

Building on Vacant Land: Zoning Issues You Might Face

Make sure the home or other structure you plan to build is not prohibited by local zoning regulations; and that you won't face surprises in the neighboring property owners' use of land, either.

Purchasing vacant land can be an exciting endeavor. But if you don't investigate how the property is zoned before you buy, you might find that building your dream home or opening a small shop is strictly prohibited.

Just knowing the name of the land's zoning designation (such as "residential" for homes or "commercial" for shops and other business uses) is not enough. You must also find out exactly what uses are allowed under the assigned zoning designation, and what restrictions might therefore apply to you as a landowner.

What Is Zoning and How Does It Affect You?

Property zoning is typically governed by local laws (also sometimes known as ordinances), which divide the land into different areas or "zones." An area of land's use is restricted to the purposes allowed in the applicable zone.

The goal of zoning is typically to organize land usage for maximum efficiency and livability. Commercial businesses, for example, are commonly more efficient and successful when grouped close together (in an "commercial" zone), and most people will prefer to build a home on property in a zone where industrial uses are prohibited, to avoid the chance that a loud, stinky factory might pop up next door.

Common Types of Zoning Designations

Zoning designations and the uses allowed under each designation vary from area to area. Common zoning designations might include:

- “Residential” areas allowing homes or other dwelling units.
- “Commercial” areas allowing the operation of retail stores, offices, restaurants, theatres, and so on.
- “Industrial” locations, where manufacturing businesses (factories) are allowed.
- “Rural” locations for farms and other open land.
- “Historical” areas, offering protection to structures that have historical significance.
- “Environmental” areas, which protect sensitive natural regions.
- “Aesthetic” areas, prescribing how structures must look in the zoned area.

Zoning types are sometimes broken down further, into sub-types. For example, “residential” zoning may include several sub-types, each allowing for a different density of homes (such as “Residential 1” for single family homes only, “Residential 2” for duplexes, triplexes, and fourplexes, and “Residential 3” for any dwelling containing more than four units).

More than one zone might also apply to a property. For example, land zoned rural might also be in an environmental zone, or also in an aesthetic zone (or in all three at once).

Any way in which you plan to develop or use the property must comply with all applicable zoning designations, so you must review all of their requirements before you buy a piece of land that you wish to build on.

A “rural” zoning designation might, for example, allow only one home on the property, or restrict the number and size of any outbuildings. If the land is also in an “environmental” zone, construction on certain portions of the land might be prohibited, or you might have to maintain undisturbed animal habitat (such as existing trees or meadows) on the land.