

Atlanta Urbanist Book Group

Arbitrary Lines: How Zoning Broke the American City and How to Fix It

By M. Nolan Gray

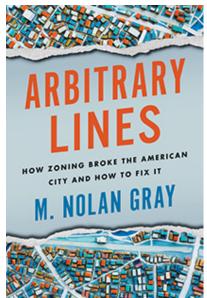
The Atlanta Urbanist Book Group met on Aug. 2, 2023 to discuss *Arbitrary Lines: How Zoning Broke the American City and How to Fix It* by M. Nolan Gray. Gray is a city planner and author.

His book is about the damage done to cities, their residents and economies by zoning, with suggestions for undoing the damage. While Gray thinks zoning should simply be ended, he suggests some reforms that could keep it in place but reduce its harm.

The book is divided into three parts. The first is about the history of zoning and how zoning works. The second is about the damage it has done to cities by raising the cost of housing, limiting the ability of cities to grow naturally, and encouraging sprawl. The final section is about what could replace zoning in part or in whole. Among the replacements: better planning and nuisance control.

And Gray gives us an example of how cities without zoning work. The largest city in the U.S. with no citywide zoning is Houston.

Four Big Ideas



The Atlanta Urbanist Book Group highlights ideas from books that we think could make Urban Atlanta better. Here are four "big ideas" drawn from Arbitrary Lines that we think Urban Atlanta could benefit from:

1. Zoning has damaged cities and harmed neighborhoods in numerous ways. But after a century of zoning, we do not think it likely that we will end zoning in Urban Atlanta. We might, however, reform it.

- There are a number of "achievable reforms" that local governments should consider, from allowing attached urban dwellings in all neighborhoods to ending floor area ratios and parking requirements. We should also allow multifamily housing and neighborhood retail in walking distance of transit stations.
- 3. To go beyond these modest changes, we need parts of Urban Atlanta to demonstrate the benefits of zoning reform. We have a suggestion of how this can be achieved.
- 4. For any of this to happen, we need effective advocacy organizations to explain to citizens how zoning has harmed cities and neighborhoods and to build coalitions for reform.

Our idea for demonstrating zoning reform (idea 3) is to make zoning reform a competition among Atlanta's Neighborhood Planning Units. There are 25 NPUs in the city. The city could offer planning, citizen outreach assistance and other benefits to two or three NPUs willing to try modest zoning reforms, such as ending single-family zoning, abolishing minimum parking requirements, and eliminating minimum lot size and floor area requirements.

These NPUs could serve, then, as "pilot project" areas. The city and others, such as college planning departments, could study them before the reforms took place and after. Our guess is that nearly all the changes would be good ones, with new forms of residential construction, greater neighborhood retail and improved transit services. The city and others could (and should) serve as guarantors that existing, or legacy, residents will benefit from the improvements.

Equally as important, residents elsewhere in the city and elsewhere in Urban Atlanta could see the effects of zoning reform and decide if they would like to enjoy the benefits.

Idea 4—that reform depends on effective public advocacy—is a big idea we've suggested in discussions about <u>Golden Gates</u> and <u>Streetfight</u>, books about housing affordability and transportation. We are coming to understand that the lack of effective advocacy is a major obstacle to reform in Urban Atlanta.

Why Do These Things?

As Gray makes clear, zoning has done deep and lasting harm to cities and neighborhoods. Among the most important to Urban Atlanta:

- Because it prevents appropriate density from taking place, zoning has made housing more expensive and transit difficult. And it has harmed neighborhood walkability.
- It has made cities less economically productive. By one estimate, by not allowing cities to grow naturally, zoning costs cities in the U.S. \$1.6 trillion a year in lost wages.
- It has prevented neighborhoods from having retail that could have made them more desirable.
- By banning attached dwelling units, zoning has prevented legacy families who faced difficulty holding onto their homes in gentrifying neighborhoods from supplementing income by building and renting small apartments.
- By encouraging sprawl, zoning has contributed to climate change.
- Zoning ought to offend people of many political beliefs. That's because it has been both a tool of racial and economic segregation *and* an impediment to a free market and a prime example of unnecessary government regulation.

What Are the Obstacles?

Even the most worthwhile changes generate opposition. That's true even for something as desirable as reforming land-use regulations that harm cities and neighborhoods. So our members discussed the obstacles or barriers the big ideas might face in Urban Atlanta. Here are some:

• The greatest obstacle is that zoning has escaped attention and, therefore, criticism. This is why we need effective public advocacy about zoning's brief but disastrous history, the damage it has done to

cities and neighborhoods, and the alternatives to zoning that exist, such as planning and nuisance control. Citizens will be surprised to learn, for instance, that the fifth-largest city in America, Houston, not only has no citywide zoning but has twice voted down referendums that would have imposed zoning.

- Zoning is complicated. As a result, not only public advocates but journalists, city planners, neighborhood leaders, elected officials and others will be needed to explain how zoning works to citizens and how its alternatives could work.
- Sprawl has fans and allies. This makes change difficult. And we can count on these forces fanning citizens' fears in order to maintain the status quo.
- At present, zoning reform is on no important civic group's agenda. Not elected officials or the business community, not neighborhood associations or the philanthropic community. The work of creating a coalition for zoning reform, then, will be long and difficult.

Ways Around the Obstacles

These are difficult obstacles. Here are some ideas our members offered for overcoming the barriers:

- Effective advocacy works. In this case, it could work by making citizens aware of the reprehensible history of zoning and its bad effects and by helping citizens understand how its alternates could work.
- This would be easier and more effective if we had a portion of the city that served as a model of zoning reform. That is why we've suggested a competition among NPUs to adopt zoning reforms and serve as a "pilot project" for other parts of Urban Atlanta.
- There are examples of pre-zoning Atlanta still around, in neighborhoods like Grant Park, Virginia Highland and Candler Park, where different types of housing and neighborhood-scale retail live side by side. Turns out, these pre-zoning neighborhoods are some of Atlanta's most desirable residential areas.
- Even better, people who are moving to urban neighborhoods today should be open to zoning reform. They are moving because they desire the things zoning reform could bring more of: More neighbors, more neighborhood retail, better transit, walkable and bike-friendly streets, and a way for legacy neighbors to remain in their homes.
- There is an opportunity for coalition-building that can unite conservatives, liberals, business interests, urbanists, groups interested in equity, groups interested in property rights and others.
- In time, we will need champions to emerge among elected officials and civic leaders. Neighborhood leaders who will advocate for zoning reform will be crucial as well.

A Synopsis of Arbitrary Lines

Arbitrary Lines is 194 pages, not including acknowledgements, notes, recommended reading and index. It has 10 chapters, an introduction, a conclusion and an appendix.

Gray is city planner, author and scholar affiliated with the Mercatus Center at George Mason University near Washington, D.C.

This is a book about the damage done to cities, their residents and economies by zoning, with suggestions of how to undo the damage. In making the case against zoning, Gray looks at it in three ways. First, by examining zoning's history and how it works today. Second, by looking at what zoning has caused; basically the damage it has done. Finally, by suggesting how zoning could be changed or ended.

The history will come as surprise to many. Zoning is a 20th century invention, first used in the U.S. in 1916. It spread in part because it was promoted by the federal government. Its earliest champion was Herbert Hoover, then the U.S. secretary of commerce and later president.

While there was some logic to zoning—its stated intention was to separate incompatible land uses (say, industrial sites from residential)—Gray says it quickly became a way of separating classes of people. That's why most zoning codes do not stop with separating homes from factories but it also discriminated among types of housing—such as banning multi-family housing from most neighborhoods. According to Gray, in nearly every major city today, apartments are not permitted in 70 percent of residential areas.

But it's goes beyond even that, he writes. In many neighborhoods, the zoning code dictates lot sizes, parking requirements, setbacks from the street, maximum lot coverage, height and a dozen other things. As a result, small single-family houses—or their opposite, large houses with suites for extended families —would not be allowed in many neighborhoods. These restrictions against houses of certain sizes and types feed the affordability crisis we face today in housing.

This isn't a problem just for the suburban sections of cities. Most zoning codes have become so prescriptive that 40 percent of Manhattan's buildings could not be built today where they are. Zoning wouldn't permit it. One result, Gray points out, in the booming 2010s, New York built fewer units of housing than it did in the 1930s, in the depths of the Depression.

So what are the solutions? Gray suggests two approaches: Make zoning "less bad," or simply end it.

Among the "less bad" changes: No longer allow zoning codes to discriminate against multi-family housing, eliminate minimum parking requirements, eliminate or reduce minimum lot sizes and floor area requirements, and end bans against single-room occupancy housing, which serves the poorest residents of cities.

Gray's heart, though, is in ending zoning altogether. But since zoning was intended to separate incompatible land uses, like factories or shopping malls next door to residential properties, wouldn't ending it open the floodgates for such conflicts?

Gray says it wouldn't for several reasons. First, he says, cities can always pass ordinances forbidding nuisances. If a factory creates bad smells or a noisy tavern keeps people up at night, cities can regulate them to the point of shutting an offending business down. Second, infrastructure and markets sort land uses effectively, he says. No one builds a shopping mall or a tall office building on a quiet suburban street. If shoppers and workers couldn't get there, these businesses would be sure to fail. With their planning and transportation powers, then, cities can direct large commercial properties away from residential areas.

But how do we know this for sure? We know it, he says, because there is one big city in America that has no zoning. It is Houston, where factories don't locate in residential areas and offices complexes aren't built on cul-de-sacs. They're built along busy highways and near transit stations.

What Houston does have is a lot more housing—at affordable rents—than other big cities. "Houston builds housing at nearly three times the per capita rate of cities like New York City and San Jose," Gray writes, and much of it is infill housing, not sprawl. That is, neighborhoods that were once tract housing are redeveloped into denser townhouse districts.

It's important to know, however, that Houston has something else: deed restrictions. These are voluntary agreements among property owners that regulate density and use in some neighborhoods. If you buy a house with a deed restriction, you must agree to its terms. About a quarter of the city's neighborhoods have them. They are for periods of time—from 25 to 40 years—and must be reapproved by a vote of the property owners every 10 years.

And it turns out that deed restrictions act much like zoning. They even come with city enforcement, so if a resident in a deed-restricted neighborhood complains that the family down the street has built an addition that's not permitted, the city can force the family to take it down.

But wait. If Houston has something that looks and acts like zoning, how is this better than zoning? Three ways, Gray argues. First, it is voluntary, so three-fourths of the city has no zoning restrictions. Second, these agreements are limited in time; over the years, some deed restrictions have expired. Finally, he says, it was a reasonable compromise. It allowed people who were most fearful of change to have some certainty, even as it spared everyone else.

This may be the route other cities will take, Gray concludes. Allow the neighborhoods most adamant about land-use regulation to have it. Let every other part of a city try life without zoning.

Would citizens agree to such a bargain? While no other big city has simply abandoned zoning, Houston voters have twice turned back referendums that would have imposed citywide zoning regulations, once in the 1960s and again in the 1990s. Offered the deed restriction compromise, Nolan thinks, other cities might try Houston's way.

As you read this book, you may want to ask:

- · Has zoning harmed Urban Atlanta? If so, how?
- · Are there other ways of separating incompatible land uses and dealing with nuisances?
- Should zoning in Urban Atlanta's cities be changed—or ended?

About the Atlanta Urbanist Book Group

Our mission at the Atlanta Urbanist Book Group is to introduce new ideas to Urban Atlanta by reading recent books about cities, identifying the ideas we think would work in Atlanta, and offering civic leaders a guide to these ideas.

We define "urbanism" broadly. We are reading books about transportation, land use, housing, public safety, government reform, neighborhoods, social infrastructure, education, economic development, regionalism, diversity, politics, arts and culture, volunteerism, and more.

Our aim isn't to review books but to **show how their ideas apply to Atlanta today** and suggest ways of moving from good ideas to good actions.

You can learn more about the Atlanta Urbanist Book Group at atlantaurbanist.com.