



**Understanding Historic Exclusion, Current Evidence, and Recent Zoning and Land-Use Reforms and
Processes for Racial Equity**

**Statement of
Eleanor Noble
Research Analyst, Urban Institute**

**before the
DC Zoning Commission**

DC ZONING COMMISSION ROUNDTABLE ON RACIAL EQUITY TOOL

September 22, 2022

* The views expressed are my own and should not be attributed to the Urban Institute, its trustees, or its funders.

I thank Lydia Lo and Peter Tatian for helpful comments.

Good afternoon, and thank you for the opportunity to testify here today. My name is Eleanor Noble, and I am a research analyst in the Urban Institute's Metropolitan Housing and Communities Policy Center, where I focus primarily on the intersections between zoning and land use, equity, and housing affordability. I am also part of the core research team in the Land Use Lab at Urban, which delivers data and analysis on land-use regulations to help decisionmakers ground land-use laws, policies, and practices in research and evidence. The views I express today are my own and should not be attributed to the Urban Institute, its trustees, or its funders.

Zoning and land-use policies have played a central role in exacerbating racial economic and housing disparities. Although explicit race-based zoning was struck down by the Supreme Court in 1917, racist land-use and zoning policies continued in DC through redlining, racial covenants, apartment bans and large-lot minimums, and exclusionary single-family zoning (Greene, Turner, and Gourevitch 2017). These policies and practices, once set in place, have generationally compounded effects, resulting in a housing landscape where low-income people and people of color are far from quality jobs, unable to afford high-performing school districts, and more likely to live in environmentally hazardous neighborhoods (Hu and Wang 2019; Turner, Nichols, and Comey 2012; Rhodes and Warkentien 2017; Maantay 2001; Currie and Walker 2011).

Now, federal, state, and local decisionmakers, like you, have increasingly turned their attention toward zoning reform in attempts to both rectify historically exclusionary codes and address a severe housing shortage. The Urban Institute estimates that the Washington, DC, region needs an additional 264,000 high-quality and accessible units in the low-cost range to help prevent additional racialized displacement (Turner et al. 2019). Research produced by the Land Use Lab at Urban outlines this inextricable link between zoning and racial equity and provides innovative approaches to centering racially equitable outcomes in zoning practices.

My testimony today will outline evidence and examples for three key considerations for the Zoning Commission while finalizing this Data Equity Tool: (1) the importance of using data to target historically exclusionary neighborhoods for zoning reforms and development approvals; (2) how to account for a lack of equitable representation in zoning decisionmaking; and (3) tools and considerations to ensure racially equitable benefits at the individual, development, and neighborhood levels from zoning reforms and development.

Opportunities for Racial Equity Reviews to Address Historical Inequities in the Zoning Process

Targeting Historically Exclusionary Neighborhoods

The Zoning Commission's racial equity review should include an analysis of what level of exclusivity a region has had in the past in determining their responsibility to provide housing for the future. Last year over 100 civil rights, community organizing, and affordable housing advocacy organizations wrote to the Biden administration about the American Jobs Plan's local zoning and land-use reform proposal (Murray et al. 2021). They explained that the top priority for combatting structural racism through zoning reform was to focus on areas that actually exclude low-income people of color in practice. Recent

reforms and legislation to single-family zoning in places like Minneapolis and Oregon have been touted as ways to expand the housing supply and reduce racial and economic disparities (Kahlenberg 2019). But the evidence that those avenues will succeed in achieving either of those goals is mixed.

One goal of racially equitable land use should be to increase access to high-resourced neighborhoods among low-income people and communities of colors by assessing what barriers exist to creating affordable housing in those regions. As shown in Minneapolis, that increased access may not result from base zoning reforms alone. The reality is that Minneapolis's single-family zoning elimination has not been a driving factor in increased housing production: less than 100 of the 9000 units produced between 2020 and 2022 were conversions from single-family units to duplexes or triplexes (Fox 2022). Local researchers believe that the elimination of parking minimums facilitated more new apartment buildings and drove the production increase (Fox 2022). So other reforms may be more effective, such as reducing parking minimums, reducing fees on development, or simplifying the approval process to reduce discretionary review and public hearings that increase costs and stymie development. My 2020 research found that Portland passed a series of accessory dwelling unit (ADU) reforms, including a 2010 reform aimed at increasing housing production in single-family neighborhoods by waiving all ADU infrastructure fees (Lo et al. 2020). This incentive preceded a 600 percent increase in annual ADU production to 632 units in 2018, while the District's ADU production stood at roughly 23 units a year.

Racially equitable zoning reforms that increase equitable access to high-resourced neighborhoods are a key step toward increasing housing production, but evidence is still scarce on the demographics of new renters in these units, who these units are affordable to, and how these reforms impact the stability and housing cost burden of low-income homeowners of color. Project-level equity analyses and their accompanying data are needed for researchers and policymakers to discern if neighborhoods were inaccurately categorized as exclusionary or if individual low-income residents of color in exclusionary neighborhoods experienced displacement following a reform.

Equitable Representation in Decisionmaking

We know that participation in zoning decisionmaking is not representative of residents or their views. The Zoning Commission's racial equity review processes should also analyze public participation and decisionmaker diversity in zoning decisionmaking. Decisions about the current or future uses of a residential building or a parcel of residentially zoned land affect patterns of racial equity and economic mobility in the region. Residents who are underrepresented among single-family or multifamily owners are also underrepresented in decisionmaking about preserving affordability, expanding the housing supply, delivering housing at a mix of affordability levels, and locating new housing in high-demand areas.

An examination of types of civic engagement by owners and renters found that homeowners are more likely than renters to engage in local meetings and politics, typically for the purpose of protecting or raising property values (McCabe 2016). When narrowing this analysis to long-standing neighborhood residents, however, renters and owners are about equally likely to get involved in neighborly or altruistic ways. Research on community meeting participation in Boston confirmed owners' role in civic engagement for the purpose of limiting the housing supply. People in the Boston area who participated in public meetings about housing development were more likely to be owners and more likely to be

white than the local population. They also overwhelmingly opposed new housing, though ballot initiatives suggest a broader set of voters supported adding more homes (Einstein, Palmer, and Glick 2019). When the DC region still has a staggering 22 percent Black-white racial homeownership gap, DC residents of color are yet again not fairly represented in decisionmaking (Choi et al. 2019).

The Land Use Lab at Urban is also currently working on filling a large research gap about sociodemographic diversity in Zoning Commissions and Boards of Zoning Appeals across the country. Results from our recently closed Survey of Zoning Decisionmakers and Administrators will be released later this year.

I was a part of a team at the Urban Institute that used data to highlight this lack of representation in engagement. In 2020, during Alexandria, Virginia's ADU zoning reform process, our team conducted a literature review, collected survey data, and participated in public engagement meetings. We then analyzed the "representativeness" of survey responses and community engagement by race, income, and tenure of the participants or their reported neighborhoods to ensure that the planners and councilmembers who went on to adopt the recommendations were aware of the disproportionate share of residents who were homeowners, lived in areas with higher incomes, and lived in neighborhoods with comparatively smaller shares of residents of color (Stacy et al. 2020). We also briefed planners on how participant opinions of different proposed ADU regulatory components varied by tenure, race, and income.

Who Benefits from New Development?

DC's Zoning Commission should collect and weigh the racial distribution of benefits from zoning reforms and individual developments on current and future tenants, owners, and the surrounding community. As I outlined earlier, a key first step to ensuring equitable development is to target historically exclusionary areas. However, evidence about the impacts and beneficiaries of new development is mixed and depends on several factors, like the quality and type of unit built and local housing market conditions. Research in New York, Minneapolis, and Chicago analyzed what happened when new multifamily residential development was built. Li's (2021) study of new development in NYC found that rents dropped by 1 percent for every 10 percent increase in housing supply. Damiano and Frenier (2019), on the other hand, found that although new market-rate apartments in Minneapolis lowered rents for nearby high-tier housing, rents rose by up to 14 percent for lower-tier housing. Further complicating these assessments, a Chicago study suggests that increasing allowable residential density may not lead to more supply. Upzoning policies that increased incentives for taller, denser development in Chicago led to higher housing prices but no increase in supply (Freemark 2019).

Although exclusionary land-use and zoning regulations have stifled economic mobility and racial equity, questions remain about how to ensure that upzoning and the subsequent development that follows actually benefits Black residents, other people of color, and low-income residents. Ensuring that tenant protections (like rent control, just-cause eviction protections, source-of-income discrimination protections, the Tenant Opportunity to Purchase Act, tenant harassment protections, and certain multifamily demolition prohibitions) are free of loopholes and effectively implemented across the district is key to mitigating inequitable outcomes.

But without proactive, detailed, and transparent data tools and equity metrics, some questions remain: Will neighborhood change following zoning reforms and development happen equally in racially concentrated areas of affluence, areas of concentrated poverty, and the census tracts that lie between? Which owners and renters will benefit from new housing development? Could complementary policies strengthen its effectiveness as a racial equity tool? And what tools could shift residential land use toward racial equity and economic mobility at a regional scale?

The City of Seattle created multiple nuanced indices for their 2035 comprehensive plan to address the potential for displacement pressures and negative outcomes for existing residents at the neighborhood level. These maps and metrics guide a shared understanding of how residential growth and development affects marginalized people's displacement risk and their access to city resources, jobs, and quality neighborhoods (Seattle Office of Planning & Community Development 2016). By proactively incorporating these metrics into zoning and land use decisions, Seattle planners, politicians, and administrators are better equipped to mitigate disparate impacts.

Conclusion

Although there is a glaring lack of standardized zoning and land use reform and development data, states and localities across the country are still incorporating promising practices for racial equity in zoning and land-use decisionmaking. The District has the opportunity to be a leading locality in acknowledging, addressing, and proactively combatting racial inequities in zoning and development decisions. The evidence and examples I discussed here today outline the importance of proactively using data that explicitly include race to (1) target historically exclusionary areas for zoning reform and development, (2) be transparent about the sociodemographic makeup of the people engaged and involved in decisionmaking processes, (3) track who benefits from the new development by looking at racial data at the individual, development and neighborhood level.

References

- Choi, Jung Hyun, Alanna McCargo, Michael Neal, Laurie Goodman, Caitlin Young. 2019. "Explaining the Black-White Homeownership Gap." Washington, DC: Urban Institute.
- Currie, Janet, and Reed Walker. 2011. "Traffic Congestion and Infant Health: Evidence from E-ZPass." *American Economic Journal: Applied Economics* 3 (1): 65–90.
- Damiano, Tony, and Chris Frenier. 2019. "Build Baby Build? Housing Submarkets and the Effects of New Construction on Existing Rents." Minneapolis: Center for Urban and Regional Affairs
- Freemark, Yonah. 2019. "Upzoning Chicago: Impacts of a Zoning Reform on Property Values and Housing Construction." *Urban Affairs Review* 56 (3). <https://doi.org/10.1177/1078087418824672>.
- Greene, Solomon, Margery Austin Turner, and Ruth Gourevitch. 2017. *Racial Residential Segregation and Neighborhood Disparities*. Washington, DC: Urban Institute.
- Hu, Lingqian, and Liming Wang. 2019. "Housing Location Choices of the Poor: Does Access to Jobs Matter?" *Housing Studies* 34 (10): 1721–45.
- Justin Fox. 2022. "What Happened When Minneapolis Ended Single-Family Zoning." *Bloomberg Opinion*, August 20.
- Li, Xiaodi. 2021. "Do New Housing Units in Your Backyard Raise Your Rents?" *Journal of Economic Geography*.
- Lo, Lydia, Eleanor Noble, Diane K. Levy, and Rolf Pendall. 2020. "Land Use Reforms for Housing Supply." Washington, DC: Urban Institute.

- McCabe, Brian J. 2016. *No Place Like Home: Wealth, Community and the Politics of Homeownership*. New York: Oxford University Press.
- Maantay, Juliana. 2001. "Zoning, Equity, and Public Health." *American Journal of Public Health* 91 (7): 1033-41.
- Murray, Liz R. et al. 2020. *Principles for Equitable Zoning Reform*. Alliance for Housing Justice.
- Rhodes, Anna, and Siri Warkentien. 2017. "Unwrapping the Suburban 'Package Deal': Race, Class, and School Access." *American Educational Research Journal* 54 (1): 168S-89S.
- Seattle Office of Planning & Community Development. 2016. "Seattle 2035: Growth and Equity." Seattle: Office of Planning & Community Development.
- Stacy, Christina, Eleanor Noble, Jorge Morales-Burnett, Lydia Lo. 2020. "Designing Accessory Dwelling Unit Regulations; Recommendations for the City of Alexandria, Virginia." Washington, DC: Urban Institute.
- Turner, Margery Austin, Austin Nichols, and Jennifer Comey. 2012. *Benefits of Living in High-Opportunity Neighborhoods: Insights from the Moving to Opportunity Demonstration*. Washington, DC: Urban Institute.
- Turner, Margery Austin, Leah Hendeey, Maya Brennan, Peter Tatian, and Kathryn Reynolds. 2019. *Meeting the Washington Region's Future Housing Needs*. Washington, DC: Urban Institute.