

Oregon just effectively banned single-family zoning

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July 1, 2019

Oregon just staked its claim as the state that's most aggressively trying to address affordable housing.

The Beaver State passed what's effectively a state-wide ban on single-family zoning on Sunday, the last day of a dramatic legislative session that saw Oregon Senate Republicans flee the state to avoid a vote on a cap-and-trade climate bill.

Political theatrics didn't derail House Bill 2001, however. Three of the eight senate Republicans ultimately voted in favor of the bill, which passed the Senate 17 to 9 and sailed through Oregon's House of Representatives. The bill is now waiting for the signature of Gov. Kate Brown, a Democrat.

The bill doesn't directly ban single-family zoning, which limits a residential plot to only single-family detached houses. It legalizes duplexes in cities of more than 10,000, including the Portland metro area. In cities of more than 25,000 and within the Portland metro area, it would legalize triplexes, fourplexes, attached townhomes, and some "cottage clusters." The bill leaves few towns in the state where single-family zoning is still operable.

Single-family zoning, colloquially referred to as a Not In My Back Yard (NIMBY) policy, has come under increased scrutiny as housing costs have soared and housing shortages have grown worse since the 2008 financial crisis, particularly in urban job centers like New York, San Francisco, and Los Angeles. NIMBY policies have been fingered as a barrier to building more housing and denser developments in those areas.

The countermovement to NIMBYism—Yes In My Back Yard (YIMBY)—has sought to upzone to allow more density in housing developments in towns and cities where single-family zoning is contributing to a housing shortage, and it's picked up rare bipartisan support at a time of rampant political polarization.

Three Democratic candidates for president—Elizabeth Warren, Cory Booker, and Julian Castro—have YIMBY proposals in their respective housing plans, but upzoning has also been embraced by Department of Housing and Urban Development Secretary Ben Carson and has long been advocated by the Cato Institute, a conservative think tank.

The effective ban on single-family zoning isn't the only major housing bill passed in Oregon. In March, the state passed a rent control law that caps annual rent increases at 7 percent and also bans so-called "no-cause" evictions. With passage of the new zoning bill, Oregon has addressed housing affordability from both the demand (rent) side and supply (zoning) side, a promising approach, since affordable housing experts believe there's no one policy that can solve the problem.

And it's up to state and local governments to address zoning laws. Federal policy can incentivize local governments to change their zoning laws—Warren, Booker, and Castro use federal block grant money as an incentive—but otherwise doesn't have jurisdiction over the municipalities. There's also a question about whether federal block grant money is the right incentive at all, given many communities most in need of zoning reform don't receive such grant money.

President Trump took matters into his own hands last week when he signed an executive order creating a "White House Council on Eliminating Regulatory Barriers to Affordable Housing," chaired by Carson, that will review federal policies and regulations and ultimately make recommendations on changes. However, given the Trump administration's record of repeatedly trying to defund public housing and federal rental assistance programs, affordable housing advocates are skeptical of the real motive behind the council.