### 4. Jobs Created:

- Biotech R&D tends to yield 4–5 direct jobs per \$1 million (higher skill roles).
- \$3 billion × 4 jobs per \$1 million = **12,000** direct jobs.
- Indirect/Induced jobs in supporting services, lab supplies, etc. could add another 6,000–9,000 positions.

## C. Aeronautics (Drones)

1. **Problem Addressed:** FAA restrictions (BVLOS) hamper drone deployment; China leads in commercial UAV integration.

### 2. Assumptions:

- Each Freedom City designates specialized drone corridors and provides R&D tax breaks.

- 20–30 new drone or drone-software companies set up in each city (~250 companies total across 10 sites).
- Average capital investment: \$20 million per UAV startup/facility for prototypes, small-scale production, and testing.

### 3. Direct Investment:

- 250 companies × \$20 million = \$5 billion in drone-related outlays.

### 4. Jobs Created:

- UAV and electronics manufacturing typically yield ~3–4 jobs per \$1 million direct investment.
- \$5 billion × 3 = **15,000** direct jobs.
- With supply-chain integration (robotics, sensors), total direct + indirect could approach **20,000–25,000**.

## D. Energy

**1. Problem Addressed:** Prolonged NRC licensing, overlapping permits hamper SMRs, geothermal, hydrogen, battery R&D.

### 2. Assumptions:

- Each city pilots one advanced reactor (e.g., SMR) or major alternative-energy project, plus smaller-scale hydrogen/battery prototypes.
- 10 SMRs total (~\$3 billion each) + ~\$1 billion across all cities for smaller energy pilot programs.

### 3. Direct Investment:

- (10 × \$3 billion) + \$1 billion = **\$31 billion**.

### 4. Jobs Created:

- Large energy projects often yield ~5 direct/indirect jobs per \$1 million.
- \$31 billion × 5 = **155,000** direct and indirect jobs.

### 5. Grid & AI:

- Reliable power could attract data centers, which generally invest \$200–\$400 million apiece, each employing ~30–50 full-time tech workers, plus hundreds of spin-off roles in local services.

## E. Summary of Direct Investments (4-Year Horizon)

- **Housing:** \$50 billion
- **Biotech:** \$3 billion
- **Drone/Aeronautics:** \$5 billion
- **Energy:** \$31 billion
- **Misc. Manufacturing & Services:** \$5–\$10 billion (placeholder for semiconductors, advanced materials, etc.)

Overall Direct Investment: **~\$94–\$99 billion**

(These figures do not account for expansions in subsequent years or cross-sector synergy, which could push totals higher.)

## Direct and Indirect Job Creation

**Direct Employment** (rough estimates across all sectors):

- Housing Construction: 300,000
- Biotech R&D & Production: 12,000
- Drone Industry: 15,000
- Energy Projects: 155,000
- Other Manufacturing & Services: 30,000–40,000

Approx. **512,000–522,000** direct jobs total.

### Indirect/Induced Employment:

- Typically, each direct job in construction or manufacturing can generate 0.3–1.0 additional jobs through supply chains and local consumer spending.
- Applying a moderate 0.5 multiplier yields another **256,000–261,000** jobs.

**Total 4-Year Jobs: 768,000–783,000** (direct + indirect).

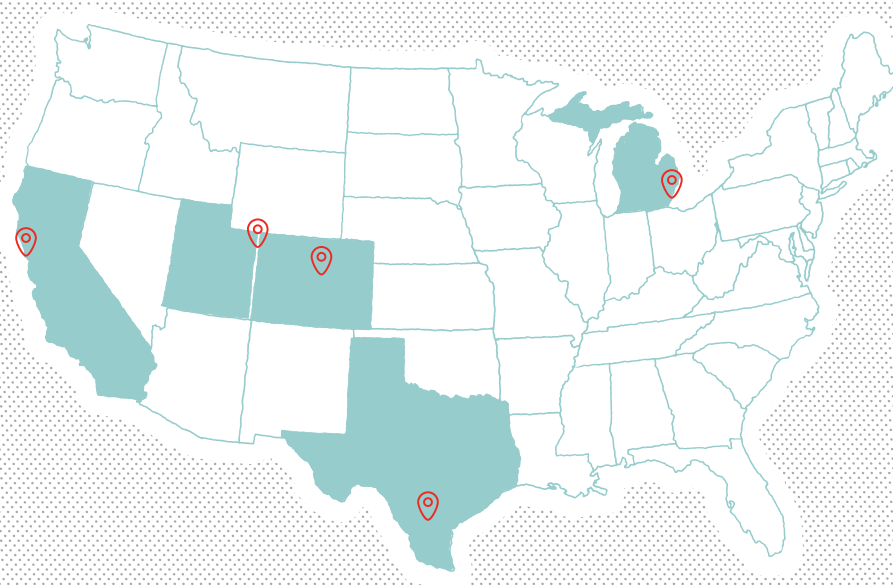


## Potential Locations for Freedom Cities

An essential component of the Freedom Cities framework involves identifying suitable sites that can meaningfully benefit from streamlined governance and accelerated economic development. In the United States, approximately 28 percent of land—some 640 million acres—remains under federal control, administered by agencies such as the Bureau of Land Management (BLM), the Fish and Wildlife Service (FWS), the National Park Service (NPS), the Forest Service (FS), and the Department of Defense. Much of this acreage is untapped or underutilized, making it an attractive resource for bold experiments in housing, manufacturing, and advanced research. At the same time, **private landowners** may also seek to establish Freedom Cities through an opt-in process, allowing forward-looking municipalities or landholders to participate without relying solely on federal parcels.

This dual approach—utilizing both federal holdings and privately governed areas—creates a broad menu of possibilities for prospective Freedom Cities. Some locations, like parcels in Utah or near military bases, can leverage large tracts of federally managed land to accommodate major infrastructure and high-impact industries. Elsewhere, collaborative arrangements between local governments and private landowners can produce new development zones even in regions with minimal federal acreage. In either case, the central objective remains to foster enclaves of innovation, fast-track permitting, and attract critical industries—all under a charter that enables adaptive governance.

The following examples illustrate how different regions—from the Mountain West to the Texas corridor to the Bay Area—can serve as prime candidates for Freedom City initiatives. Whether by repurposing former military sites or aggregating contiguous private properties, each proposed location offers distinct advantages in terms of workforce, infrastructure, or proximity to existing economic hubs. Taken together, they reflect the versatility of the Freedom City model, demonstrating its potential to transform both sparsely populated federal lands and thriving urban corridors into engines of dynamic growth.

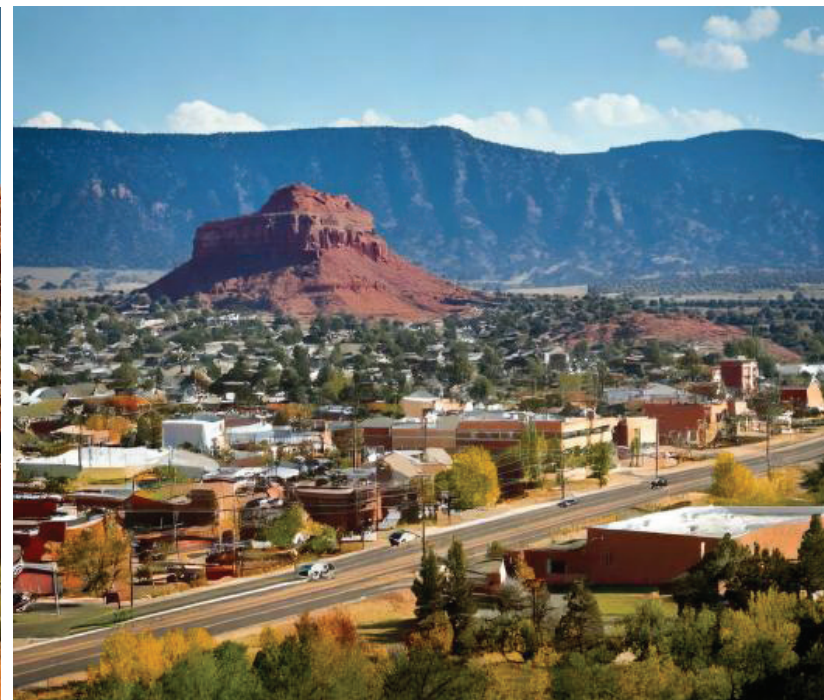


## Utah, Colorado Border City and Lake Utah expansion

One potential site in Utah would be along I-70 near or across the border with Colorado. Here a potential Freedom City would be uniquely positioned as a hub of innovation, connectivity, and natural beauty. This location offers direct access to one of the most scenic interstate corridors in the United States, connecting major urban centers like Denver, Grand Junction, and Salt Lake City. The site's proximity to national parks and recreation areas, including Arches and Canyonlands, provides unparalleled opportunities for tourism, making it an attractive destination for residents and visitors alike. The Utah-Colorado border region also boasts significant renewable energy potential, with high solar and wind capacity, aligning with a Freedom City's goal of pioneering energy technology. Strategically located between two states with strong growth potential and business-friendly policies, this site would serve as a bridge between the economies of the Mountain West, fostering regional collaboration while serving as a living laboratory for innovative governance and urban development.

Additionally, a Freedom City situated between Utah Lake and Eagle Mountain offers a unique opportunity to blend innovative urban development with proximity to a rapidly expanding regional economy. Nestled in the heart of Utah's burgeoning tech corridor, this location is near technology startups and established firms, as well as critical transportation infrastructure, including Interstate 15 and major rail connections. The site also benefits from Utah's reputation as a pro-business state with a skilled workforce and a rapidly growing population.

A Utah-based Freedom City would benefit from a well-educated workforce, a pro-business climate, and access to major transportation routes. Regulatory arbitrage—such as simplified permitting for biotech startups or streamlined approval for green energy projects—would help maintain Utah's reputation as a rising tech hub. Over time, this concentrated innovation zone could accelerate the state's economic diversification and resilience, creating upward mobility for both newcomers and longtime residents. Furthermore, both proposed Utah Freedom City sites would explicitly rely on appropriating BLM land for the new city projects.





## Bay Area, California

The Presidio in San Francisco, with approximately 1,500 acres of land under federal stewardship, presents a compelling opportunity for a Freedom City at the very heart of America's tech capital. The site benefits from adjacency to world-class universities and research institutions, as well as proximity to Silicon Valley's venture capital ecosystem—all while overlooking the iconic Golden Gate Bridge. If transitioned into a Freedom City, the Presidio could substantially alleviate the Bay Area's chronic housing crisis through higher-density residential builds, including mid-rise apartments and modular units. At the same time, it could host specialized hubs for biotech, AI, and other advanced sectors that leverage the region's proven track record of technology startups and R&D. Streamlined permitting and regulatory exemptions would allow for rapid deployment of these facilities, ensuring that groundbreaking therapies and products move from lab to market with far greater speed.

Alameda, with its decommissioned naval air station encompassing around 600 acres, offers an equally significant blank slate for the formation of an industrial cluster. Situated at the heart of the Bay Area's robust infrastructure—close to major freeways, the Port of Oakland, and the region's thriving engineering talent—Alameda can support large-scale advanced manufacturing in areas such as aerospace, UAV assembly, electric vehicles, and battery technology. Freed from restrictive local zoning and lengthy approval processes, a Freedom City here could quickly stand up new factory floors and R&D campuses, drawing on the dense labor markets of Oakland and the East Bay. Moreover, the site's runway space and maritime access provide logistical advantages for testing prototypes or shipping finished goods, making Alameda's naval base an ideal platform for manufacturing reinvigoration.

By capitalizing on the distinct strengths of both Presidio and Alameda, San Francisco's broader region stands to gain a transformative push at the frontier of American innovation. Housing developments in the Presidio could help stabilize runaway rents and bring families closer to the high-tech and biotech labs that define the city's economic core, while

industrial operations in Alameda would spark a return of manufacturing prowess that meshes seamlessly with the Bay Area's culture of rapid prototyping and venture-backed scale-ups. Together, these new enclaves would highlight how Freedom Cities, thoughtfully integrated with existing urban infrastructure, can reenergize even the most regulatory-bound metros. The result: a vibrant constellation of housing, R&D, and production that ensures San Francisco remains the nation's premier locus for groundbreaking ideas—one where advanced technologies flourish, workers find attainable living conditions, and American competitiveness is fortified for the decades ahead.





## Texas (Between San Antonio and Austin)

This corridor boasts a vibrant blend of manufacturing, high-tech industry, and cultural appeal. Significant federal holdings might be more limited than in states like Nevada, but well-situated parcels could be released to create master-planned communities. The local labor market—supported by major universities, a thriving startup scene, and established industries—would feed directly into the Freedom City's growth. Housing prices, though still more manageable than coastal metros, continue to rise as demand outstrips supply. A Freedom City here could accelerate new home construction, stabilizing prices and keeping the region competitive for both families and employers.

Regulatory arbitrage in this zone could streamline manufacturing permits, facilitating rapid scaling of factories producing semiconductors, automotive parts, or medical devices. The result would be a self-reinforcing ecosystem of suppliers, logistics firms, and talent pipelines that bridge two of Texas's most dynamic metropolitan areas. Additionally, a streamlined nuclear power permitting process will enable the comparatively rapid construction of new nuclear powerplants to provide power for this rapidly growing region. As housing, infrastructure, industry, and energy grow together, this Freedom City could become a blueprint for balanced, sustainable regional development. Such a site would be reliant on legislation that allows private land holders to turn their property into Freedom Cities.





## Belle Isle, Detroit

Belle Isle, currently a city-owned park on the Detroit River, offers a compelling setting for a Freedom City focused on advanced manufacturing, automotive R&D, and green technologies. With Detroit's industrial heritage and automotive-tech sector, this island could host specialized testing tracks for autonomous vehicles, pilot assembly lines for EV components, and advanced training facilities to skill up the regional workforce. Land availability is more constrained than in Western states, but the proximity to existing infrastructure and engineering talent is a major asset. Additionally, a cooperative development with the city of Detroit will help to support the key American automotive manufacturing and tech sector.

By introducing flexible zoning rules and simplified environmental reviews, a Belle Isle Freedom City could catalyze Detroit's resurgence, transforming the region into a magnet for domestic and international investment. With abundant industrial know-how and a labor market seasoned in manufacturing, the city could develop a new generation of green factories and testbeds, stabilizing housing costs by encouraging in-fill housing and walkable neighborhoods that connect residents directly to newly created jobs.



## Rocky Mountain National Arsenal, Colorado

The Rocky Mountain Arsenal, located between Denver and Denver International Airport, offers unique potential as a site for establishing a Freedom City. This 15,000-acre expanse, once used for military and industrial purposes, has been extensively rehabilitated and now hosts a wildlife refuge. However, substantial parts of the site could be repurposed for urban development without seriously affecting large tracts of the refuge. Its proximity to Denver International Airport, major highways, and urban centers provides strategic accessibility while retaining a sense of isolation conducive to innovative urban planning. Furthermore, close proximity to key elements of Colorado's aerospace industry make this an ideal site to pioneer innovative drone and electric vertical take off and landing aircraft.



## Conclusion

The Freedom Cities concept offers a blueprint for revitalizing American economic dynamism through a combination of regulatory innovation, strategic land use, and targeted policy reforms. By authorizing specialized urban districts—where advanced technologies, streamlined permitting, and adaptive governance meet—lawmakers and communities can address pressing challenges in housing, biotech, aeronautics, energy, and beyond. Central to this vision is the understanding that localized autonomy, coupled with rigorous but simplified regulatory oversight, can break through long-standing bottlenecks—be they protracted building approvals, nuclear licensing delays, or outdated hiring rules.

From Utah's desert expanses to the Presidio in San Francisco, from Austin's tech corridor to Detroit's industrial hub, a range of federal and private landholds stand ready for transformation. Each site boasts unique strengths and strategic advantages, yet all share the potential to demonstrate how methodical deregulation and proactive governance can spur job creation, infrastructure investment, and wide-ranging innovation. The projections presented here may be conservative in scope, but they illustrate a strong upside: tens of thousands of housing units built, hundreds of thousands of new jobs generated, and billions of dollars invested in industries crucial to America's future competitiveness.

A successful Freedom City is more than just an economic engine. It is a living laboratory for policy experimentation—one that draws on local input and private-sector engagement to craft streamlined solutions around pressing issues like housing affordability, biotech R&D, drone integration, and clean-energy deployment. Legislation that codifies a Freedom City framework would signal bipartisan dedication to re-shoring manufacturing capacity, upgrading vital infrastructure, and reasserting American leadership in the most cutting-edge fields of science and technology.

Implementing Freedom Cities on both federal and voluntarily opted-in private lands ensures that no region is excluded by virtue of existing ownership constraints, and that municipal stakeholders can share in the opportunity to develop agile, high-impact enclaves. Although the ambition is considerable, the potential payoff—in restored industrial resilience, broadened economic participation, and a confident return to national leadership—is proportionally large. By embracing the Freedom Cities model, the United States can more effectively unite under a forward-looking strategy that replaces regulatory stagnation with adaptive governance, unlocking the full power of American ingenuity in the 21st century.





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