Changes in Zoning to Encourage Affordable Housing

Strategy description

Exclusionary zoning regulations create barriers to the development of a diverse housing stock in many communities. A variety of zoning changes can be used to create more opportunities for affordable housing. Some of these include:

Providing a range of lot sizes to allow a variety of housing types

- Minimum-density requirements, so that land zoned for multifamily housing cannot be developed as single-family housing
- Zoning for multifamily housing, accessory dwelling units, and live/work units
- Rezoning underutilized industrial and/or commercial areas for residential use. Many cities have seen a decline in manufacturing and other types of industrial uses that are not likely to return and have a limited supply of land for housing, but have not rezoned land to reflect this new reality.
- Eliminating or reducing minimum lot sizes, buffer requirements, square footage and setback requirements, and restrictions of the number of units in a single building
- Eliminating septic and wetlands requirements that are more stringent than state requirements
- Reducing parking requirements for affordable housing developments, particularly those near public transportation
- Revising zoning rules that discourage affordable housing development to prohibit “undue adverse impacts” instead of "adverse impacts" on current property owners
- Using unified codes that eliminate separate subdivision requirements
- Avoiding broad interpretations of zoning rules that prohibit development that “changes the character of an area.” Such rules are sometimes interpreted to mean that all denser housing types are prohibited.

History of the strategy

Zoning that discourages affordable housing development has been used in towns and cities for decades. For example, the 1975 New Jersey Supreme Court’s decision in the Mount Laurel case specifically recognized that zoning rules were being used to exclude affordable housing. Changes in zoning to reverse exclusionary effects of zoning have been used as a strategy to encourage affordable housing for almost as long.
Target population

- Changes in zoning target different populations, depending on the specific zoning change. Some reduce barriers to multifamily development, targeting primarily renters; most target homebuyers at all income levels.

How the strategy is administered

Community stakeholders, including developers, local business owners, landowners, affordable housing advocates, and others may all petition for or advocate for zoning changes. A legislative body must pass the changes, whether that is a planning commission or a local government.

How the strategy is funded

No funding is necessary other than for enforcing new zoning codes.

Extent of use of the strategy

- Zoning changes are widely used to promote increased development of affordable housing.

Locations where the strategy is being used

- The city of Fremont, CA established a multifamily zone to encourage multifamily developments in the city. Among other incentives, the city offers reduced minimum lot setbacks, reduced increased maximum lot coverage, reduced on-site parking standards, and reduced minimum street widths.

- By enacting zoning policies that support a diversity of housing types, Cambridge, MA accommodates mixed-income developments such as Auburn Court. The development includes a mix of one-, two- and three-bedroom units, flats and duplexes for a total of 137 housing units.

- Cincinnati, OH revised its zoning code to allow 2,000 and 4,000 square foot lots in older neighborhoods. It also reduced requirements for side yards and setbacks.

Pros and cons to using the strategy

Pros:

- Reduces costs of building residential housing generally by permitting more efficient use of land.

- Improves diversity of the housing stock, creating units affordable to households at a range of incomes.

- Smaller lots and more dense development help protect environmentally sensitive areas that might have otherwise been used for development.

- May reduce transportation costs because residents may have shorter commutes and live closer to other amenities.
Cons:

- Changes in zoning can require a lengthy process.
- Zoning changes can meet strong resistance from local homeowners who fear that a change would drive property values down, or change the make-up of the community, or negatively affect community services.

Sources of information about the strategy

- “Developing Affordable Housing,” City of Fremont, CA website: [http://www.ci.fremont.ca.us/Construction/DevelopAffordableHousing/default.htm](http://www.ci.fremont.ca.us/Construction/DevelopAffordableHousing/default.htm)

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Click here to view the full report.

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