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.1 Six others found no effect2 or even a small increase in multifamily production.3

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.

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.4

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/qa/56581