

# Zoning and Affordable Housing

Interim Study 2024  
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**OKPOLICY.ORG**  
Oklahoma Policy Institute

# Agenda

- What is zoning and why does it matter?
- Zoning in Oklahoma
- Zoning reform across the country



# What is zoning?

Zoning codes set by cities determine what type of building can be built on a parcel of land



"We invented zoning. . . during the industrial revolution . . . we're gonna have the factories here and the people here and we got to keep them separate . . . **we built cities all over America that are designed for automobiles and not designed for people.** . . we've got to get the coffee shop, the barbershop and law firms back into residential neighborhoods in ways that can help lower the cost and create services where you don't need a car for everything."



**North Dakota Governor  
Doug Burgum (R)**



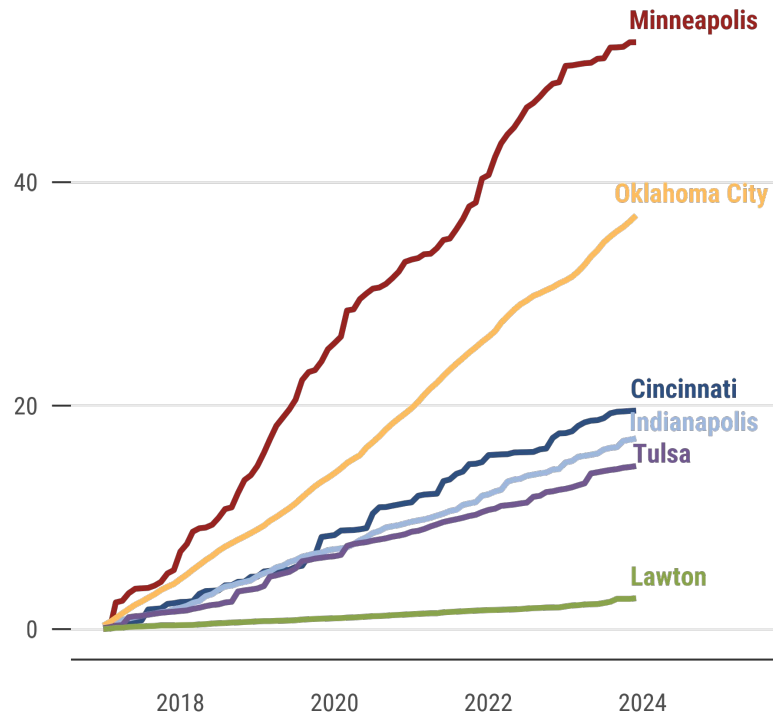
# Better zoning increases affordable housing



# Minneapolis legalized multi-family housing which...

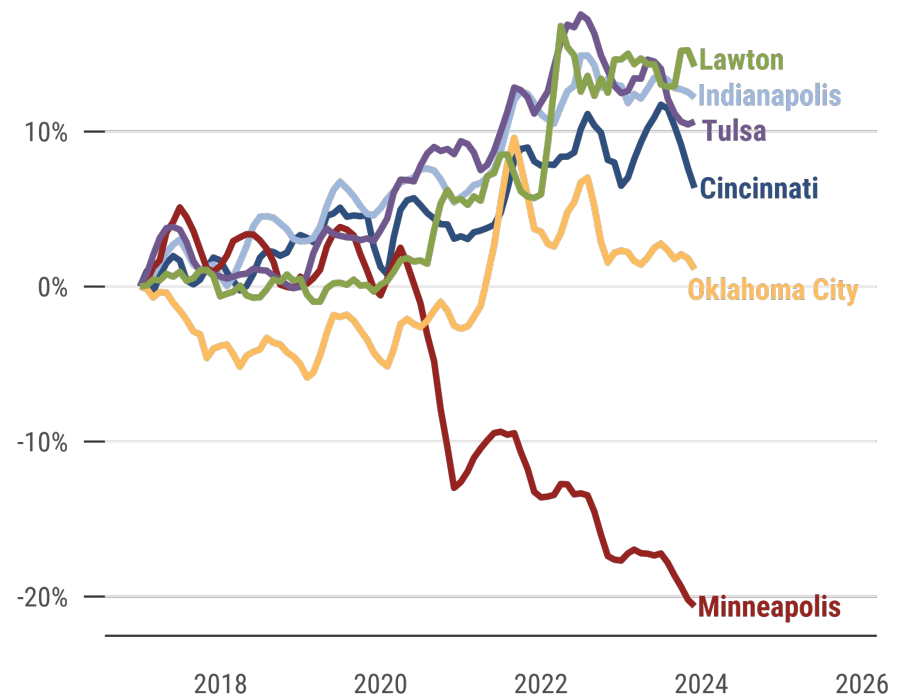
increased supply...

*Cumulative housing units approved per 1,000 people*



... and decreased rent

*% Change in Real Median Rent*

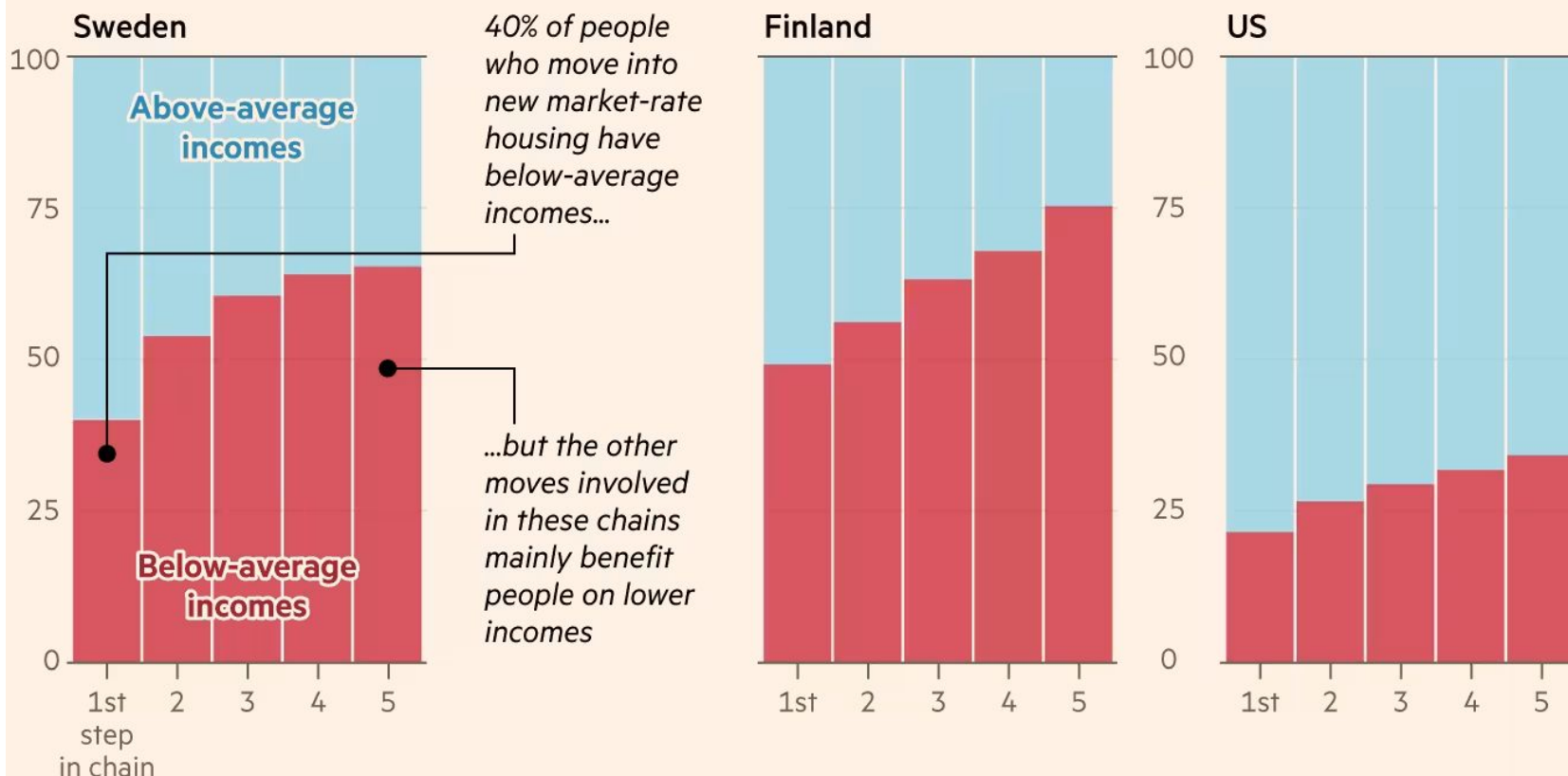


Source: Census Bureau, Apartment List, Zillow, BLS  
Chart by Anthony Flores, Oklahoma Policy Institute



# Most people who move into new market-rate housing are higher earners, but the chain of moves this triggers frees up homes for lower earners

Income breakdown of in-moving residents at each stage of the chain triggered by moves into new market-rate housing



Sources: City-wide effects of new housing supply: Evidence from moving chains (Bratu et al., 2023); Uppsala University Urban Lab; The Effect of New Market-Rate Housing Construction on the Low Income Housing Market (Mast, 2001)

FT graphic: John Burn-Murdoch / @jburnmurdoch

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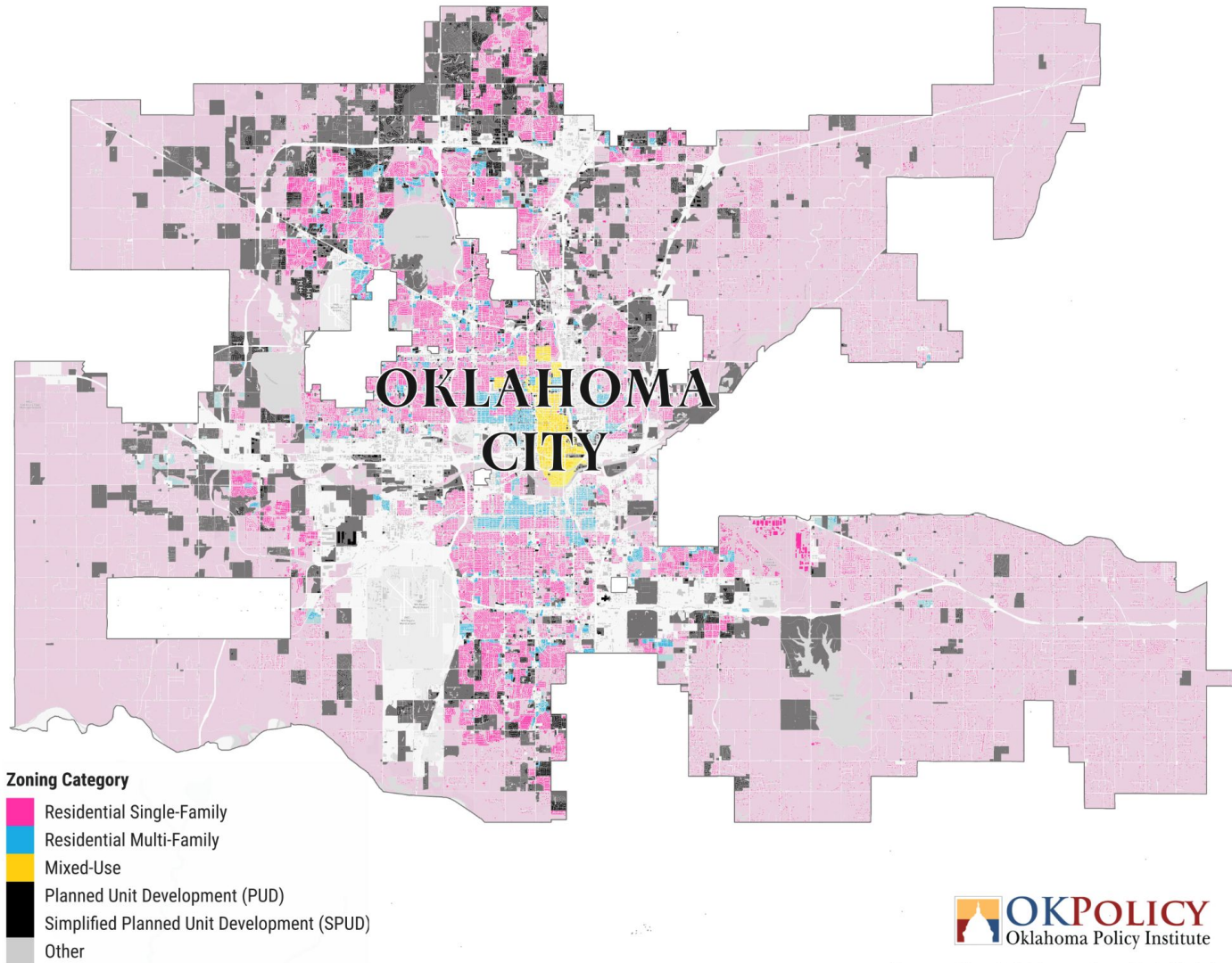
# Exclusionary zoning hinders affordable housing development in Oklahoma





# Oklahoma City

96% of residential land is zoned for only detached single-family homes, by-right.



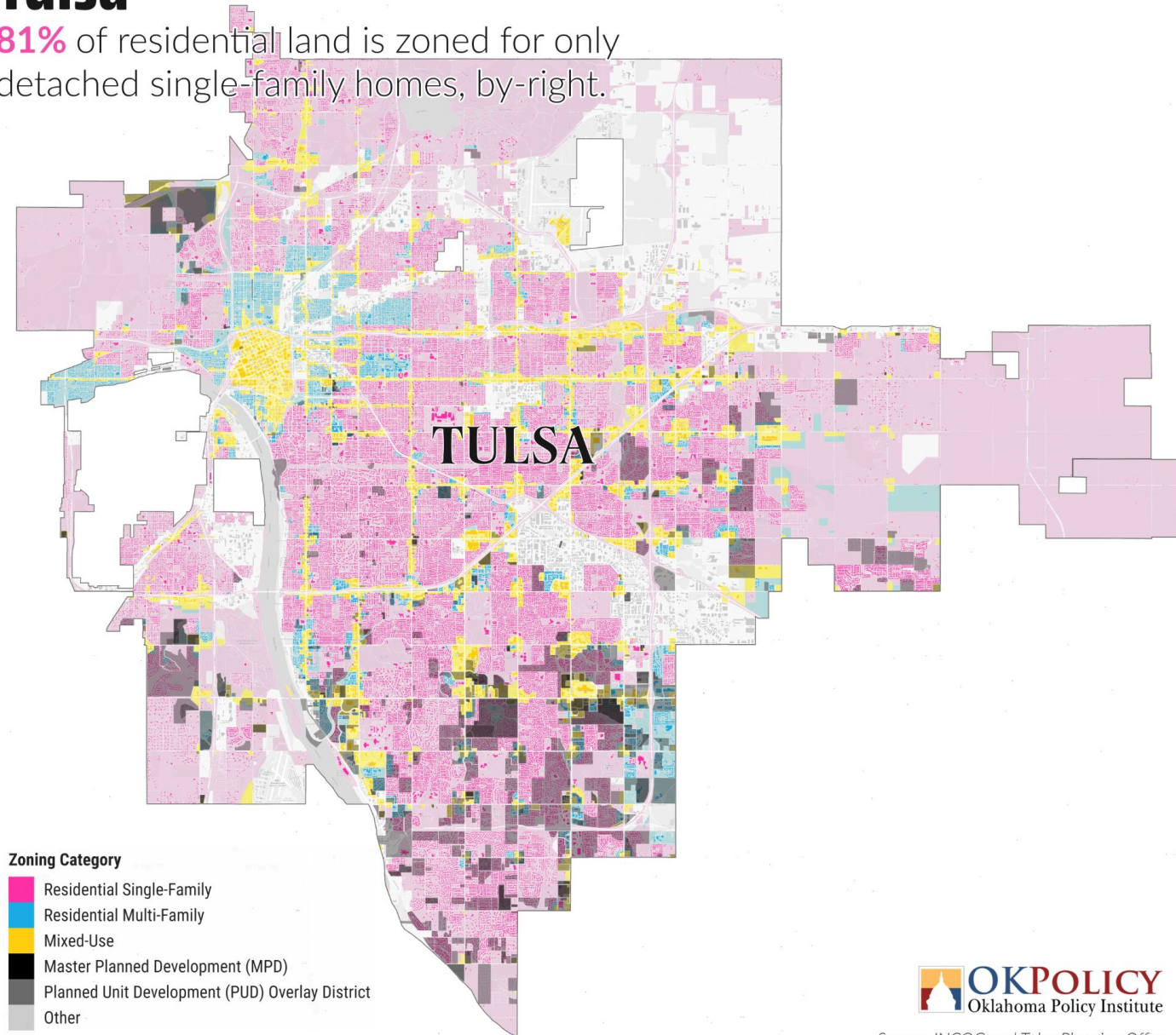
***“89% of homes built in last 10 years were single-family and outside the city core.” — OKC City Planner Marilyn Lamensdorf Allen***

**Even for people who want single-family, many prefer them on smaller lots, which is also not allowed without special exceptions.**



# Tulsa

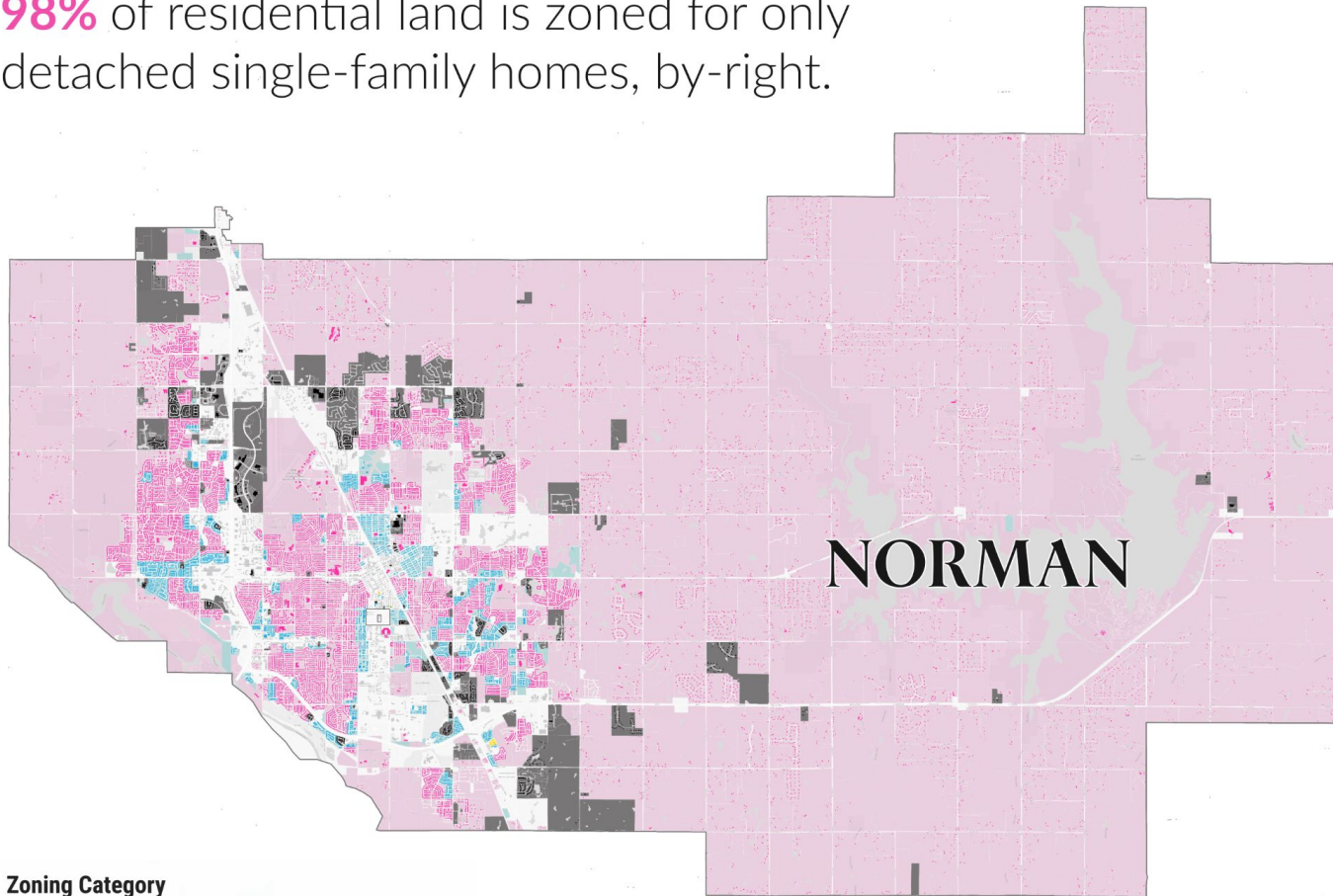
81% of residential land is zoned for only detached single-family homes, by-right.





# Norman

**98%** of residential land is zoned for only detached single-family homes, by-right.



## Zoning Category

- Residential Single-Family
- Residential Multi-Family
- Mixed-Use
- Planned Unit Development (PUD)
- Simplified Planned Unit Development (SPUD)
- Other



Source: City of Norman, GIS Services Division



# States are reforming zoning to allow for a greater variety of housing



# Washington Zoning Reform

## HB 1110

- City with population of at least 25,000 must allow
  - Two units per lot
  - Four units per lot within 0.25 miles walking distance of a major transit stop
  - Four units per lot if at least one unit is affordable housing
- City with population of at least 75,000 must allow
  - Four units per lot
  - Six units per lot within 0.25 miles walking distance of a major transit stop
  - Six units per lot if at least two units are affordable housing



**“Local governments are ready and willing to build on our longstanding partnership with the state to work together and create a variety of solutions that will benefit all our shared residents, including our most vulnerable. . . the next step is to ensure we can marry these policy changes with the needed dedicated resources to increase affordable housing production.”**

Carl Schroeder, Deputy Director of Government Relations at the Association of Washington Cities





**“Zoning regulations constrict housing supply and make affordable housing less accessible. We’re removing these roadblocks so Montanans can better afford to live in the communities where they work while protecting our treasured wide-open spaces.”**

**– Montana Governor Greg Gianforte (R)**



# Montana Zoning Reforms

Gov. Gianforte launched housing task force in July 2022 and identified zoning reform as a top priority. Is still in existence today.

## **SB 382:** Montana Land Use Planning Act

- required cities with populations over 5,000 people in counties with populations over 70,000 to update their land use, zoning, and subdivision regulations by 2026
- New zoning regulations must meet at least 5 of the housing strategies set by this act
- May not treat manufactured housing differently

**SB 323:** requires cities with 5,000 residents or more to allow duplex housing on any home lot

**SB 528:** allows for Accessory Dwelling Units



# Utah Zoning Reforms

## Commission on Housing Affordability

- Created in 2018
- Made up of a broad range of stakeholders including representatives from the housing industry, municipal and county government, chamber of commerce and nonprofit organizations
- Much of Utah's land use reforms were born out of this commission
- The commission is still in existence today recommending new reforms



# Utah Zoning Reforms

## Moderate Income Housing Report

- All jurisdictions must submit an annual moderate income plan describing housing strategy and how it is being implemented
- Jurisdictions that
  - **surpass** minimum requirements are given priority for transportation funds
  - **meet the** minimum requirements are eligible for transportation funds
  - **fail to** meet minimum requirements must pay \$250/day or \$500/day after one year



# Utah Zoning Reforms

## Housing and Transit Reinvestment Zones (HTRZ)

- Allow cities to fund mixed-use, multi-family and affordable housing projects near transit centers
- Enables cities to capture a portion of the incremental tax growth to support the costs of development
- Following legislation was based on this model and scaled to meet the needs of other areas such as those without a transit center



# Oklahoma Zoning Reform Proposals



# Zoning reform has been flagged as a need in Oklahoma

## **Rural Housing Task Force, 2001**

- “Encourage municipalities to modernize zoning codes to allow the use of alternative housing methods”

## **State of Oklahoma Consolidated Plan Five-Year Strategic Plan 2019-2023 and 2024-2028**

- “Communities must work to ensure that zoning regulations promote the development of housing types serving all income levels, including the providing of temporary and permanent housing to meet the needs of the presently homeless and those at risk for becoming the same.”





# Statewide Reform Proposals

## **HB 1559 (2023/2024)**

- Wider ranging zoning bill that sought to clarify that zoning must be shown to relate to the public welfare and be based in fact.
- Established that “public protest cannot be the sole reason for a decision.”



# Oklahoma Affordable Housing Commission

## HB 2724 (2024)

- Provides for the creation of Oklahoma Affordable Housing Commission and a revolving fund for it.
- Would be made up of broad range of stakeholders including representatives from development, finance, commerce, housing authorities, and nonprofits



# Zoning isn't everything, but it is a start

Questions?

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