

# THE ECONOMICS OF INCLUSIONARY HOUSING

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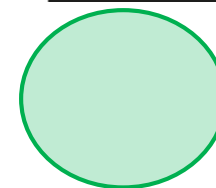
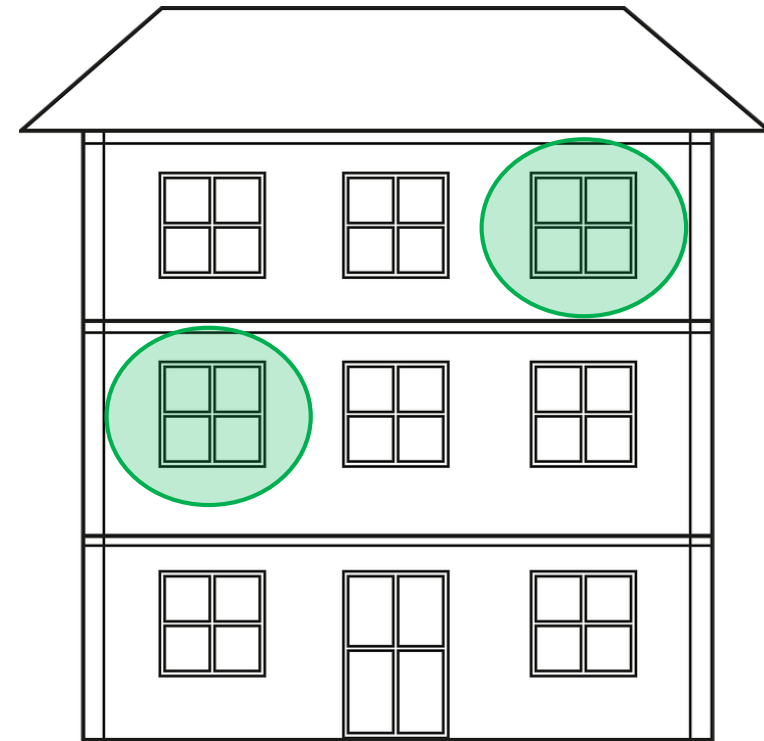


# Inclusionary Zoning can be an important tool in a comprehensive local housing strategy

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**Inclusionary housing policies** link market-rate development to the creation of homes that are affordable to lower-income households

Generally codified in the locality's zoning ordinance

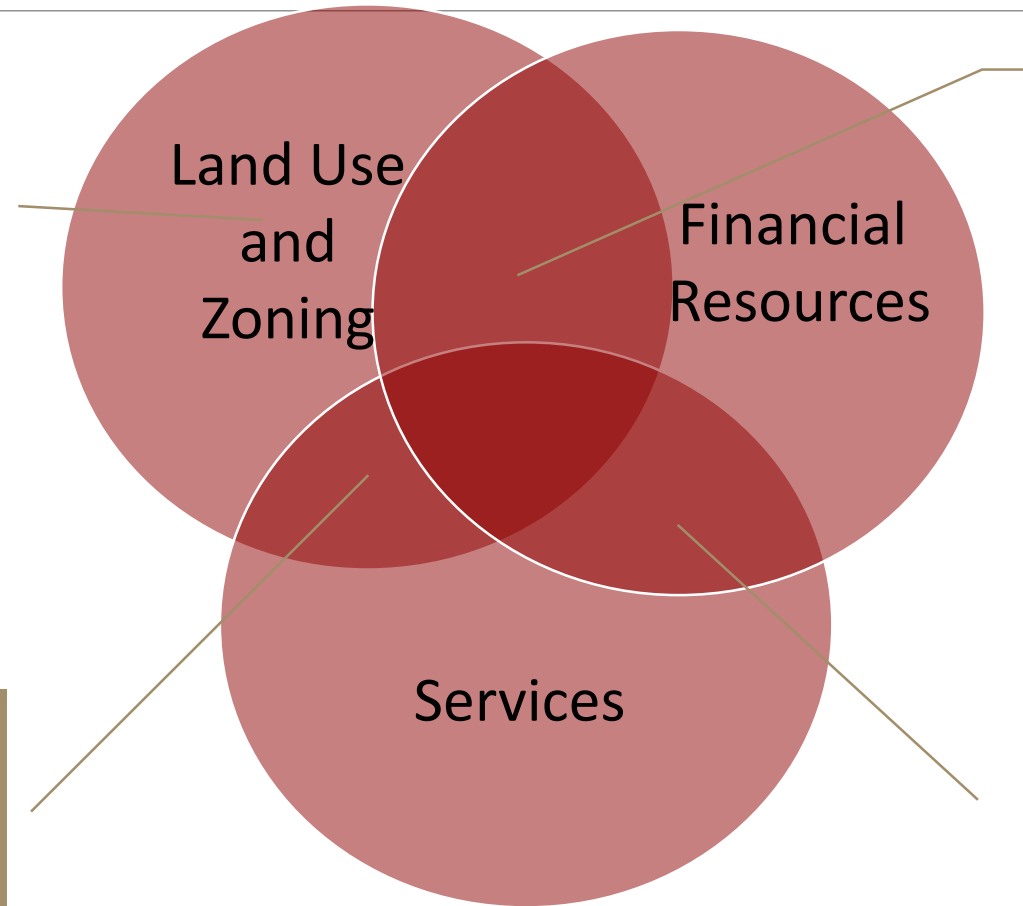


Units with prices/rents affordable to lower-income households

# Inclusionary zoning is typically just one tool in a locality's housing toolbox

## **Inclusionary zoning ordinances**

Density bonuses  
Affordable housing overlay zones  
Reduced parking requirements  
Accessory dwelling units (ADUs)

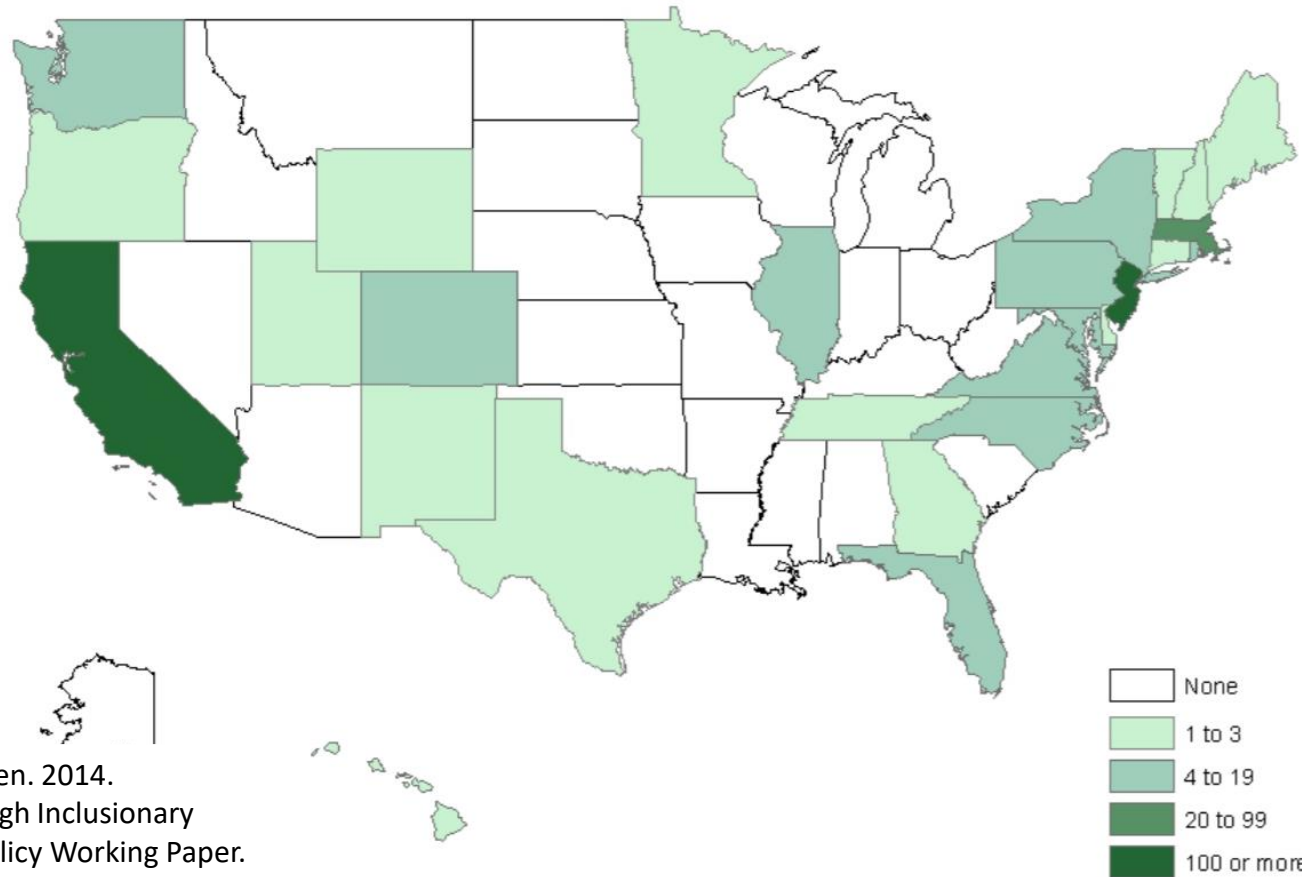


Property tax abatements  
Other below-market housing production  
Preservation incentives

Permanent supportive housing  
Single-room occupancy (SRO) units

Locally-funded housing assistance  
Eviction prevention

# Inclusionary zoning policies have been adopted in more than 500 communities across the U.S.



Source: Hickey, Sturtevant and Thaden. 2014.  
Achieving Lasting Affordability through Inclusionary  
Housing. Lincoln Institute of Land Policy Working Paper.

# Program design and market conditions determine program effectiveness

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## **Program Design**

Mandatory or Voluntary

Affordability Requirements

Income Targets

Compliance Options

## **Housing Market**

Strong and stable

Recovering

Gentrifying

Weak