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## **ROOT CAUSES OF HOUSING AND LAND JUSTICE: ZONED OUT**

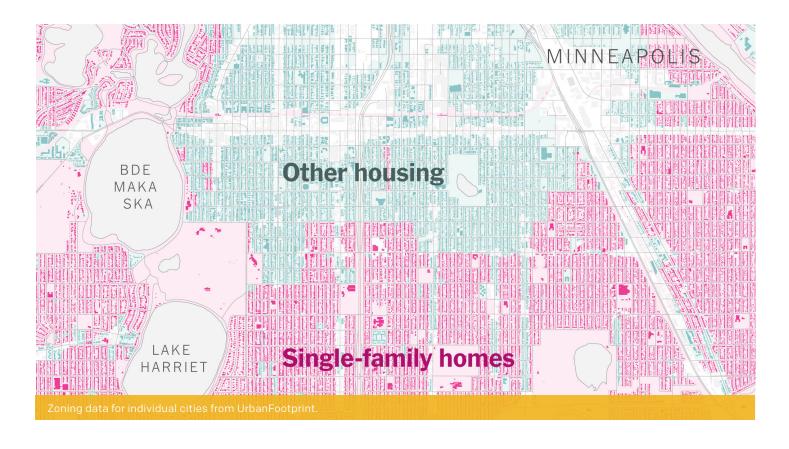
Municipal plans and zoning codes have played a significant role in perpetuating racial segregation and exacerbating racial wealth disparities. They have sequestered wealth and white households in exclusive neighborhoods, while fueling real estate speculation in communities of color. Property is valued at much higher levels in these predominantly white neighborhoods contributing to over 30% of the racial wealth gap. Today, even as people of color experience a population surge (outpacing white growth) in the United States, most white people still live in mostly white neighborhoods, while households of color live in more diverse neighborhoods.

Local governments utilized racial zoning codes to maintain exclusive white neighborhoods until the Supreme Court outlawed the City of Louisville's racialized zoning code in 1917.<sup>3</sup> New facially raceneutral zoning laws, such as mandating large lot sizes for single-family homes and restricting development of apartment buildings, then spread throughout the United States. They effectively excluded lower-income residents and households of color from accessing these areas.<sup>4</sup> For over a century, jurisdictions have zoned the vast majority of their land as single family zoning<sup>5</sup>, from coastal cities (Seattle, Washington, 81%) to southern towns (Austin, Texas 89%) to suburban counties (Arlington County, Virginia, 74%)<sup>6</sup>. Restrictive zoning has enabled predominantly white and affluent households to secure their economic advantage and divided communities along racial lines. These predominantly white areas continue to benefit from disproportionate public and private investment in amenities and infrastructure and the wealth derived from higher property values.

Municipal plans and zoning codes have long been exploited to fuel real estate speculation in communities of color. Throughout the mid 20th century, local governments often designated residential areas with large communities of color as prime locations for undesirable amenities such as waste transfer centers, highways, or industrial development. This triggered a cycle of private disinvestment and property devaluation. Speculators and investors capitalized on this devaluation, acquiring properties at low prices. As many urban downtowns revitalized in the late 20th century

these neighborhoods became more desirable due to their proximity. Local governments responded by increasing development entitlements in these neighborhoods to promote density and private investment, but did so without affordability requirements or other anti-displacement strategies. This zoning practice contributed to a recent wave of displacement of households of color to lower-cost suburban neighborhoods lacking infrastructure and amenities. In Portland, the predominantly Black Albina neighborhood was upzoned to encourage market rate development without requiring any affordable housing as a new light rail line was introduced in 2004. The ensuing increase in property values and real estate speculation contributed to the economic displacement of thousands of Black families. The resulting demographic change reduced transit ridership as the transit service's most consistent riders were displaced and replaced by higher income residents with higher rates of car ownership.<sup>8</sup>

Municipal zoning codes have perpetuated racial segregation and contributed to wealth disparities for communities of color for generations. Fortunately, planning directors across the country are committing to changing their agencies' culture<sup>9</sup> and practices. Cities like Louisville and Portland are now using racial equity analysis to understand the historical and ongoing impact of their zoning policies.<sup>10</sup> This provides a foundation to begin to address the systemic racial inequities embedded within these regulatory barriers. A new wave of equitable zoning reform is replacing these unjust zoning codes with land use policies designed explicitly to foster inclusivity and affordability.<sup>11</sup> Single family zoning has been eliminated in the city of Minneapolis, the state of Oregon, and the county of Arlington, Virginia to name a few<sup>12</sup>. These reforms are a promising sign of local governments working with communities towards a more inclusive and equitable future.



- 1 Laura Sullivan, Tatjana Meschede, Lars Dietrich, & Thomas Shapiro, Amy Traub, Catherine Ruetschlin & Tamara Draut. The Racial Wealth Gap. Demos and Brandeis University Institute for Assets & Social Policy.
- 2 Frey, William. <u>Neighborhood segregation persists for Black, Latino or Hispanic, and Asian Americans. Brookings Institute,</u> 2021.
- 3 Bernstein, David. <u>"Philip Sober Controlling Philip Drunk: Buchanan v. Warley in Historical Perspective"</u>. Vanderbilt Law Review, 1998.
- 4 Rothstein, Richard. "The Color of Law: A Forgotten History of How Our Government Segregated America, 2017.
- 5 Emily Badger and, Quoctrung Bui. "Cities Start to Question an American Ideal: A House With a Yard on Every Lot Townhomes, duplexes and apartments are effectively banned in many neighborhoods. Now some communities regret it". The New York Times, June 18, 2019.
- 6 Arlington County Missing Middle Housing Study, 2022.
- 7 Rothstein, Richard. Economic Policy Institute. "The Making of Ferguson: Public Policies at the Root of its Troubles", 2014.
- 8 Tom Mills and Madeline Steele. "In Portland, Economic Displacement May Be A Driver of Transit Ridership Loss", TriMet Ridership Initiative Blog, 2017.
- 9 See "Planning and Equity: A Commitment to Change", a letter signed by 38 planning directors in 2023
- 10 Hughes, Jenna, City of Portland Bureau of Planning and Sustainability. "Historical Context of Racist Planning in Portland" and "Confronting Racism in City Planning and Zoning", 2019.
- 11 See Alliance for Housing Justice, "Principles for Equitable Zoning Reform", 2023.
- 12 UC Berkeley Othering and Belonging Institute. Zoning Reform Tracker. 2023.

## **ROOT CAUSES AND SYMPTOMS OF HOUSING AND LAND INJUSTICE**

## **Health Inequities Concentrated Poverty Serial Displacement** Wealth Inequality **Power Imbalance** Segregation **Disinvestment Zoned Out Financial Apartheid Whites Only Building Whiteness** The Wall Street Subsidizing Landlords White Wealth **Taxing Race** Real Democracy or Bulldozing

**Real Estate Democracy?** 

**Communities of Color**