

RULES OF DIVISION

The Influence of Land Use Regulation on Income Segregation

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RESEARCH TOPIC

Income segregation in U.S. metropolitan areas has been rising for the last forty years. This is a concerning trend, since neighborhood social mix has been shown to have lifelong impacts on health, economic productivity, and behaviors such as propensity to commit crime. Although it is widely assumed that local land use regulations – such as minimum lot sizes and growth controls – exclude low-income households from wealthier neighborhoods and thus amplify segregation, the empirical research is limited. Using new statistical measures for the 95 biggest cities in the US, we investigate the relationship between land use regulations and segregation by income.

RECOMMENDATION

- 1) Density restrictions exacerbate segregation, and we recommend that cities relax them strategically.
- 2) We also urge a more extensive implementation of inclusionary housing in the wealthier areas of cities. Such policies have a much greater potential to reduce segregation than the alternative approach of incentivizing affluent households to move into lower-income parts of the city.



STUDY

This study is the first in the field of segregation to combine recent advances in the measurement of income segregation with newly available survey data on different types of land use regulation. We use these tools to examine the relationship between land use regulation and segregation by income for the 95 biggest cities in the US.

MAIN FINDINGS

- Density restrictions are associated with the segregation of wealthy and middle-income households. Such restrictions do not appear to lead directly to the concentration of poverty but rather to the concentration of affluence, a finding which adds important nuance to the way in which exclusionary zoning techniques isolate the poor.
- Three measures of local involvement in the regulatory process are associated with higher levels of segregation: (1) local political pressure, (2) local zoning approval, and (3) local project approval. Cities that have more separate regulatory oversight mechanisms are more segregated.
- In contrast to the aforementioned findings, the measure of state political involvement is associated with lower levels of economic segregation. This suggests that segregation is lower where higher levels of government have greater influence, but higher where regulatory power is more concentrated in the hands of local decision makers.
- While the data and methods used in this paper are a step forward in the study of income segregation, more precise findings hinge on the development of more comprehensive data on local land use regulations. Such data need to be collected on a consistent basis in order to better inform future research and planning practice.



Lens, Michael C., and Paavo Monkkonen. "Do Strict Land Use Regulations Make Metropolitan Areas more Segregated by Income?" *UCLA Ziman Center for Real Estate Working Paper*, 2015.