

# The Answer

SHELTERFORCE

## Q: Do inclusionary zoning requirements halt development?

**A: No!** When inclusionary housing—a requirement that new housing development include some units affordable to low- and moderate-income households—is on the table, many people worry the added cost will grind development to a halt.

Not so. While the research isn't unanimous, it's close. Only one study has found a slight production decrease under certain limited conditions.<sup>1</sup> Six others found no effect<sup>2</sup> or even a small increase in multifamily production.<sup>3</sup>

Developers—though they don't like having to provide affordable housing—do so without much resistance. It is a highly desirable market. Most developers can still make good money even while providing additional units affordable to Park City's workforce.

—Rhoda J. Stauffer, Housing Specialist, Park City, Utah.  
PROGRAM BEGAN: MID-1990S.

Our affordable requirements haven't slowed down or stopped development in any discernable way.

—Sarah Stiteler, Senior Planner, City of Redmond, Wash.  
PROGRAM BEGAN: MID-1990S.

We consider the county's affordable housing program to be one of many development requirements—no different from requirements for streets and sidewalks. Our program does not stop development. The population of Montgomery County has nearly doubled in the past 40 years.

—Stephanie Killian, Manager, Affordable Housing Section, Rockville, Md.  
PROGRAM BEGAN: 1974.

Inclusionary zoning has had little, if any, impact on the pace of residential development. Because it's mandatory, and Davidson such a desirable place to live, developers—although they dislike IZ—continue to build at a rapid pace.

—Cindy C. Reid, Staff Attorney/  
Affordable Housing Manager, Davidson, N.C.  
PROGRAM BEGAN: 2001.

While San Francisco's inclusionary housing program was citywide law (2002–2013), an average of 1,983 residential units [affordable and market] were developed annually, despite the economic downturn. During the preceding 20 years, the average was only 1,257.

—Chandra Egan, Inclusionary Housing Program Manager, Mayor's Office of Housing and Community Development, San Francisco.  
PROGRAM BEGAN: 1992; CITYWIDE LAW 2002.

Every policy is going to cause tradeoffs of some sort, but all too often the predicted costs are overblown, and benefits shortchanged. Not having any place for teachers, fire fighters, or low-wage retail and service workers to live also imposes costs on an economy.<sup>4</sup>

- 1 "The Effects of Inclusionary Zoning on Local Housing Markets: Lessons from the San Francisco, Washington DC and Suburban Boston Areas," Center for Housing Policy and the Furman Center for Real Estate and Urban Policy, 2008, [www.nhi.org/go/29341](http://www.nhi.org/go/29341)
- 2 See, for example, "Can Inclusionary Zoning Be an Effective and Efficient Housing Policy? Evidence From Los Angeles and Orange Counties," *Journal of Urban Affairs*, May 2010, [www.nhi.org/go/73639](http://www.nhi.org/go/73639)
- 3 "Housing Market Effects of Inclusionary Zoning," *Cityscape*, Vol. 11, No. 2, Regulatory Innovation and Affordable Housing, 2009, [www.nhi.org/go/63215](http://www.nhi.org/go/63215)
- 4 "The Role of Affordable Housing in Creating Jobs and Stimulating Local Economic Development," Center for Housing Policy, 2011, [www.nhi.org/go/83476](http://www.nhi.org/go/83476); "A Long Way From Home: The Impacts of a Limited Supply of Workforce Housing in the Asheville Metropolitan Area," Center for Urban and Regional Studies, University of North Carolina, 2013, [www.nhi.org/go/AshevilleUNC](http://www.nhi.org/go/AshevilleUNC)

### FOR MORE ON INCLUSIONARY ZONING, SEE:

"Inclusionary Housing: A Viable Solution to the Affordable Housing Crisis?" Center for Housing Policy, October 2000, [www.nhi.org/go/56581](http://www.nhi.org/go/56581)

"Zoning for Housing Justice," *Shelterforce*, Sept./Oct. 2003, [www.nhi.org/go/40754](http://www.nhi.org/go/40754)

"Achieving Lasting Affordability Through Inclusionary Housing," Lincoln Institute of Land Policy, 2014, [www.nhi.org/go/67805](http://www.nhi.org/go/67805)

