

## LARGE-LOT ZONING



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It is commonly supposed that large-lot zoning promotes residential development of high quality; but that is a misconception. Whenever oversized lots are required without regard to market support, development is likely to be of very poor quality.

### Less-Attractive Layouts

Attractive residential subdivisions generally feature curvilinear streets, "clustered" development, and common-area amenities.

Large lots, however, usually have a low value, per acre. This limits the amount of money the developer can spend on his street pattern and special features. The size of the lots, moreover, makes it impossible to "cluster" the homes, thus limiting layout flexibility and eliminating opportunities to reduce costs.

The frequent result is a grid-like street pattern with few, if any, extra amenities. The developer must spend all of his money on lot production, with little or nothing left over for the kinds of refinements that are common in conventional planned developments.

First of all, then, large-lot subdivisions tend inherently to have less attractive layouts and features than do conventional developments.

### Lower Housing Quality

If a large-lot subdivision offers finished homes, the homes usually must be "cheapened" in order to make ends meet.

Buyers generally are unwilling (or unable) to pay substantial premiums for extra lot area. Thus, in most instances, a builder cannot get a much higher price for a home on an over-sized lot than he could for the same home on a conventional lot. Yet, it costs much more to produce the large lot, and the off-setting savings therefore have to come out of the cost of the house.

In general, then, houses on large lots tend to have less floor area, fewer amenities, and a lower quality of construction than do their counterparts on conventional lots.

### Lack of Quality Control

Because it is difficult to produce high-quality homes on large lots at a competitive price, many or most large-lot subdivisions simply offer lots for sale.

In some cases, deed restrictions are imposed on the use of the lots. Often, however, controls are either absent, not very stringent, or not enforced. This is particularly true if demand for the lots is weak or prospective buyers are mainly investors.

In the usual lot-sale program, then, housing quality varies widely. A buyer may build an expensive home on his lot only to find construction of low quality occurring next door or nearby.

Inevitably, some lot buyers who had intended to build never get around to it. In the meantime, they live on the land in housetrailer or other "temporary" dwellings.

If there are no rules against it, other lot buyers may decide to raise farm animals or poultry on their property, or engage in various businesses, with signs on the premises.

Also, many of the lots may remain vacant indefinitely, encouraging their use as dumping grounds.

In general, then, large-lot developments offering lots for sale tend to have "unzoned" environments in which residential quality is uneven and unstable.

### Substandard Improvements

In most instances, too, large-lot developments are unable to provide adequately for their own infrastructure support.

Because of their low per-acre values, the developer cannot afford to spend as much on roads, streets, water systems, fire protection, drainage works, flood control, and other public facilities and improvements as are commonly required in conventional subdivisions. Not only is his project incapable of producing as much revenue per acre as an ordinary development, his large lots require more lineal feet of street, and longer utility runs, than do lots of normal size. Thus, his costs per lot are greater than usual while less money is available to pay them.

Large-lot developments must therefore be allowed to have "rural" or other substandard public improvements. Otherwise, they are not feasible.

### Lack of Sewering

For the same reason, large-lot subdivisions must be permitted to use septic systems for sewage disposal, or low-cost "package"

treatment plants. Conventional sewerage usually is too costly. The length of line required to serve each lot is excessive, and there are too few lots over which to spread the costs of the collection and treatment facilities.

Consequently, large-lot developments usually cannot be sewerage, either at the outset or in the future. The cost per lot is simply too great. As time passes, then, and more unsewered development occurs, there are growing threats to groundwater resources, the public health, and the residential quality of the the area.

#### Other Environmental Degradation

In hilly terrain, subdivision designers increasingly favor "clustered" developments in which the homes are grouped together in the most buildable area of the property, and the rougher terrain is left in its natural state, as open space.

This concept minimizes the need for grading and does the least damage to plant, wildlife, and other ecological values.

In contrast, large-lot developments make clustering impossible, and expose much more of the land to human access and use.

#### Poor Infrastructure Maintenance

Once a large-lot development is created, there often is no way to pay for the on-going maintenance of its public infrastructure. Its tax and assessment base usually produces insufficient revenue annually to keep its roads, streets, and other improvements maintained properly.

Thus, unless the maintenance work is subsidized by other taxpayers, the development's infrastructure will deteriorate.

#### Blight

If developers are required to produce large lots without regard to the buyers' ability to maintain them, blight is almost certain to result.

Few people are able to maintain a lot as large as 5 acres, 2 1/2 acres, 1 acre, or even half an acre, at least for long. Sooner or later, they are forced by finances, age, or infirmity to let some or most of their property go. When that happens, the portion of the property that is not maintained becomes overgrown with brush and tends to be used increasingly as a storage area for old car bodies, broken equipment, and other unsightly material.

As this blight spreads, it feeds on itself. Fewer people are willing to invest in new homes in the area, or increase their existing investments. As homes and lots become more difficult to sell, property values decline, making even less money available to maintain the public infrastructure. Finally, as

the neighborhood continues to deteriorate, more people let their property go, and new people moving in are less inclined to keep their property up. The inevitable result is a permanently blighted area.

#### "Four-by-Fouring"

Because large-lot subdivisions usually are not feasible if improvement requirements are more than minimal, the zoning frequently forces owners to parcelize their land in ways that do not require public improvements.

In a process called "four-by-fouring", owners usually can divide their land into four or fewer parcels without making substantial public improvements. In turn, buyers of the created parcels can also divide them into four pieces, sometimes still avoiding the need to make improvements.

These parcel-map divisions can be devastating. With little or no public improvements required, and no restrictions on the specific uses of the property, the process can do great permanent damage to an area's residential character.

#### City Expansions

For a city to grow, areas to be annexed must be able to bear the costs of extending the public infrastructure outward (i.e., roads, sewers, water and power lines, and other public services). Yet areas in which oversized lots have been required generally lack sufficient tax and assessment resources to support these costs. As a practical matter, then, cities that have allowed their peripheries to become zoned for large-lot development may find that their future expansion has been blocked.

#### Required Action

It is one thing to encourage builders to offer large lots to a market that wants them, can pay a good price for them, and will maintain them properly. But it is another matter to require developers to provide big lots to all comers regardless of the consequences.

It should be recognized that only a small percentage of families can afford expensive custom homes, and that large-lot zoning is therefore no guarantee that the resulting land uses will be of that caliber. On the contrary, only a few large-lot developments are able to attract upper-income buyers, and the amount of acreage that can be devoted to higher-priced homes is therefore very small. The entire City of Beverly Hills, for example, occupies only 2,700 acres, including its commercial areas, and its single-family residential lots average only a third of an acre in size.

It is particularly unwise and unnecessary to use lot size as a device for controlling land-use intensity. There are less

destructive ways to limit densities than to set minimum lot sizes that are unrealistic and therefore counterproductive.

Continued insistence on oversized lots regardless of market considerations will in time surely destroy much of the county's residential desirability and value.

It is therefore essential that enough development density be allowed everywhere to ensure that the cost of required public improvements can be recovered at a charge per lot that is supportable economically.

In this regard, there is widespread agreement as to what constitutes a "supportable" charge. Annual assessments, including property taxes, levied against a parcel of land should not exceed 2 percent of its assessed value. Assessments greater than that are considered to be excessively burdensome. For example, most Cities, Counties, and Special Districts in California, including Riverside County, will not approve new Mello-Roos Community Facilities Assessment Districts if their annual burden on the benefited property will exceed that level. The same principle applies to the setting of density allowances; the resulting density must be sufficient to keep the prospective assessments for public improvements, plus property taxes, within the 2-percent "cap". This can be done either by calculating permissible densities on an areawide basis or project-by-project.

Unless a formula of this kind is adopted, the public tax base created will be inadequate, the desired public improvements cannot be financed, and the affected land cannot be developed.