

## RESEARCH SUMMARY

# Land Use Patterns in Suburban Texas: Minimum-Lot-Size Regulations versus Consumer Demand

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Why do so many subdivisions feature rows of similar houses on identical lots? Real estate developers are often held responsible for the bland pattern of land use in suburban Texas and around the country. But it is often local land use regulations, rather than developers or home buyers, that deserve much of the blame. So argue M. Nolan Gray and Salim Furth in “[Do Minimum-Lot-Size Regulations Limit Housing Supply in Texas?](#)”

Even in otherwise lightly regulated, pro-growth suburbs, minimum lot sizes prevent developers from mixing large and small lots together, even though consumers may demand a wide variety of lot sizes. Minimum lot sizes also decrease population densities and increase housing costs. With less restrictive minimum-lot-size rules, there would be more variety at the affordable end of the new-house market.

### A UBIQUITOUS LAND USE REGULATION

Minimum-lot-size requirements are imposed almost everywhere in the United States. They mandate that parcels of land for new housing developments be larger than a certain size. For example, a municipality may require that all houses sit on a lot that is at least 9,000 square feet and will not routinely issue the permits necessary to build a house on any lot smaller than 9,000 square feet. If minimum lot sizes matter in Texas—where land is cheap and abundant—they almost certainly matter in every other growing part of the country.

### EXCEPTIONS TO MINIMUM LOT SIZE

Regulations can be overcome through variances, which are most often granted when the deviation from the minimum lot size is small. But the decision is up to local planners and policymakers, putting politically unconnected builders at a disadvantage.

### SUBURBAN TEXAS: PRO-GROWTH, BUT WITHIN SUBSTANTIVE CONSTRAINTS

This part of the country is building more houses for more people than almost anywhere else in the United States. However, regulation is influencing—or even determining—the land development patterns of these suburbs.

### KEY TAKEAWAY

With a relatively light regulatory hand on land use, the Texas suburbs are more responsive to market forces than most metro areas. Even so, some of their single-family lots are larger than they would be in the absence of minimum-lot-size regulations. As a result, these automobile-oriented suburbs are less dense and more expensive than home buyers really want. Cities in Texas and elsewhere should reduce or eliminate their minimum lot sizes to allow builders and home buyers more choice.