



Lot Size Averaging

Lot size averaging allows the size of individual lots within a development to vary from the zoned maximum density, provided that the average lot size in the development as a whole meets that maximum. Housing can then be developed on lots smaller than otherwise permitted in a zone, allowing for greater densities in some areas and more housing choices throughout the development.

BACKGROUND

The flexibility and variety allowed by lot size averaging can be useful for developing housing on unusually shaped parcels or properties with critical areas. Lot size averaging can also be appropriate for mixing housing types in larger developments. In places with expensive land costs, smaller lot sizes can enhance a property's affordability, especially for moderate-income households. Lot size averaging can be applied to greenfield or [infill development](#), [short plats](#) and larger subdivisions. Cluster subdivisions usually employ lot size averaging as well.

Lot size averaging is generally configured to preserve the underlying density of the zone. An absolute minimum lot size can be established in addition to an average lot size. Jurisdictions should consider whether the average or absolute minimum lot size should be calculated by gross lot area or net buildable area. Development standards may also need adjustment to allow large enough homes on smaller lots. Home sizes depend on market demand and specific development aims.

The [flexible development regulations](#) tool provides more information on structuring development standards for innovative housing techniques. Lot size averaging can be written into the development code for specific zones, enacted through an overlay zone or allowed in a [planned unit development](#) or [master planned community](#). Additionally, it should be considered whether permitted uses incidental to single family homes, such as [accessory dwelling units](#), will be allowed on averaged lots.



TOOL PROFILE

Objectives

[Housing Options in Expensive Markets](#)

[Missing Middle Density](#)

Type of Tool

Other Regulatory Tools

Project Type

Single family

Ownership

Affordability Level

Market-rate incentives and tools

