

Comprehensive Plans: A Starting Place for Land Investors

Robert J. Abalos
InvestingInLand.com
July 18, 2011

As my book, *Investing in Land*, teaches in some detail, a jurisdiction's comprehensive (sometimes also called “master”) land use plan can provide investors with invaluable information about any intended investment area. Most places have one, usually created at the city or county level in order to guide the nature and direction of future development. This point is crucial since it is virtually impossible for a jurisdiction to stop all new growth and construction no matter how much individual voters may want this end. Even those most rabid anti-growth town or county by law must permit some new construction. The only real issues in such radical situations are what types of development and where will they be tolerated.

Comprehensive land use plans determine such factors for any local town, city, village, or county as the following:

1. The type of development permitted. Such broad categories would include residential, commercial, industrial and so on, also broken down by subcategory as single family residential, multifamily residential, mixed use residential, etc.
2. The mix of development types. What percentage of land will be used for each of the above categories, for example, single family residential versus multifamily residential?
3. The paths of new development. Where will new development take place? It is crucial to note here that comprehensive plans are generally not legally enforceable in the absence of other enacted zoning laws and ordinances. In other words, a comprehensive plan may indicate a certain area is considered for residential development but that does not mean this land is specifically zoned for this purpose or even permissible on the site at all.
4. An analysis of future land use in a jurisdiction. Many comprehensive plans have data and

analysis attached to them giving evidence and support for the comprehensive plan. This treatment by local government officials is a fairly strong indication of how area politicians and land use professionals view the long-term prospects of a community. Their opinions should be noted for the record but not given inordinate weight especially if the plan is older or failed to take into account a major change in economic circumstance.

A jurisdiction's comprehensive plan can provide land investors with some critical intelligence that can make them a great deal of money and save lots of time. For example, if a plan calls for the addition of a large number of multifamily dwellings, you can be reasonably sure that local land use officials will be more likely to approve such projects than if some other contrary use was suggested. Of course, the opposite is also true. If a comprehensive plan calls for exclusionary zoning in some form, for example, requiring all new homes to be built on five-acre lots, you can be almost certain that large commercial projects are not going to be received with enthusiasm in City Hall planning offices.

One important factor when examining comprehensive plans is to note their age. Older plans are by definition more likely to be obsolete and not have taken into account recent economic conditions or prime business opportunities. Again, comprehensive plans are not generally legally binding documents and only one potential vision of a community's future and may have been superseded by recently enacted zoning laws or ordinances. Such land use programs like comprehensive plans are subject to unexpected change, especially due to a shift in economic circumstances. For example, a town planned out to be a bedroom community for a local industrial city may find its plan quickly obsolete if the factories in that city go bust. When I see older plans it pays to compare the predictions and suggestions of the plan to the current reality on the ground and in the streets. If the plan generally reflects the way circumstances actually are, then land use planners are showing their devotion to the older plan despite its age. But it is also common to see many older comprehensive plans that were abandoned soon after they were published by unforeseen events or economic necessities. A person with a cynical mind would suggest that many comprehensive plans just never get updated by City Hall because doing so

would require time, effort, money, and most importantly, expending some political capital because such land use debates bring out local residents and environmental activists in droves. No matter who wins in the new plan, many local voters go away angry.

Learning how many deviations there are from a comprehensive plan, and especially how these changes were legally justified by enacted zoning laws and local ordinances, can tell investors a great deal about how wedded area land use officials are to their own plan. In land use law, local precedent is crucial. Spot zoning is generally illegal or not advised by anyone, but is *de facto* quite routine when viewed against the intentions and desires of a comprehensive plan. Depending on your point of view, or your intention to either permit a certain use or deny one to a developer, seeing how past changes to a comprehensive plan were rationalized or explained away can give a land investor or developer substantial ammunition when requesting what would be, in essence, a thinly veiled spot zoning request viewed against a plan's intent. Obviously the older the comprehensive plan, the more likely there will have been substantial development deviations from it. But even newer plans can face instant obsolescence should a material fact detailed in the original comprehensive plan change for the better or worse.