

Real Valuation Group, LLC

White Paper

The “Controversy” Over Teardown and Infill Development

The surging tide of teardown and infill development in our state continues to inspire controversy. Some local governments are even revising their zoning codes to restrict or eliminate the practice. But is the controversy and concern really legitimate?

Detractors give varying reasons for their opposition. Some complain that demolishing existing homes and buildings diminishes the local historical character of their neighborhoods and downtowns. Others dislike the larger, more modern homes and structures that replace razed properties, saying they do not fit in with their surroundings. Such sentiments have led to grass-roots anti-teardown groups and initiatives across Illinois .

Government response to the anti-teardown movement has varied. The City of Geneva , for example, has adopted new zoning standards for teardowns and housing redevelopment, including incentives for new construction that blends in with the character of existing housing. In contrast, the City of Wheaton recently spurned local demands for aggressive regulation of teardowns and new homes, instead allowing the local market to dictate development. In Highland Park , Village officials enacted a **\$10,000** tax on all house demolition permits, which is payable in addition to the \$500 cost of the permit itself. Proceeds from Highland Park ’s permit tax are used to support the Village’s low-income housing and housing diversity programs.

There are valid points on both sides of the issue. From a market perspective, it is usually preferable that new construction be consistent with the character of the surrounding neighborhood. However, restricting teardown and infill development also *restricts your rights as a property owner* .

Every additional regulation on teardowns further narrows the potential market for your property. We believe that property owners and the market, not city councils and zoning boards, should determine housing styles and tastes. In a country founded on private property rights, isn’t that more in line with our *national* historical character?