



"FOUR-BY-FOURING"

PROPERTY OWNERS ASSOCIATION OF RIVERSIDE COUNTY

"Planned" residential development is expensive. The projects typically feature curvilinear streets, underground utilities, common-area amenities, extensive environmental protections, and public improvements that meet the County's highest standards.

All of this adds up to high cost. So, if a project is to be viable, the developer must be able to spread the costs, particularly public-improvement costs, over an adequate number of dwelling units. Otherwise, the cost per unit will be excessive in relation to home prices obtainable and the project will fail financially.

Achieving a satisfactory cost spread, then, is essential. But that obviously cannot be done if the densities allowed by the County are too low.

This is true, moreover, regardless of where development takes place. Since the costs of conventional development are at least as great in rural areas as they are in urban areas, density requirements in both places are essentially the same.

Thus, wherever the County sets the minimum lot size at 1, 2, 2 1/2, 5 acres, or larger, the resulting densities are almost certain to be too low to support the cost of conventional development.

"Four-by-Fouring"

While large-lot zoning usually makes normal development impossible, it does not rule out land-use alternatives of a less costly (and less desirable) nature. If conventional development is infeasible, for example, developers can choose to:

1. Produce unimproved parcels for sale to investors.
2. Offer large-lot homesites on unpaved (or minimally-paved) "private" streets, or

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3. Split their parcels into four or fewer pieces for sale as unimproved rural homesites.

These alternative forms of land marketing are referred to as "lot-sale programs", and the development process is called "four-by-fouring". The lots are created through parcel-map land divisions rather than tract maps, and typically require only minimal public improvements.

Quality Impacts

Almost without exception, "four-by-fouring" leads to low-grade development, with severe impacts on area quality:

1. Public improvements and services in the affected areas are inadequate.
2. The local tax base is incapable of producing enough revenue annually to maintain roads and other elements of the public infrastructure.
3. The lots produced are too large for most buyers to keep up, and they gradually become storage areas for old car bodies and other unsightly material.
4. The developers have no incentive to impose CC&R's and other quality controls on land use, and buyers therefore have little or no investment protection.
5. As time passes, the affected areas increasingly become eyesores, the road system deteriorates, property values decline, the tax base shrinks, and blight spreads.

Thus, "four-by-fouring" tends literally to destroy an area, and its effects usually are permanent.

Luxury Development

Not all large-lot zoning, of course, induces "four-by-fouring". There are exceptions to the rule. In places where the market can support expensive homes, a genuine demand may exist for large "equestrian" lots, and conventional development is therefore feasible; high-priced homes do not require as much density to support an adequate public infrastructure.

It is unrealistic to assume, however, that expensive homes will be built on the many thousands of acres that have been zoned for large lots in Riverside County. Only a small fraction of prospective buyers can afford high-priced homes, and the amount of acreage that can be absorbed by the upper-income market is therefore small. The entire City of Beverly Hills, for example, occupies only 2,700 acres, including its

commercial areas. Other high-priced communities in Southern California are also small. Yet the Lake Mathews Community Plan alone envisions more than 40,000 acres of large-lot development, and most other "rural" property in the county is similarly zoned.

It should be understood, too, that like everyone else, buyers of expensive homes want adequate investment protection. They want streets that are passable the year around, underground utilities, good fire and police service, protection against flooding and mud slides, good schools, other important community facilities, and above all, strong land-use controls. Yet, only "planned" development can provide these things, and adequate densities are therefore necessary even at the upper end of the market.

With few exceptions, then, areas in Riverside County that are presently designated for large-lot development are not going to become attractive communities of expensive custom homes. As things presently stand, they are far more likely to be destroyed through piecemeal "four-by-fouring".

Unseen "Urbanization"

Much of the large-lot zoning has been imposed in the mistaken belief that it will serve to postpone development until an area is "ready" for urbanization. There is no such thing, however, as a "holding" zone. People have a legal right to make reasonable economic use of their land, and they can be expected to do so if and when they want to (or need to), regardless of zoning constraints. If their zoning is so restrictive that it makes conventional development impractical, they will resort to "four-by-fouring".

In most areas of the county where large minimum lot sizes have been set, there is as yet little visible development. "Urbanization", however, is nevertheless occurring; it is simply taking a less obvious form.

In the supposedly "rural" area covered by the Lake Mathews Community Plan, for example, there were at last count more than 3,300 individual lots or parcels held by 2,200 different owners. And most of this parcelization has resulted from "four-by-fouring" rather than planned development.

It is therefore erroneous to assume that the undeveloped portions of the county are comprised mainly of large land-holdings that are being held off the market pending their eventual "planned" development. Instead, most of the "rural" areas are becoming highly parcelized, and this is destroying their potentials.

In order to create planned communities, developers must be able to acquire 250, 500, or 1,000 acres or more. They are unable to do this, however, in areas where the land is held in numerous small ownerships; the task of assembling small parcels into large blocks is just too time-consuming and costly.

Thus, two disturbing things are happening:

1. The rural areas are becoming less and less available as sites for future planned communities, and
2. The areas' large-lot zoning is confining development mainly to low-quality land uses through "four-by-fouring".

Continuing Parcelization

Although the Board of Supervisors has long expressed concern over "four-by-fouring", it has taken no effective action to discourage it. On the contrary, it has continued to expand large-lot zoning and approve "four-by-fouring" applications. In 1991, for example, 158 additional parcel-map land divisions were processed, covering 4,254 acres. The maps proposed the creation of 692 new parcels, with an average size of 6.1 acres.

All of these parcelizations were in areas zoned for large lots (minimum of one acre or larger), and most of the resulting development can be expected to be of poor and deteriorating quality.

Thus, unless this trend is altered, most of the county's rural, outlying, and hillside areas will be transformed progressively into permanent wastelands.

Required Action

In searching for solutions, it must be recognized that "four-by-fouring" is only a symptom of the problem and not its cause. Also, "four-by-fouring" cannot itself be stopped by regulatory means; the land divisions are permitted by Ordinance 460, State law and, for that matter, the Fifth Amendment to the U.S. Constitution.

The real culprit is large-lot zoning. So long as that zoning is imposed without regard to public-improvement costs and market support requirements, conventional development will be infeasible in most of the affected areas and "four-by-fouring" will continue to be the only practical development alternative.

Fortunately, however, lot splits and other parcel-map land divisions are less rewarding financially than conventional residential development. "Four-by-fouring" can therefore be eliminated largely by making good "planned" development feasible economically.

The County can accomplish this by:

1. Relying on "clustered" development, rather than large-lot zoning, as a means of growth management.
2. Encouraging "clustering", and related dedications of land to open space, by allowing density transfers and density compensation.
3. Ensuring that development intensities permitted always are sufficient to enable developers to recover their public-improvement costs at a supportable charge per dwelling unit.
4. Incorporating a policy statement similar to the following in the Comprehensive General Plan:

"The County wishes to encourage 'planned' residential development of good quality. The public improvements it requires in connection with development projects are therefore of a corresponding caliber. Thus, in some instances, the cost of these mandatory improvements may be excessive in relation to the development intensity allowed by the property's land-use zoning. Where the developer can show this to be the case, the County will review its improvement requirements to determine whether less costly alternatives are acceptable. If lower-cost solutions are not feasible, the County will grant density increases sufficient to permit the costs of the required public improvements to be recovered at a reasonable charge per dwelling unit."

In order to implement these policies, the County should give its Staff authority to negotiate densities, density transfers, and density compensation with developers on a case-by-case basis during the development review process.