

The Real Effects of Zoning Rules

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July 7, 2004

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It can be said that it is human nature for people to tinker. Some projects larger, some projects smaller, than others. As the word implies, tinker is not a precise science. Often times, well thought projects can have positive effects, while other less well planned attempts can be disastrous. The zoning policies enacted in the 20th Century unfortunately fall into the latter category. The prevailing problem with zoning regulations is that rather than achieving what they set out to do, they predominately end up fostering the exact opposite, thereby making the initial “problem” worse.

Many examples of this can be seen through out North America, however one prime example of this can be seen in the homeless situation that exists in too many cities. This problem is made worse not by just one zoning convention, but rather by a collection of policies that we have in place that are designed to improve the housing climate for the less fortunate.

Single Family Restriction:

Single family restriction states that in such zoning area, there can only reside a single family. However, there are two problems with this rule. First, it rules out the development of apartment buildings. This creates an artificial scarcity of land which apartments can be built on, thereby driving the price of current rental units even higher.ⁱ Regardless of whether it is a normal or low income apartment, inhabitants would more likely be able to afford to rent a unit, than buy a single family house. To take this a step

further, even if the populace was able to purchase a residence, this same rule also restricts the development of condominiums, which is another lower cost option to single family homes. Second, single family restrictions do not allow two families to share a single house, in order to bring the cost of living there to a sustainable level.

Affordable Housing Laws:

Affordable housing laws are another example of ill government attempts at implementing regulations that seek to “rectify” the homeless situation. This zoning policy forces builders to allocate a certain percentage of their construction projects to be set in the lower price range. While this may seem like a good idea on the surface, in reality, studies from the chosen areas have shown that the effect of this law has not only made the average prices of new homes more expensive, it has also lowered the number of houses built, thereby driving up the cost of houses even more.ⁱⁱ This study affords us an excellent comparison between regions of the United States that have this type of zoning laws and those that do not. To make sure that this is not a localized phenomenon that only affects one area of the country, the report looked at fifty-eight cities spread across all of the United States. This included cities such as Cupertino, Pasadena, and San Clemente.

The study shows that after the affordable housing laws were laid into effect, the average cost of new homes in Los Angeles County and Orange County increased from a low of thirty-three thousand to a high of hundred thousand dollars. To make matters worse, in the fifty-eight cities studied in the seven years that followed the introduction of the new zoning rule, the average number of new housing units fell by almost eleven

thousand units. An estimate, of how much worse affordable housing rules have made things, can be seen in the following statement by Benjamin Powell, assistant professor of economics at San Jose State University, and co-author of the report. He stated, “By discouraging production of 17,296 homes in those fifty-eight cities, \$11 billion worth of housing was essentially destroyed.”

Sometimes the effects of zoning systems are not as clear as in the previous two examples. Other, more subtle, negative effects take years to manifest and are slowly creeping up on the cities that use these rules.

Diversity of Use:

In simple terms, the idea of diversity of use states that land, property and real estate should be used for what is most currently suited and its use should not be limited to some predetermined purpose. Take, for example, a family run butcher, typical in many downtown areas, many times located in small tradition triplexes, where the store is on the street level and single and family sized dwellings are available above. Taking the positive outlook, as the years pass, through hard and smart work, business at this butcher increases. So much so, that the location is now too small for the butcher to fully serve its customers. As a result, the butcher vacates the location and opens up in a larger site to accommodate its needs and the needs of the residents (customers) in the area. Now this vacant lot, rather than staying empty, becomes a small coffee house that another entrepreneurial is able to utilize. If community has use for this new coffee shop, than it will stay in business, if what was really needed was something other than the coffee

house, than the said establishment will be vacated and a new replacement business will move in until a new match is found.

Instead of having land zoned for a particular use and only that use, diversity of use help makes the best use of the currently available land. If in the previous example, the land was zoned for say only butchers, once the butcher shop owner moved to his/her new location, the old lot would just sit vacant until a new butcher decides to open up shop. Not only does this cause the lot to stay vacant for longer periods of time than necessary, but if the community only needs the one butcher shop the said lot will stay vacant indefinitely, creating empty pockets of “waste land” . To make matters worse when this is applied to not just one store, but rather a city block or even a whole neighborhood, the city has now been transformed into regions with low foot traffic, giving residents little or no reason to enter these no value areas.ⁱⁱⁱ

While zoning laws and regulations set out to improve cities, time and time again, it has been shown to actually have the reverse effect; to the detriment of the community and its residents. Not to go so far as to say that city councils or planners are lazy or ill informed, but rather no single person or small groups of people can really have sufficient information to determine best use for a particular location. The only people that really know the best use of land are the residents and the communities around it. Letting the market structure that exists in society be the ultimate judge and giving people voice through their dollars, if the placement of the butcher shop or the coffee house is really the best use. As people continue to tinker with urban planning and zoning laws, one can only

hope that communities will see the negative effects that these rules are creating and will put an end to it before more of what was once vibrant thriving areas are turned into urban wastelands.

ⁱ Bernard Siegan, *Land Use Without Zoning* (Lexington, MA: Lexington Books, 1972), pp. 114ff

ⁱⁱ <http://www.rppi.org/ps320.pdf>.

ⁱⁱⁱ *The Death and Life of Great American Cities* (New York: Random House, 1961),

Zoning

The Law Unintended effects

1. Harsh affordable housing zoning by-laws can have the paradoxical effect of upping the price of single family homes and lowering the number of houses built.

Say the city requires 25% of the homes built to be “affordable”.

- A. Some builders will drop their projects and less housing is produced. Much as rent control lowers the number of apartments built, fewer houses built will raise the price of those built (since DD is competing for a smaller SS) and the less well off will be underhoused or forced out onto the streets. (This is exactly what happened with the introduction of rent alternative laws in ON in the 1970' s– a large increase in homelessness, social housing and persons living in shelters.)
 - B. In order to comply, builders will build tiny but very expensive (per single family) structures that are considered affordable. But will rent/sell these “loft” spaces to Yuppies, DINKs, Bohemians and not the poor or social classes.
2. Zoning bylaws that say restrict the use of a commercial space to a butcher shop will not follow the natural evolution of cities over time. SOME PRETTY PICTURES WHICH YOU CAN INCLUDE ☺...The time it takes to find another butcher is likely to be under longer than the time to find some other commercial use – say a hairdresser, a salon, a coffeehouse, a travel agency...

If another alternative use is found, the property must be rezoned – a long costly process that may not result in a successful application. – city council might turn it down, a jealous(NIMBY) neighbor might appeal it, a competitor might try to nix it, the tenant might get tired of waiting and bolt...

So we want exciting, diverse cities – places that seem to grow out of the ground, organically. Buildings are designed where form follows function (where functional program determines to an extent, the buildings design) But we need to allow the look and feel of a building to be a kind of function follows form, type of thing. Design should not be simply a skin placed around a set of present day uses – that was every office building ‘ say’ looks like a box.

No, the form of a building should reflect the art of ..., a feeling for the site and the neighborhood, and the city and the people and it' s history and it' s future.

Today's functional program might not be anything like tomorrow's, so building design (and uses) should not live in a straight jacket as a slave to its current functional program.

And city governments shouldn't attempt to hyper zone either – it just leads to uninteresting design and higher vacancy rates.

Surely, a lively city isn't made more livable by having that butcher shop remain vacant for long periods? Zoning bylaws overly restrict city development – they don't allow cities to evolve in the face of the 2000's of changes that occur every year in the socioeconomic fabric of the city.

Vacancies are like black holes in our cities – they make city streets unsafe, they are contagious – one black hole (vacancy) can lead to many more as shoppers/pedestrians/residents stay away.

This is the downward spiral of death for many neighborhoods – and zoning rules often contribute to that.

Relaxing such rules, abandoning them, de-regulating them etc, can lead to renewal.