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**Subject:** Zoning Reform Toolkit - Michigan Chapter - American Planning Association - 2022

In case this would be helpful. Please share with the Planning Commission.

Thank you

Brian

# Zoning Reform Toolkit

15 TOOLS TO EXPAND HOUSING CHOICE + SUPPLY



American Planning Association  
Michigan Chapter  
*Creating Great Communities for All*



# Acknowledgments

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# Introduction

If the pebble analogy were to apply to zoning, then it should be described as a boulder that hasn't just caused ripples...it has created a slow-building tsunami, the impacts of which are now only being fully understood. The seemingly benign zoning ordinance has, for many, eroded housing choice, washed away access to better schools and jobs, and drowned out opportunities to increase housing supply. Planners are now stepping back to evaluate how zoning must be modernized to reflect today's realities. This Toolkit is a first step to understanding what Michigan communities can do to stem the tide.

Zoning is the mechanism that dictates land development decisions and, ultimately, determines the patterns of our built environment. Minimum lot dimensions, maximum densities, use districts, and other regulations have shaped how - and where - we live, work, and play. Zoning influences:

- Where businesses can grow;
- If the workforce can find housing at a price point that fits their paycheck;
- How much time and resources must be dedicated to a commute;
- If a family's school-age children can attend a good school district;
- Whether aging adults can stay in their neighborhood; and even
- What an individual's life expectancy is likely to be simply by knowing their zip code.



Zoning has become a complex bundle of rules that attempts to protect owners of detached single-family from change. It also insures those residents have the loudest voices, because only that single housing type is permitted on most of the land. Fears about loss of property value, crime, traffic, and other misconceptions have been debunked in numerous studies yet oftentimes are cited - usually without any supporting data - as reasons for a community to deny housing proposals.

If the purpose of zoning is truly to protect the public's health, safety, and general welfare then fair zoning regulations are needed to serve everyone in Michigan's communities. Healthy environments rely on diversity, balance, adaptation, and growth. We have learned that our communities are really no different. How can Michigan's villages, cities, townships, and counties evolve in a rapidly changing world if zoning only maintains the status quo? New paradigms are needed and past practices modified to address the growing need to expand housing choice and supply.

Hard discussions and controversial decisions on the horizon. This Toolkit seeks to demonstrate to local units that State pre-emption, as has been done in other places, can be avoided if we work together to find practical solutions to the housing crisis. Who better to lead transformational changes to zoning than those who have been entrusted to create or administer the ordinance that guides development?

Zoning is a relatively new concept when looking at the history of land use in the United States. It began at the turn of the 20th century during the Industrial Revolution. Public health advocates sought to separate factories from residences and improve poor living conditions in tenement housing. Zoning now isolates people by income, housing type, family status, and age. This has created entirely new public health concerns related to obesity, traffic deaths, air and water quality, and loss of lands for food production.

There is a growing divide between people and places that is exacerbating poverty, limiting access to jobs and services, and diminishing health outcomes. This, in turn, is having a detrimental effect on our economy and peoples' lives. Reforms to current zoning practices can assist in improving housing choice, access, and opportunities so that all Michiganders can thrive.



Photo courtesy Krieger Klatt Architects

# Project Scope

There are few things as personal as sorting who can live where and what their housing choices might be. Whether you are an ardent property rights advocate or a strong civil rights supporter, zoning constraints have affected the ability to build housing and limit housing choice for many Michiganders.

A severe housing shortage has emerged. Due in part to zoning codes that prioritize detached single-family development over a variety of other housing types, there are not enough units to serve the broad range of household sizes and incomes needed now and in the future. Increasingly, community leaders are recognizing that not only do outdated land use regulations suppress housing supply and drive up housing costs, but they can also widen and perpetuate existing socio-economic disparities.

Implementing zoning reforms to ease restrictions can play a significant role in increasing housing supply. These are local government issues, and there is much that municipalities and other local units can do to mitigate the dampening effect of zoning on homebuilding. By adjusting local zoning codes and other regulations, engaging and educating residents, and removing barriers to creating new housing units, local governments can take steps to address the housing shortage.

The Michigan Association of Planning's *Zoning Reform Toolkit* provides local regulatory remedies to increase housing supply and shares communications strategies to overcome resistance to new development. We present 15 tools to encourage the construction of a variety of housing types to meet changing demographic needs and streamline approval processes which, when effectuated on a state-wide scale in every community, will begin to move the needle towards solving this complex issue.

The objectives of the Toolkit aim to:

- Equip municipal leaders with the tools they need to update and contemporize local zoning and development review regulations to develop more, and a broader range, of housing types;
- Highlight successful case studies in Michigan and nationwide that demonstrate the application of recommended strategies to reduce or remove regulatory barriers;

- Share master plan language to support the implementation of each tool and demonstrate how to translate a vision into zoning policy;
- Create messaging best practices to help everyone - elected leaders, municipal staff, residents, businesses, and other stakeholders - to broaden their understanding of housing needs and potential solutions within Michigan; and
- Build the foundation for future work, focusing on housing strategies that can be championed by a broad coalition of stakeholders.

This Toolkit is designed to help municipal leaders implement zoning reform to expand housing choice and supply and, in the process, combat the affordability crisis. As a community manager, elected or appointed official, zoning administrator, planner, or other person involved in guiding community change, we hope this Toolkit will be useful to you as you have important (and likely difficult) conversations with your colleagues and constituents on this complex issue.

In the chapters that follow, we lay out the elements of the housing crisis and create a case for zoning reform as a necessary intervention. We focus on the context of the crisis from an economic and historical perspective and detail the changing policy and demographic contexts that inform the issue. We then move to communications strategies for discussing the housing shortage and the necessity of zoning reform to combat it. Next we detail the fifteen zoning tools to address housing supply, choice, and affordability. In the last chapter, we look toward the future, sharing tips on how to get started with zoning reform in your community and the next steps for addressing the housing shortage in Michigan at a statewide level.

This Toolkit suggests that those who manage the development process can rethink the purpose of zoning and cultivate a nimbler and more pragmatic approach. Through zoning reform, we can build places where all people can find a place to live. Let's get started.



Fleetwood Rise Townhomes, BC

# Framing the Problem

Calling this a crisis may feel alarmist to some. Others may believe we are facing another housing bubble, like the one that led to the Great Recession. Personal failure might be assigned by some others to find fault with a person who is struggling to find housing they can afford. The reality is that housing in Michigan and across the United States has reached a critical stage. We are, indeed, in a dire situation.

New Private Housing Units Authorized by Building Permits in Michigan



Federal Reserve Bank of St. Louis

## THE HOUSING CRISIS

We simply have not built enough housing to meet demand. Despite a steady increase in the number of housing units built since the Great Recession in Michigan, construction numbers have not reached pre-recession levels. Economists suggest that somewhere between 25,000 and 30,000 new single-family homes should be constructed each year to keep up with normal life cycles of aged housing, changing demographics, and population shifts. Yet, an average of only 16,000 homes have been constructed annually since 2016.<sup>1</sup> The chart above illustrates that even during prior recessions (gray bars) housing production continued in Michigan until a precipitous decline in 2006.

A study conducted on behalf of the National Association of Realtors (NAR) found that when compared to construction levels between 1968 and 2000, the U.S. housing market failed to build 5.5 million housing units over the last 20 years. Accounting for the loss of existing units due to natural disasters, demolition, and functional obsolescence, that number grows to 6.8 million units.<sup>2</sup> Home construction in Michigan reflects this national trend of underproduction.

To make matters worse, Michigan's population was the second slowest growing in the nation between 2010-2020, at only 2%,<sup>3</sup> but the number of households grew at twice this rate and is expected to increase another 3.7% by 2030.<sup>4</sup> The

Housing Price Index and Real Median Housing Income in Michigan



Federal Reserve Bank of St. Louis, Housing Price Index for Michigan (blue) and Real Median Household Income in Michigan, Adjusted (red)

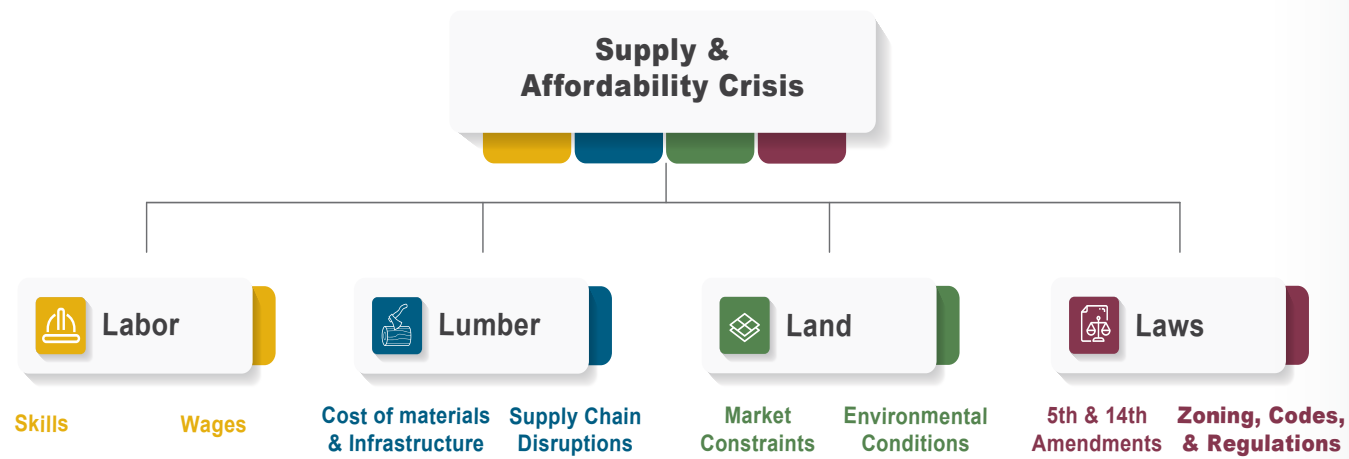
number of households has been increasing faster than total population because the number of people living in a housing unit is declining. For example, a family home now has fewer people in it when children move out to create their own household, or roommates decide to live separately when they can afford to do so. A Michigan State Housing Development Authority report in 2019 projected that Michigan will face a deficit of more than 150,000 housing units by 2045 if current trends continue.<sup>5</sup> The lack of housing supply has driven the cost of housing increasingly higher due to rising demand.

The chart above shows the rising housing price index for Michigan over time and the adjusted median household income. Demand continues to rise and incomes have not kept pace, which only exacerbates the problem of maintaining levels of affordability. For example, the National Low Income Housing Coalition estimates the current need for nearly 205,000 rental units for extremely low-income households in Michigan, which comprise 28% of Michigan's renter households.<sup>6</sup>

## INFLUENCING FACTORS

This perfect storm led us to a red-hot "seller's market" before interest rates began to climb, where would-be residents competed for scarce supply. If a community has 100 households all looking to buy or rent at the same time, but only five units are available, the price of housing will increase.<sup>7</sup> There is greater demand for housing than available supply in many places in Michigan. Yet, there has not been an overwhelming increase in construction activity to meet demand. The combination of the Four Ls, or Labor, Lumber, Land, and Laws all play a role in the current housing crisis.

**Labor.** From the foundation to the roof, new buildings require many specialized crafts, including plumbers, electricians, framers, drywallers, painters, and more. There is a shortage of skilled tradespeople who can do the necessary work of building and housing rehabilitation. The current labor shortage in the construction industry and related trades can be traced back to the Great Recession. When the housing bubble burst, demand for new homes plummeted. As work dried up, laborers in construction and other trades left the field.<sup>8</sup> A report by the Home Builders

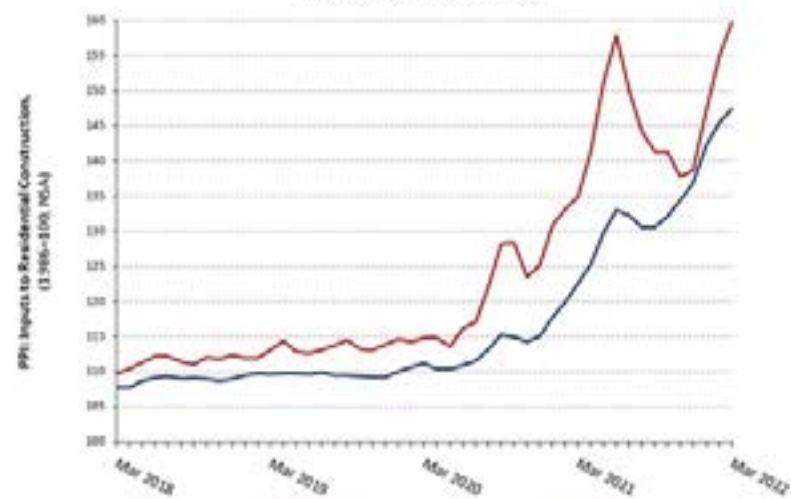


Association of Michigan in 2017 reported that between 2000 and 2009, Michigan lost 43% of its workforce in residential construction.<sup>9</sup> Many of these workers have not been replaced.

**Lumber.** The cost of construction materials and their availability has not only made housing more expensive to develop, but also extended project timelines. Building materials prices have risen 33% since the start of the pandemic in February 2020. The price index of services used in home building (including trade services, transportation, and warehousing) have increased 15.2% since the start of 2022, and 39% since the start of the pandemic.<sup>10</sup>

Infrastructure can also significantly influence housing supply and affordability. A parcel that is not served by sewer, for example, must be large enough (typically at least ¾ of an acre) to accommodate an on-site septic system. However, where sewer and water are available, land can be divided into smaller parcels. Instead of a ¾ of an acre parcel supporting just one home, it could support a dozen townhomes. If that parcel were valued at \$75,000, the cost of land could be fully allocated to the one unit with the septic system or divided to be as little as \$6,250 for each townhome unit on sewer.

Price of Inputs to Residential Construction  
March 2018 - March 2022



According to the Producer Price Index (PPI) report released by the Bureau of Labor Statistics in March 2022, building materials prices increased 20.4% year over year and have risen 33% since the start of the pandemic.

**Land.** The availability of land for development can heavily impact housing prices. Commonplace scenarios include an unwilling landowner who stalls the aggregation of property that would make a more cost-effective development site; a desirable property located near a regional center with community amenities being priced at an unreasonable premium; or a site that is encumbered with easements or deed restrictions. Suitable soils can also be an important contributing factor to land availability. Where large portions of a region are impacted by wetlands, river estuaries, or a high-water table, opportunities for new housing can be limited. In high-demand areas, if much of the land area is not buildable, or if the available land is over-regulated, this will result in higher prices for the limited land that is buildable.

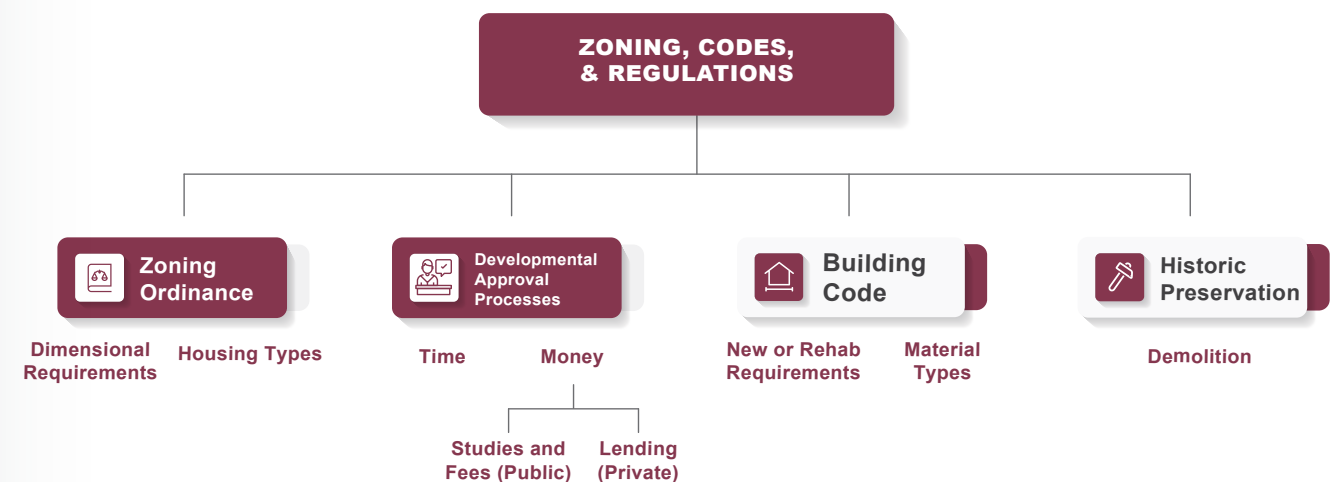
**Laws.** The 5th and 14th Amendments of the Constitution ensure individuals the right to “life, liberty, or property,” due process, and the protection of property rights. These amendments and corresponding case law drive the limits of governmental intervention to resolve matters of housing supply. Local laws, however, often directly influence which types of homes (single-family, duplex, townhome, apartments, etc.) and lots are legal to construct and, thus how much the land and house are likely to cost.

Local zoning provisions which set minimum standards for home or unit size, lot size, lot width, or lot frontage will play an important role in determining how many units and lots

can be created and what a new homeowner or renter will have to pay. These are typical dimensional requirements. Most ordinances also dictate the housing type that can be constructed in each zone district, thereby pre-determining a community’s housing inventory and selecting the types of housing units a prospective resident can choose from.

Development approval processes can also add substantial time and cost to a proposed project without the guarantee of success. The National Home Builders Association, in a letter addressed to President Biden in April 2022, called for the reduction of “burdensome regulations that account for nearly 25% of the price of building a single-family home and more than 30% of the cost of a typical multifamily development.”<sup>11</sup> This assertion is supported by a number of well-documented studies. Delays in approval processes due to neighbor opposition can increase land prices by 12%.<sup>12</sup> This, then, creates an incentive for developers to build affordable housing where it is most politically expedient: in existing low-income neighborhoods where a concentration already exists.<sup>13</sup> The practice creates a lack of opportunity for low-income individuals to access places that may have better schools, shorter commutes, and needed services.

In addition to zoning, there are other factors that play a role in project feasibility, including the building code, historic preservation review, and private lending criteria.



**Building code.** Most Michigan communities use the International Building Code (IBC), a state-wide code that has a lengthy amendment process. The IBC places nearly all housing types other than single-family into the more expensive commercial construction category; making it difficult for residential homebuilders to comply.

**Historic preservation** can be important for placemaking and community culture; however, it can also be a method to prevent change. Local historic districts are usually created through grass-roots advocacy, and local commissions have latitude when considering redevelopment proposals. An historic review can mean additional process, including time and fees.

**Private lending** can require site and building improvements that may not be desired by the community or the developer; such as additional parking spaces, in-unit laundry facilities, or walls that separate a new development in a revitalizing neighborhood from its surroundings. Unless the developer and community comply with lender demands, a project may not materialize.

Considerations addressed in this Toolkit are not exhaustive. Key zoning provisions and related development approval processes are the greatest opportunities local units of government can have a significant impact on influencing housing supply and affordability.

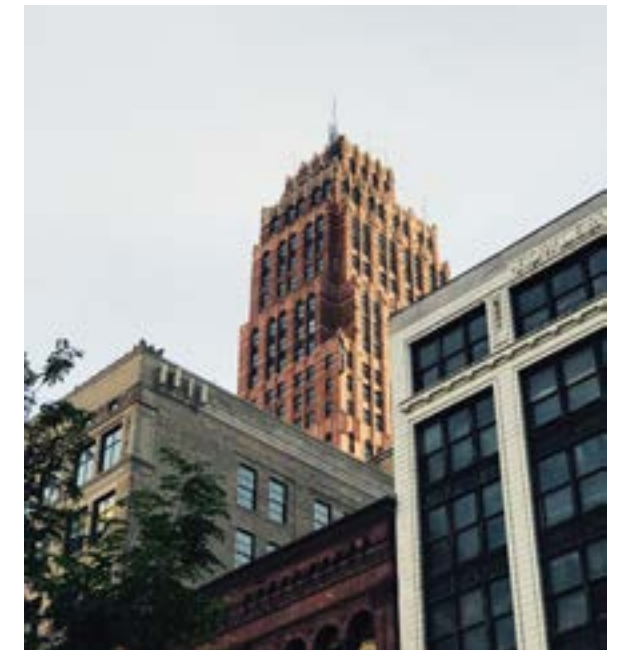


Google Earth

## ECONOMICS OF HOUSING

The influencing factors of Labor, Lumber, Land, and Laws have placed unprecedented pressure on a commodity that is also considered a basic human need.<sup>14</sup> These factors, of course, are interrelated. Because of labor and materials shortages, the construction cost per square foot for a residential unit has escalated from an average of \$150/sq. ft. in 2015 to nearly \$250/sq. ft. in many areas of Michigan in 2022. As a result, the very same 1,000 sq. ft. home that would have cost \$150,000 to build in 2015 is now costing \$250,000 or more. Consider:

- If that 1,000 sq ft home costs \$250,000 to build, the cost of the land for that home can play a critical role in influencing whether or not that home is attainable to a family in the region. If the minimum lot size is an acre, and the cost of a 1-acre lot is \$75,000 or more, the price of the home plus land is likely to exceed \$325,000. Many households will be instantly priced out. However, where the land can be subdivided to create additional buildable lots, the cost of land will be less and the home attainable to more people.
- If the local building community needs to build 100 homes each year, and the local regulatory code requires all new homes to be constructed on large lots with expensive infrastructure, it is very likely that builders will choose to use their limited labor supply to build the most expensive homes first. Those homes will likely be the most profitable because expensive homes can more readily absorb the higher costs of labor, land, and materials. Alternatively, where a builder or developer is able to construct many homes at once, there will be efficiencies in materials, labor, and land costs. These efficiencies can help to justify lower price points for new homes.
- If it takes two years to obtain Planned Unit Development (PUD) approval from



the planning commission and elected body for a housing project request, it may be another year (depending on Labor and Lumber) before housing units are available for sale or lease. If prices continue to increase, estimates at the beginning of the approval process may no longer be accurate, even with contingencies. Two of the three years in this PUD example could be eliminated with a streamlined approval process.

Solving housing needs and need categories across all price points requires changing a “one-size-fits-all” approach. The amount of land required to support a housing unit is not a fixed number. Neither is the number of square feet needed to support a household. The amount of land and built space required for a home is highly variable and dependent upon the number of people in a household, the household’s income, the local regulatory requirements, the availability of public transportation or other viable mobility choices, and more. There is no one magical solution, and therefore it is imperative that local units of government plan and zone for a variety of housing types and price points across their communities. This is, of course, easier said than done.



## PROPERTY VALUES

Historically, achieving the American Dream has equated to homeownership. Entire systems have been created to support this idea, and homeownership has become a primary way to build wealth. There is a preponderance of federal and state measures targeted at homeowners, but few programs available for renters.

The largest economic housing subsidy provided by the federal government comes in the form of the mortgage interest deduction on federal taxes. In a recent study, researchers found that the federal government provided over \$400 billion in tax subsidies for homeownership between 2017 and 2021. Comparatively, the next largest housing program, the Low Income Housing Tax Credit, which primarily benefits renters, received \$72 billion in federal funding over those same five years.<sup>15</sup>

In Michigan, the Headlee Amendment, Proposal A, and the Principal Residence Exemption have created a distortion in the residential housing market: it makes more sense for people to stay in their homes longer rather than right-size into a smaller home because a move will bring higher taxes. State policy has created a system that makes housing more expensive for renters as they cannot reap the financial savings that the tax benefits provide.<sup>16</sup> As rents continue to rise, homeownership becomes a distant possibility for more people who must spend a greater proportion of their income on housing.<sup>17</sup>

Homeowner bias found in tax policy is also evident throughout local policy-making. William Fischel, an economist, holds that “homeowners are the dominant faction in local government politics. Owner-occupied homes provide both consumer

In 1978, Michigan voters approved an amendment to the Michigan Constitution known as the Headlee Amendment. Property taxes were indexed to the rate of inflation, so that if the assessed value of a local tax unit’s total taxable property increases by more than the inflation rate, the maximum property tax millage must be reduced such that taxes yield the same gross revenue. Homeowners benefit because even if the value of the home rises 15-20% per year (as it has done over the last several years), property tax increases are limited.

The Michigan Education Finance Amendment, referred to as Proposition A and passed in 1994, further limits the increase in taxable value of a property to 5% or the rate of inflation, whichever is less. Only when a property is sold or transferred does the taxable value reset to the State Equalized Value (SEV) and annual taxable values are then capped again. In addition, the Principal Residence Exemption (PRE) provides any homeowner of a principal residence a discount from a portion of local school operating taxes.

In communities where property values have been skyrocketing, the only way to increase tax millage rates that were rolled back during the Great Recession is by a vote of the people. These values cannot be reset to a level where the current value is fully captured because of the caps set by State law. It is worth noting this is becoming the next fiscal challenge for local units who cannot capture the new value created by escalating home prices and must actually lower (“roll back”) their millage rates to be in compliance with the Headlee Amendment because property growth has exceeded inflation. The City of Traverse City, for example, could potentially lose an estimated \$4.5 million over the next five years by 2027, according to the City Treasurer.



services (housing) and an undiversified, durable investment (house and land) that is sensitive to what local governments do. As a result, homeowners monitor local government activities and discipline local officials whose actions jeopardize home values.”<sup>18</sup> Neighbors are often motivated by a desire to defend their investment and to guard against any type of activity they believe may adversely affect the value of their home. Unfortunately, this has had real impacts on the number of new housing units brought to market.



Recent studies have begun to show that perception is not the same as reality when it comes to the effect of new development on home values. In fact, there is no discernable difference in the rate of appreciation between homes located near higher-density development and those that are not, nor does it create more congestion or crime.<sup>19</sup> At the University of Utah Kem C. Gardner Policy Institute, researchers found that overall home values and values per square foot were higher near multi-family development rather than the opposite.<sup>20</sup> The study found:

- Homes located in Salt Lake County located within a half-mile of a newly constructed apartment building rose by 10% in median value per year between 2010 and 2019. Those farther away rose by 8.6%.
- Homes closer to multifamily housing also had an 8.8% higher median value per square foot than those beyond a half-mile away, even though the houses tended to

be slightly smaller in size, about seven years older on average, and had smaller lots.<sup>21</sup>

Properly designed and maintained housing – of any type – in an appropriate context is what matters. For example, The George Washington University School of Business conducted a study of 761 regionally significant, Walkable Urban Places (WalkUps) in the 30 largest metropolitan areas in the United States.<sup>22</sup> The group then went on to analyze seven Michigan metropolitan areas in *The WalkUP Wake-Up Call: Michigan Metros* report to see if the same market-based findings applied. The researchers found:

- Michigan residents have few choices about where to live. Only 8% of the total housing stock is located in walkable urban places, and only 4% of the housing stock built since 1960 is considered to be in places that are walkable.
- National polls suggest that 40% of residents would like to live in an Walkable Urban Place or a Walkable Neighborhood.
- There is pent-up demand across all of Michigan’s metros. For-sale residential homes sell for 56% more per square foot in a WalkUp than in an Edge City. Multifamily apartments have lease rates that are 28% higher than in drivable suburbs.<sup>23</sup>
- For-sale housing sells for 56% more per square foot when located in premium walkable urban places, and multi-family rental premiums were 46% higher than in drivable suburban communities.
- Walkable urban places performed substantially higher than low-density development patterns in terms of tax base and ability to pay for infrastructure.
- The authors cautioned that as pent-up market demand increases, as it has, then affordability will be a challenge.<sup>24</sup>

Both the University of Utah and George Washington studies identified an unmet demand for affordable, compact, pedestrian-

oriented and transit-accessible housing - housing types that are illegal to build in many places. To have a more sustainable tax base, better health outcomes, and lower transportation costs (which affect affordability), these studies recommend building more diverse housing types in a walkable form, helping to connect residents to jobs, opportunities, and the goods and services that meet their daily needs.<sup>25</sup> In other words, the form of development can produce more equitable outcomes for a community's population.

Paradoxically, many residents want vibrant villages with places to eat and shop, low-cost infrastructure, protected natural resources, and large lot low-density detached single-family housing... all at the same time. Yet, these desires are at odds with one another. Detached single-family units, particularly on large lots, is not an efficient development pattern. It promotes driving over walking, and the monoculture of use does not allow for the vibrancy of a mixed-use environment.

Residential development comprises the largest area of a community, and the way it is configured has a substantial impact on everything else. If we are to diversify Michigan's housing stock to adequately serve the people who live here, whether it is in a community that is quickly growing,

or experiencing vacancies, new housing of varying types is needed. Even in communities with declining populations, housing stock should still be improved or replaced. Aging housing stock creates economic burdens in the form of increased maintenance and inefficiencies in energy; both of which can contribute substantially to the overall cost of housing, particularly for low-income individuals.

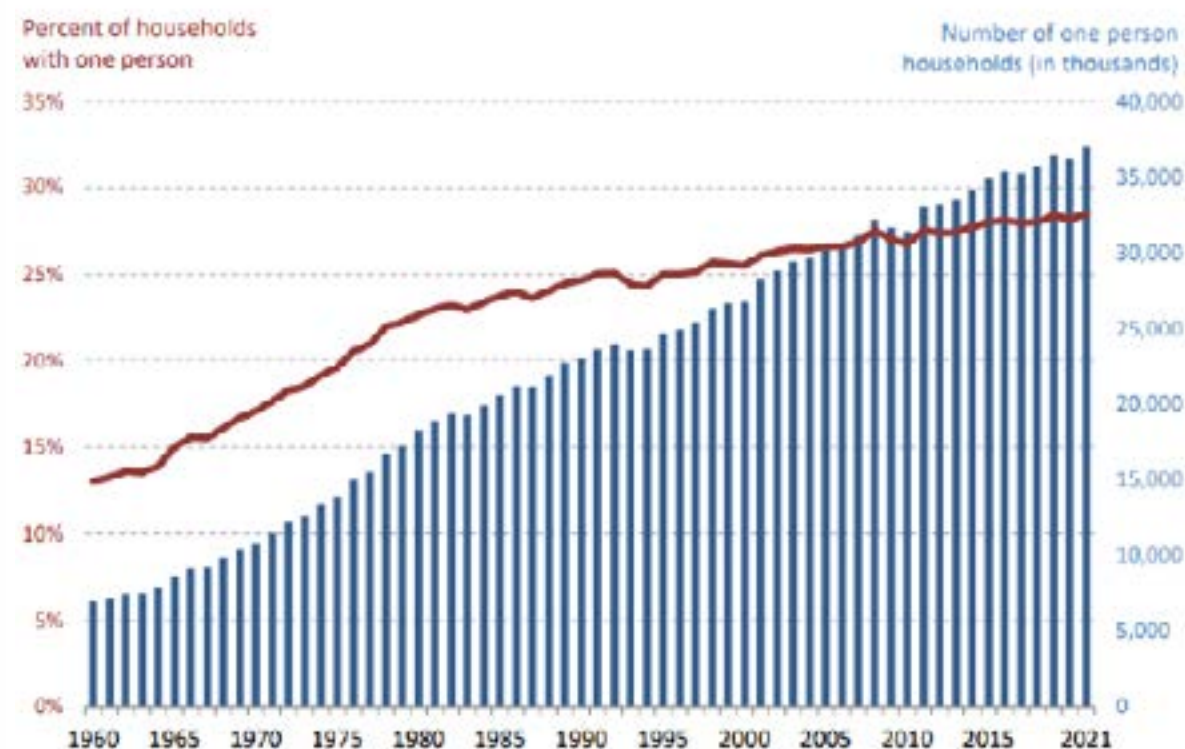
### HOUSEHOLDS, HOUSING STOCK, AND FINDING THE MISSING MIDDLE

What does a typical American household look like? If you envisioned a married couple with two kids, a dog, in a home with a white picket fence, you might be in for a surprise. The American household today looks very different than when *Leave It To Beaver* was on television. From household size and makeup to housing preferences, families and communities have been changing.

**More people are living alone.** People living alone are now the most common type of household. Nationally and in Michigan, people living alone account for approximately 30% of all households.<sup>26</sup> Single-person households accounted for only 13% of all U.S. households in 1960.<sup>27</sup>

George Washington University School of Business study recommendations directly align with placemaking initiatives supported by the Michigan Municipal League (MML) and Michigan State University's Land Policy Institute (MSULPI), and resemble cornerstone housing and economic development policies in the State of Michigan, spanning mutli-party gubernatorial terms within the offices of the Michigan State Housing Development Authority (MSHDA) and the Michigan Economic Development Corporation (MEDC).

### The rise of living alone



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1960 to 2021.

**Households are getting older.** In 1960, 18% of U.S. householders were 65 years or older; in 2020, 27% of householders were over 65 – that's more than 1 in 4 households.<sup>28</sup> In Michigan, the percentage of households with at least one person aged 65 years or older is approximately 30% or almost 1 in 3 households.<sup>29</sup>

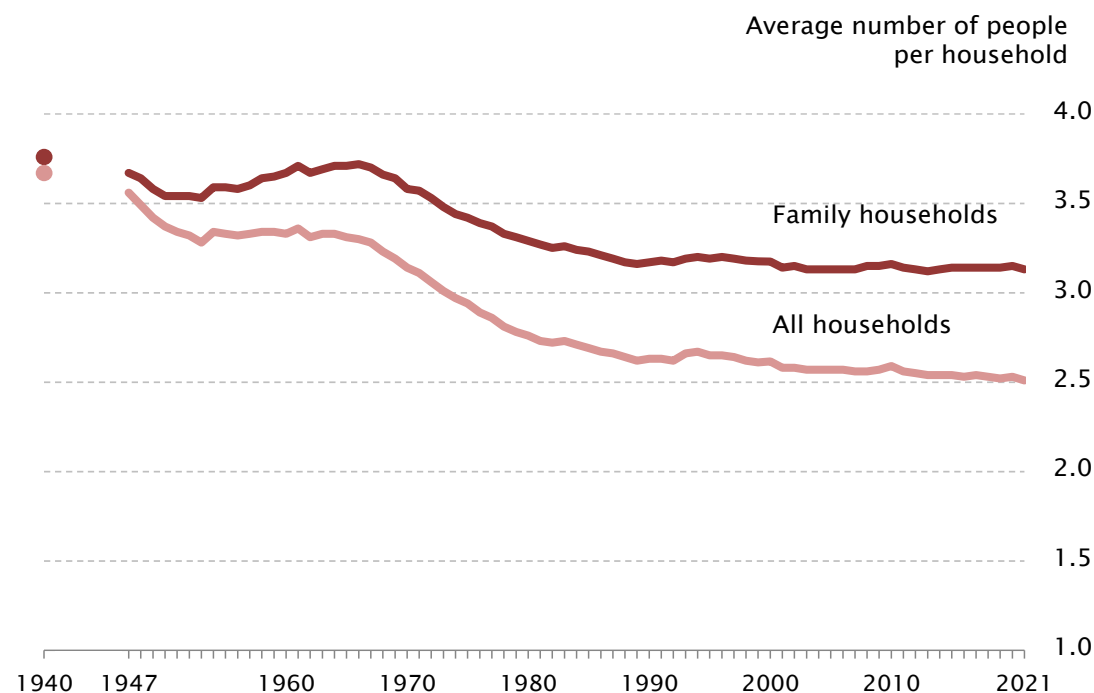
**Multi-generational households are increasing.** There has been an increase in the number of adult children living with their parents, as well as other types of multi-generational households. Between 2000 and 2017, the share of young adults (ages 25-34) living with their parents almost doubled, from 12% to 22%.<sup>30</sup> At the same time, the number of Americans living in multigenerational households has increased to almost 20% of the population, up from the lowest share in 1980 at 12%.<sup>31</sup>

**Households are getting smaller.** The second biggest household type is couples living together with no children, which comprise one-quarter (25%) of all households. The average household size in 1960 was 3.29 people. Gradual declines in household size occurred in each subsequent decade. The average household size in the U.S. was 2.51 people in 2020.<sup>32</sup> Michigan's household average is smaller, with 2.45 people per household. Nuclear families, defined as two adults living with children under 21, now represent just one of every five (20%) households.<sup>33</sup>

**Walkable neighborhoods are preferred by the largest generations.**<sup>34</sup> Millennials and Baby Boomers desire to live in walkable neighborhoods and not necessarily in downtowns. Walkable suburban neighborhoods have become more popular, especially for Gen Zers and Millennials.



### Changes in household size



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1940 and 1947 to 2021.

#### Baby Boomers would like to age in place.

A report by the AARP, Making Room for a Changing America (2019), found that 77% of people aged 50 or older said they wanted to stay in their current community for as long as possible and 76% want to stay in their current residence as long as possible. Of people aged 65 or older, 86% want to remain in their current community and home.<sup>35 36</sup>

#### We don't have the housing stock for an aging population.

Approximately 45 million people are age 65 or older today. By 2030, that number will reach 73 million – or 1 in every 5 Americans. Of these, 20% are anticipated to have some sort of physical disability. In an AARP poll, one-third of those polled said they would need to modify their current residence so they could live there if they had physical limitations. Only 54% of homes have a step-free entryway, according to the American Housing Survey.<sup>37 38</sup>



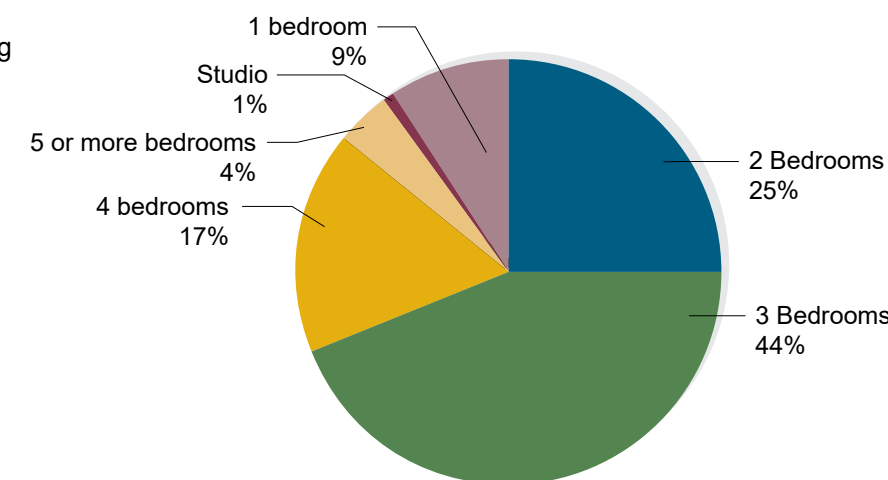
Source: AARP Making Room: Housing for a Changing America

**Homes have been getting bigger.** The median size of a single family home completed in 2020 was 2,261 sq. ft.<sup>39</sup> Comparatively, the median square footage of a single family home in 1960 was 1,500 sq. ft.<sup>40</sup> Minimum unit sizes, required either by zoning or homeowners associations, can price potential buyers out of a market, exacerbating high housing prices.

**Zoning has made detached single-family the only option in many communities.** Of the 1,287,000 new housing units completed in the U.S. in 2020, 71% were single-family homes. This number aligns with what is permitted to be developed according to local zoning. A New York Times analysis of zoning across the country found that it is illegal on 75% of residentially zoned land to build anything other than a detached single-family home.<sup>41</sup>

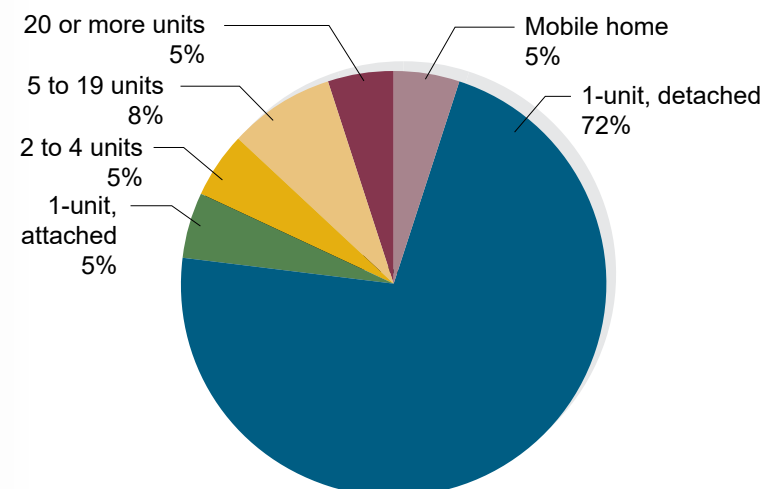
**There is a significant mismatch between our housing stock and household sizes.** Similar to nationwide numbers, nearly three-quarters (72%) of Michigan's housing units are detached single-family homes. This housing type is typically thought of as family housing, but more householders live alone (30%) than have children under the age of 18 (28%). Housing unit sizes (as determined by number of rooms) don't align with the reality of our current demographics. Two-thirds of Michigan's housing stock has 3 or more bedrooms, while only 10% of all housing units are comprised of a studio or one bedroom unit.

#### Percentage Number of Bedrooms in Michigan Housing Units | 2020



Graphics on this page from ACS 2020 5-Year Estimates: DP02 | Selected Social Characteristics in the US

#### Percentage Housing Units by Type in Michigan | 2020



#### Households by Type in Michigan, 2020

Households by Type	Percent
Household with no spouse/partner present	46%
Living Alone	30%
Married-couple or cohabitating couple	54%
Households with 1 or more <18 years	28%
Households with 1 or more 65 years +	31%



**Neighborhood amenities matter.** In 2020, the National Association of Realtors (NAR) Community and Transportation Preferences Survey found that “One in 5 people living in a detached home would prefer to live in an attached home if it meant living in a walkable community with a shorter commute. Only 1 in 10 prefer the opposite trade-off.” The survey also found that people living in walkable communities are more satisfied with their quality of life.<sup>42</sup> An AARP poll found that 62% of respondents would consider building an Accessory Dwelling Unit (ADU) on their property for a loved one who needed care, or a family member or friend that needed a home.<sup>43</sup>

**Support to allow Missing Middle<sup>44</sup> housing exists.** Zillow surveyed 26 Metro Areas and found residents were more likely to support allowing accessory dwelling units (69% supported versus 23% opposed) and duplexes and triplexes (61% supported versus 31% opposed) in every single metro. Most respondents (68%) also said allowing small and medium apartment buildings would have a positive impact on the availability of more affordable housing options, but they split more evenly on apartment buildings in their own backyards: Across all the surveyed metros, 57% agreed they would support a multifamily residence like an apartment building being built in their neighborhood, while 37% disagreed. Renters expressed greater support than homeowners.

**Support Allowing in Residential Neighborhoods:**

	ADU's	Duplexes / Triplexes	Either ADU's or Duplexes or Triplexes
<b>Total</b>	<b>69%</b>	<b>61%</b>	<b>77%</b>
Homeowner	66%	55%	73%
Renter	76%	72%	84%
Gen Z (ages 18 - 27)	78%	69%	86%
Millennial (ages 28 - 42)	79%	73%	86%
Generation X (ages 43 - 57)	71%	60%	78%
Baby Boomer and Silent Generation (ages 58+)	54%	46%	64%

Source: Zillow Research 4/11/2022

Given changing demographics and housing and neighborhood preferences, it is clear that existing housing stock does not meet current needs. While Labor, Lumber, and Land are less directly in our control, as local leaders, we can have an impact on Law. Zoning policy can and should be updated to reflect the housing needs of today and tomorrow.<sup>45</sup>

**WHAT IS MISSING MIDDLE HOUSING?**

Missing middle housing refers to housing types such as accessory dwelling units (ADUs), duplexes (two-family), triplexes (three-family), fourplexes/quadplexes (four-family), townhouses, and small apartment buildings. It is the range of housing types found between a detached single-family house and a large multi-family complex. These housing types are generally considered to be moderate density. In most communities, these housing types have been banned from zone districts that only allow detached single-family homes. Traditional patterns of development have these housing types woven into residential neighborhoods. Some refer to missing middle housing types as "gentle density" because they can work well in existing contexts and blend nicely with new construction.

See the [Missing Middle Housing](#) tool for more information.



**ECONOMIC CONSEQUENCES**

If Michigan communities are to be adaptable in a world where change is the only constant, then good stewardship is necessary. Towns reliant on a single employer, such as the mining or automotive industry, have seen their fates boom and bust in tandem with the volatility of the market for decades. Resilient communities have diversified their economies to better weather economic storms. We must do the same with our housing stock.

A lack of housing types and sizes that are aligned with today's households is placing a financial burden on Michigan households. Unit size matters because rent and sales prices are typically determined on a per square foot basis. It is no surprise, then, that 48.5% of Michigan households spend 30% or more of their income on rent.<sup>46</sup> Households are considered "cost burdened" at this threshold. HUD defines cost-burdened families as those "who pay more than 30 percent of their income for housing" and "may have difficulty affording necessities such as food, clothing, transportation, and medical care." Twenty-three percent of homeowners with a mortgage fell into this same category. As detailed earlier, Michigan tax law works to benefit homeowners, so this lower rate is to be expected.

A diverse housing stock in a range of price points at the right places can meet the needs of a wide array of households and assist in stabilizing a community's tax base. When our housing supply is constrained and there are high housing prices it limits the movement of workers. The Home Builders Association of Michigan found that hospitality workers in some Northern Michigan towns face long commutes (averaging 45 minutes each way in one Northwest Michigan community) because they can't find attainable housing near their jobs.<sup>47</sup> Households then have even less room in their budget for other necessities due to the burden of transportation costs. Economic growth requires a new approach that provides more choices than are

## Short's Brewing Co. purchases Bellaire Inn in response to northern Michigan housing crisis

The northern Michigan brewery will use the 26-unit motel to provide temporary, transitional housing for summer workers who can't find a place to live



**Brian Manzullo**  
Detroit Free Press

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currently available. Potential employees can't relocate to where the jobs are because housing costs have outpaced local incomes. Communities reliant upon service workers have found that local businesses are unable to open or must have reduced hours because housing prices are beyond what employees can afford.

*"We've missed out on (non-local) candidates because they can't find a place to live, and we've had an employees move out of state because of the lack of affordable, workforce housing. We're working to get some housing projects shovel ready, but that doesn't help us out this season," said Scott Newman-Bale, the CEO of Short's Brewing.*<sup>48</sup>

A lack of housing has not only adversely affected northern Michigan. The National Association of Realtors study found that for every two new jobs created in the Detroit-Warren-Dearborn and Grand Rapids-Wyoming metropolitan areas, only one new housing permit was issued between 2016-2019.<sup>49</sup> Demand has resulted in median listing prices climbing nearly 20% from March 2021 to April 2022 in those markets.<sup>50</sup> Throughout the United States, the cost of restrictive land use regulation is estimated to result in at least a 2% loss in overall gross domestic product (GDP).<sup>51 52</sup>

Ultimately, we are constraining the potential for businesses to grow, reducing the workforce's upward mobility, and limiting access to new job opportunities. If we were to align labor with location, shorter commuting distances and/or multi-modal options, a variety of housing types, and housing availability at all price points, then it would be easier for workers, businesses, and local economies to thrive.

This housing crisis must be regarded as an issue that all levels of government need to work together to solve. Every local leader should be asking what role their community plays in the larger regional ecosystem. Employees and employers don't care about jurisdictional boundaries. The workforce simply needs to live within a reasonable commuting distance. Thinking another community will shoulder the entire burden of change is unrealistic and will not solve the need for more housing.

In addition, followers of Strong Towns' Charles "Chuck" Marohn will be familiar with the legacy infrastructure costs that await us because of mandated low-density development patterns in suburban and ex-urban communities. Rules such as minimum lot sizes and maximum densities have created places that are, or will be, struggling to maintain their streets and pipes, schools and parks, and other community assets. There simply aren't enough taxes generated by large lots and single-family homes over time to support the costly burden of infrastructure.

## SOCIAL CONSEQUENCES

The reality is that during various phases of a person's life they will have different housing needs. Young adults may be on their own before finding a partner. A married couple may decide to divorce and shared income must now be split into two households. A widower may no longer wish to stay in the home where their family lived. Whatever the context and changing circumstance of a household, many communities have adopted zoning that requires three-fourths of all housing to be the same. The lack of a variety of housing types and price points reduces housing options across all incomes, ages, and household sizes.

Exclusionary zoning methods have been designed to keep out different housing types, people of a lower socioeconomic status, and/or renters because homeowners fear their property values will be negatively affected (despite a lack of empirical evidence to support these fears). Empathy is discarded even though shelter is a basic human need - alongside air, water, food, and sleep.

Nearly a century ago, local zoning was introduced to improve living conditions for the working poor and keep away the noxious effects of industry. Today's codes frequently place less "desirable" housing types, such as apartment buildings, next to major thoroughfares or heavy commercial uses. The working poor have been relegated to the places that zoning was supposed to protect them from.

Past practices of redlining, racial discrimination, predatory lending, and steering away people from certain neighborhoods has created a significant wealth gap between white households and other racial/ethnic minorities. Blacks have a homeownership rate of 46.4% compared to 75.8% of whites. In 2016, white families posted the highest median family wealth at \$171,000. Black families, in contrast, had a median family wealth of \$17,600.<sup>53</sup> Given that a home is one of the largest personal assets a person will hold, it is not surprising, then, that such a significant wealth gap exists.

Communities with greater income segregation between neighborhoods typically have more restrictive development regulations. Limiting where the lower-income families can live limits life opportunities in schooling, employment, health, and support services.<sup>54</sup> The consequences of limiting housing choices can be particularly harmful to children, affecting their physical and mental health,

As was mentioned in the Introduction, there is a growing divide between people and places that is exacerbating poverty and seriously affecting health outcomes. This, in turn, is having a detrimental effect on our economy and peoples' lives. Creating places where some people, but not everyone, can fully participate as a member of a community impairs the ability for individuals and families to find success and comfort.

The consequences of our ambivalence to solve the housing problem include increased costs to provide social services, housing assistance, and medical insurance write-offs, as well as lagging active participation in the workforce, and other externalities. If we are to have a strong and stable communities, then all residents need to be able to live in places that optimize their potential.



Richard Rothstein's book *The Color of Law: A Forgotten History of How Our Government Segregated America* clearly explains how public policy segregated America, and the cumulative effect of this policy on people of color. The Michigan Association of Planning's Equity Policy provides detail on MAP's position to advance equity. The American Planning Association's Equity in Zoning Policy Guide (2022) is another excellent resource on what can be done to modify zoning to produce more equitable outcomes.

# Call to Action

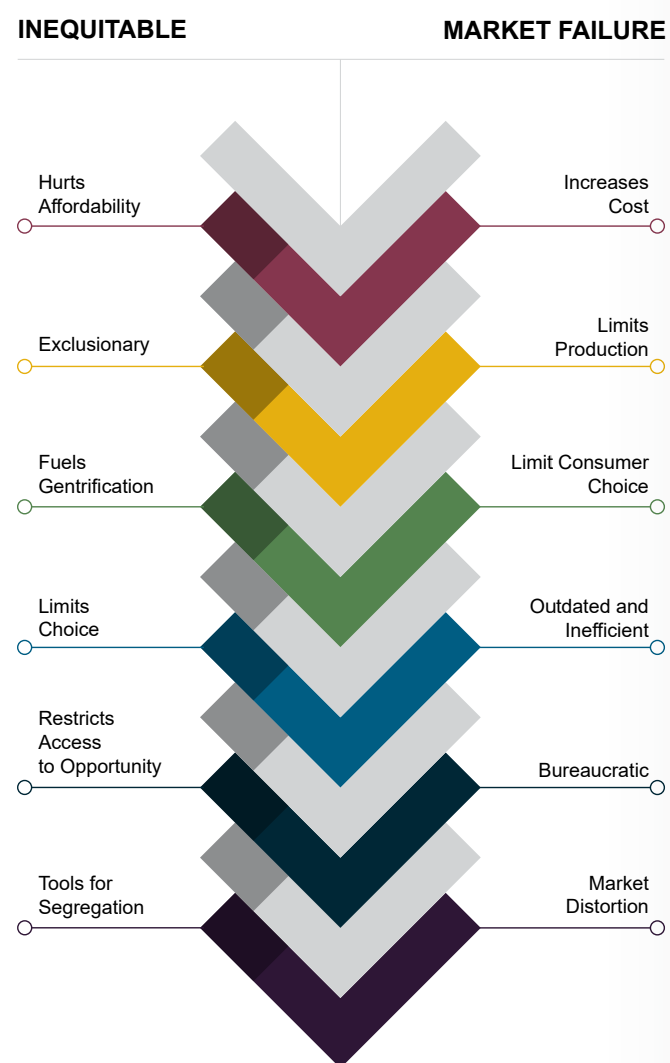
Zoning is local...for now. Let's return to the Labor, Lumber, Land, and Laws discussion from earlier. It was stated that zoning and related development approval processes are the greatest opportunities where local government can significantly influence housing supply and affordability. Think about this. Local officials cannot change the cost of wages and building materials, manage supply chains, commandeer control of private property, or run contrary to Constitutional amendments. Officials can amend a zoning ordinance.

Zoning determines where housing will be built, what types of units are allowed, how the housing might look, and when it might be approved. Language can be removed or added to allow a range of housing types. Provisions can be modified to make conversions, infill, and redevelopment possible. Approval paths can be made easier and less costly. This is why a call to action has been made for zoning reform.

The housing shortage is affecting affordability, community livability, economic growth and prosperity, quality of life, and opportunities for people to change their situation in life. Arguments have been made through different lenses that zoning is perpetuating inequality and creating market failure.

The challenge, then, is how to go about the work of changing zoning because it has become viewed as a tool to restrict, rather than facilitate, change in many places. Some have argued elsewhere that preempting local zoning authority is the most expeditious way to solve the problem given that the magnitude of the issue is of statewide importance.<sup>55</sup> Federal court decisions have weighed in from time to time, acknowledging the larger effect of local decision-making on a larger region.<sup>56</sup>

The Obama, Trump, and Biden administrations have held numerous briefings and published reports regarding



Arguments to reform zoning are being made from both sides of the aisle. Democrats and Republicans may have different reasons to support reform, but are finding common ground. Source: APA Jason Jordan.

the need for zoning reform. The Build Back Better Framework, most recently proposed by the Biden Administration, recommended a federal competitive grant program to jurisdictions willing to undertake zoning reform. Although unable to directly influence local communities, the fact that this continues to be discussed by different administrations should be something to pay attention to.

Frustrated that local jurisdictions have not done more to address housing needs, state lawmakers on both sides of the aisle, from Connecticut to California, have begun to adopt pre-emption laws that require accommodations for various housing types. Other states have passed legislation as well, including Oregon, Maryland, Virginia, Nebraska, Vermont, Massachusetts, and Washington.<sup>57</sup> Still other states, such as New Hampshire, are in the process of changing state law.

In Michigan, land use and zoning decisions are made at the local level unless power is ceded to a county. With 1,800 units of local government in Michigan, direct land-use decision making is substantially fragmented. Michigan's culture has been strongly oriented towards property rights and local control. Keeping zoning

## Housing is Regional

Housing supply is a regional issue. Housing is part of a larger ecosystem of schools, shopping centers, churches, employment centers, and other built assets that comprise our daily lives. Solutions cannot be left for one community to solve alone - the demand and need for housing does not stop at a jurisdictional boundary line. Regional initiatives have been launched to support multi-county housing needs. For example, Housing North serves a ten-county region in North West Michigan, and Housing Next serves both Kent and Ottawa counties in West Michigan. Strong, active coordination between communities to address housing supply could allow for alignment of zoning provisions to improve predictability for the development community.

local allows decision-makers to identify potential negative impacts to neighboring property owners and determine appropriate mitigation measures.

Local elected officials, planning commissioners, staff, and others involved in local decision-making have an obligation to recognize the consequences that zoning regulations have wrought and to work with citizens to understand the importance and benefits of changing long-standing approaches. Increasing awareness of the issue, and educating the public about how places and people in Michigan are changing over time are important first steps. To that end, this section includes recommendations for communicating about housing and zoning reform and the data that can assist to support the work ahead.

## HOW TO TALK ABOUT HOUSING

Housing is a complicated topic. It is important to understand how to frame the discussion around housing. This Toolkit seeks to demonstrate to local units that state pre-emption can be avoided if we work together to find practical solutions to the problem of housing supply. Political science research shows that the majority of people will support changes to zoning for more housing when it is posed as a general policy question. The issue becomes when a specific project is proposed nearby to where they live. For this reason, ensuring that housing is addressed in a community's comprehensive plan is critical.

The comprehensive plan is the policy vehicle that sets the direction for how a community should change and grow. Attempting to tackle the housing issue on a project-by-project basis will almost always be painful. The policy framework should be established beforehand to work alongside the regulatory approaches outlined in this Toolkit. Ideally, the community might describe what housing types would satisfy community needs and identify desired contexts and approval paths so that the vision can be codified into the zoning ordinance for implementation.

To do this, the public must understand the “why” of the need for change to housing policies. This is particularly important since many current ordinances “protect” single-family detached neighborhoods from change. Opposition can be a significant roadblock to building places that encourage a broad tapestry of housing types, price points, and people. Communities with low-density development patterns that are dominated by large-lot single-family homes are stereotypical locations of opposition, but downtown areas seeing an influx of gentrification and rural areas may oppose new development in the same way – voicing displacement and the loss of community character as concerns.

There have been several recent studies and surveys to understand the most effective ways to address public opinion when framing housing policy discussions. Depending upon the audience, the three

subject areas of fairness, economic growth, and property rights have been found to resonate the most. Notably, what is not as effective is an emphasis on affordability and racial justice.

Dr. Jason Sorens, Director of The Center for Ethics in Society at Saint Anselm College, and his colleague Mike Matheis conducted a survey of New Hampshire residents.<sup>58</sup> The figure below shows the average (mean) score on an index of pro-housing attitudes for respondents who received a control message and persuasive messages focused on how local zoning regulations:

- prevent working-class families from getting their kids into good schools (Fairness);
- hurt job growth and gross domestic product (Economic Expertise); and
- violate landowners’ property rights (Property Rights).

Mean Pro-Housing Attitudes by Experimental Message in New Hampshire

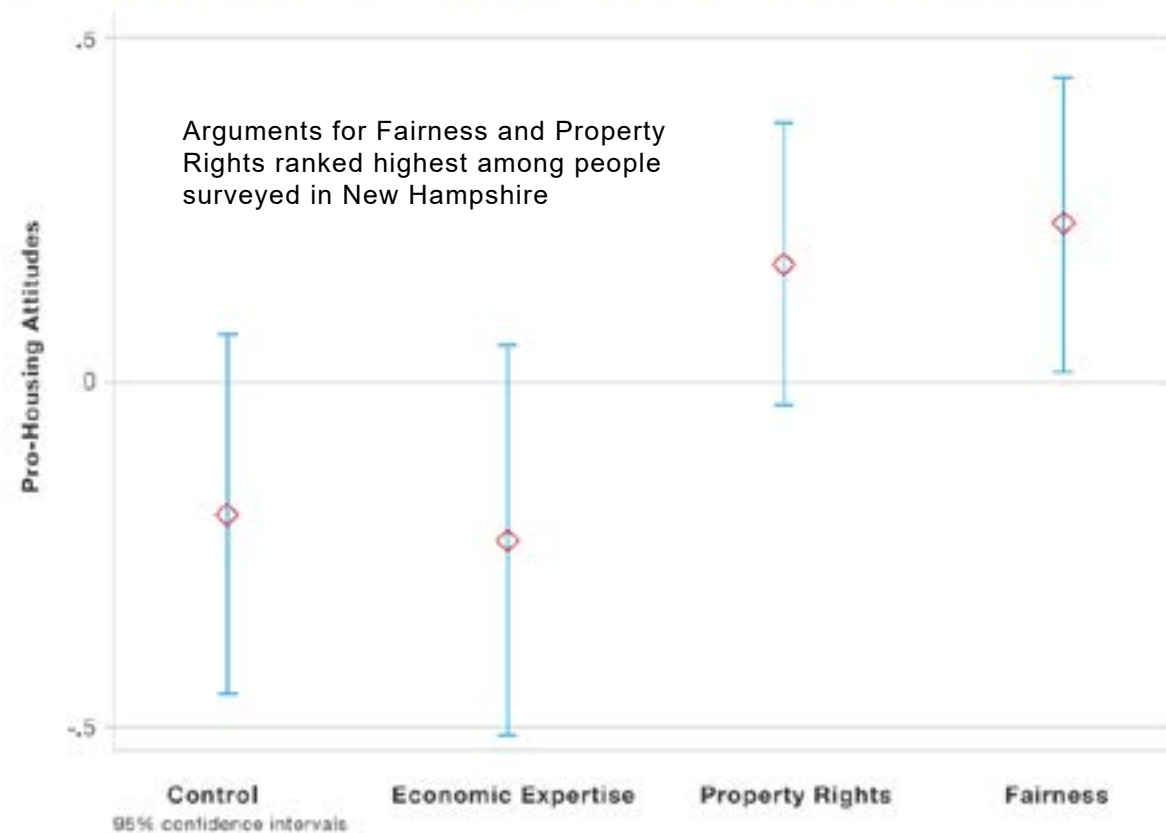


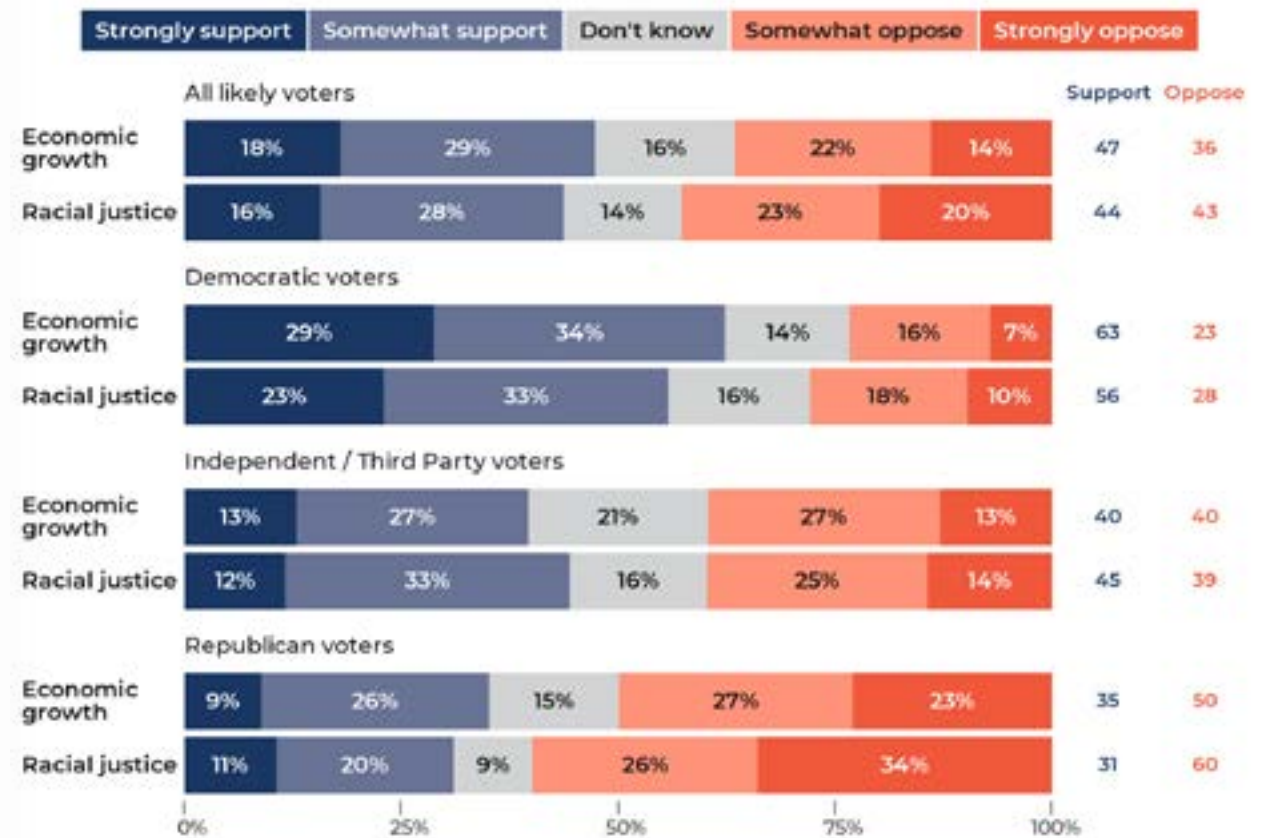
Image from *Changing Minds on Restrictive Zoning*

Compared with the control message, Property Rights and Fairness had strong, positive persuasive effects on New Hampshire adults, whereas Economic Expertise had no effect. The effect of Property Rights seemed to be strongest for moderates and independents, while the effect of Fairness seemed to be strongest for left-liberals and Democrats. Sorens notes that homeownership rates, underlying community culture, and views about economic development can influence attitudes in other places.

A Vox and Data for Progress poll (below) weighed an economic growth message against one focused on supporting racial justice for multi-family home construction<sup>59</sup>. The economic growth message rated net 10 percentage points higher than the racial justice message. The largest difference in increased opposition based on racial justice was in Republicans, but Democrats also preferred the economic growth message. Independent/Third party voters only had a 1% spread in strong support and strong opposition between the two messages.

### Voters Find Economic Arguments For Multi-Family Home Construction More Persuasive

Half of the likely voters were shown this message: “Supporters of this say that it’s a matter of racial justice. Single-family zoning requirements lock in America’s system of racial segregation, blocking Black Americans from pursuing economic opportunity and the American dream of home ownership.” The other half were shown this message: “Supporters of this say that this will drive economic growth as more people will be able to move to high-opportunity regions with good jobs and will allow more Americans the opportunity to get affordable housing of their own, making it easier to start families.”



Feb 19 to Feb 22, 2021, survey of 1555 likely voters

**FAIRNESS**

Messaging focused on fairness is one of the more effective ways to change minds. Research by the FrameWorks Institute, a Washington D.C.-based social science research group, has found one approach for housing discussions is to focus on how zoning limits social mobility and how this affects the well-being of people and the communities they live in<sup>60</sup>.

Thinking of housing as something that provides security and stability for people instead of as an investment to be profited from is a significant paradigm shift. Where neighbors are focused on property values, an effort can be made to refocus the discussion around how housing meets a basic human need.

*A place to call home is foundational to how people build their lives, and communities are really rooted in the people who live there. Shouldn't everyone have the same opportunity to thrive in your community?*

The idea of fairness applies not only to the opportunities provided to individuals, but across neighborhoods and communities as well. For example, the 2021 New Hampshire survey looked at attitudes towards two propositions: a proposal that multifamily housing should be built only in cities, while suburbs and rural areas should be mostly single-family housing; and a legislative proposal that would authorize statewide the construction of duplexes, triplexes, and fourplexes on lots served by municipal water and sewer, and where residential development is allowed. Respondents were opposed nearly 2-to-1 to banning apartments, duplexes, and townhouses from suburbs and rural areas, and they were evenly split on the legislative proposal to legalize fourplexes statewide in sewer-served areas. Thinking about how a regional issue is solved across communities using a fairness lens can be helpful.

**ECONOMIC GROWTH**

The consequences on economic growth were highlighted with the Short's Brewing Company example in the preceding section. Maintaining a sense of community by providing opportunities for the people who work in local businesses, schools, hospitals, police and fire departments, coffee shops, and other places to also be able to live there can build support for attainably priced workforce housing. Ensuring that young people can return and reside in the community they grew up in can also be effective. Connecting these examples with personal stories makes the narrative relatable and can build empathy.

*The housing shortage is tied to cost-of-living issues, problems with workforce recruitment and retention, and affordability.*

Explaining the economic ecosystem and the effect housing has on it can be powerful when addressed by business owners and Chambers of Commerce.



**PROPERTY RIGHTS**

There is a reason why the short-term rental (STR) industry has attempted to explain why using your house as a mini-hotel should be your right. Property rights messaging works well for individuals that do not like government decision-making. This messaging would be effective in many areas of Michigan where residents are cost-sensitive or are impatient with bureaucracy.

*Explaining that zoning reform can allow more housing types and/or housing units on a person's land, provide more housing choice, and how the easing of restrictions will allow the market to determine and deliver in-demand housing can resonate for people who want to see more done with less rules.*

Another facet of the "rights" discussion is personal choice and how regulations that allow only one housing type in the majority of a community restricts the ability of a person to select from multiple places to live.



\*Housing costs = rent + utilities or mortgage + taxes + utilities. Median annual salaries, according to the Bureau of Labor Statistics; Average rent figures from RentJungle.com, for August 2020.

Courtesy of the U of M Edward Ginsberg Center

**BUILDING UNDERSTANDING**

Understanding the lived experiences, perceptions, and fears of those who may be in opposition to a housing development or zoning change is important to determine the correct talking points to use. For example, although evidence is lacking that higher density causes a decline in property values, there may be anecdotal examples that create the appearance of a correlation. Older residents may believe that additional density resulted in urban blight and crime because of their lived experiences during the 1960s. The decay of urban centers, however, was the result of policy decisions and banking practices that subsidized new suburban construction and disincentivized reinvestment in existing areas.

When beginning conversations about change, it's important to first understand the other person's viewpoint. One helpful exercise that can be conducted in small, facilitated groups or with online surveys is the *Three Whys* exercise. First, ask participants to list the three things they like most about their neighborhood or community. Next, ask each participant to explain why the first item on their list is essential. Then, go a bit deeper and ask why that is important. Then, if possible, ask why one more time with curiosity. Here's an example:

- **What types of housing should be allowed in your neighborhood?**  
*Only single-family homes on large lots.*
- **Why is this important to me?**  
*Single-family homes support families and preserve property values.*
- **Why is this important to me?**  
*Families help to keep local schools strong, and my home is my largest investment.*
- **Why is this important to me?**  
*The local school district is the most important social institution in the community, and I want to feel secure in my retirement.*



In this example, you may want to then pull data and information to discuss what future enrollment numbers might look like and whether incoming families can afford to live within the school district.

You can begin to unpack some priorities and concerns that are probably fairly universal among many individuals and families using this exercise. The first answer doesn't matter nearly as much as the final answer. How might we ensure strong social institutions and financial security for existing residents regardless of the permitted housing types? This is a very different question than "Should we preserve single-family only neighborhoods?"

## MESSAGES

Your message will depend on your audience, and there are various audiences to consider: neighbors, business leaders, politicians, school administrators, landowners, developers, and others have a role to play in increasing housing supply. You may hear that housing is an issue of individual concern, believing personal circumstances or choices are to blame if someone is unhoused or unable to afford a home in a certain community. The reality is that a lack of housing affects everyone. Based on the work of the FrameWorks Institute, below are examples of messages that may resonate with your community.<sup>61 62</sup>

### Fairness

- When children live in low-quality housing, they are less likely to have access to what they need to do well in school (e.g., reliable Wi-Fi in the home, good transportation options from where they live, space to do homework) and more likely to experience health problems, all of which lead to poor educational outcomes. It shouldn't be a reality that the zip code you live in will determine your life's trajectory.
- It's more difficult to care for one's health if housing costs impede the ability to pay doctor bills, join sports leagues, or eat well, which can lead to chronic disease

and other health problems. Having to "drive until you qualify" due to the cost of housing further takes precious time that could be focused on building a healthy lifestyle or caring for family.



- We need to make sure that good, affordable homes and other critical resources are available not only in a few desirable neighborhoods but in all communities, large and small, rural and urban and suburban. If we are guided by a commitment to fairness across places, we will arrive at the kinds of solutions that we will all want to live with.
- The ideal of justice for all means that people should have an equal opportunity to make the most of their potential, no matter where they come from. When all our communities have good homes, good schools, dependable public transportation, and strong businesses, it provides all of us with a fair shot at success, no matter where we live.
- The lack of access to affordable, quality housing can compound existing societal inequalities, including systemic discrimination and unequal access to housing for people living in poverty, homeless, families, younger people, LGBTQ individuals, persons with disabilities, and persons of color.



### Economic Growth

- Communities within a region need resources—such as the availability of good homes and an available workforce—to prosper. Michigan communities have a collective interest to see everyone housed and to live in a place that they can afford for their budget; otherwise, we are hampering our collective prosperity.



- As a business owner, wouldn't you like to be able to start a new business or add an office or location without spending as much time at City/Township/Village Hall in a public hearing?
- Through a lack of housing, employment and education opportunities can be stymied, as well as the economic strength of Michigan communities. As rents rise but wages stay the same, workers that we all depend on are priced out. Tourist-based businesses experience labor shortages due to a lack of available housing that workers can afford. The lack of labor has prevented businesses from opening and forced others to close.
- An undersupply of housing increases the cost of renting and homeownership. Rising housing costs can increase poverty and lead to homelessness. There is a societal cost to individuals being unhoused, including a reduction in employment stability and a reliance on emergency health care services.

- A lack of housing types restricts older individuals to their single-family homes, rather than enabling them to downsize or move to a home with fewer stairs or less maintenance. If there were more housing choices then we could simultaneously make larger homes available for the next generation of families.
- If escalating housing prices affect the ability of young families to afford to live in a community, then a school district may see the number of entering kindergartners decline along with per-pupil funding. Schools are often points of pride and identity for communities. Reduced funding may result in cuts to programs and services because of fewer children.<sup>64</sup>
- Low-quality homes can have significant consequences for people's physical and mental health, increasing the risk of respiratory illnesses, infectious diseases, and cancer (due to mold, dampness, and air pollution, for example) and the risk of mental health issues such as anxiety and depression. This can result in absenteeism in work and school. We can improve health outcomes by providing quality housing choices.
- When housing costs are high, middle-income earners often spend more time commuting from home to work because they can't afford to live near a job center. Lower housing costs and a greater variety of choices ensure that people can live where they work, which means less traffic and cleaner air for everyone.



### Property Rights

- Allowing for more flexibility with non-conformities gives property owners more freedom.
- Commercial property developers are rarely asked who the tenants will be, where their money comes from to pay their rent, or if the property will be properly maintained, yet these same questions are commonly posed to residential builders. When housing projects are judged by who will live there rather than what will be built, biased decisions are more likely to be made that will ultimately affect the amount, location, and price points of the new development.



- The Board/Council/Commission is a legislative body. Approval of the site plan of a permitted use is an administrative function. It is more appropriate and legally defensible for the planning commission or planning staff to do that review. This frees up legislators to spend more time thinking strategically about where our community is going rather than worrying about what tree is shown on the landscape plan.
- It's an inefficient use of taxpayer dollars to have the Board/Council/Commission review a site plan on a project that has already had a review by the community's planner/engineer/attorney to make sure that all of the requirements have been met. The paid professionals can do that work and my elected officials can focus on other things.

### DATA THAT CAN HELP TELL THE STORY

One of the aims of this Toolkit is to equip local planners, managers, elected and appointed officials, and others involved in zoning and land use decision-making with the tools needed to have productive discussions with their communities. There are many variables to consider when talking about housing; particularly useful is data about households, housing types, and local zoning. Other data may also be helpful in making a case to expand housing choice and supply in your community. The following suggested data is not exhaustive, nor is it necessary to collect all of it before beginning a discussion about housing.

Demographic, economic, and housing characteristics data can be found on the US Census ([data.census.gov](https://data.census.gov)) website. Another great source is Local Housing Solutions ([localhousingsolutions.org](https://localhousingsolutions.org)) which has a Housing Needs Assessment tool and helpful tips on how to use data.

Data collection is always a good intern project, but analysis should be done by an individual familiar with the community to ensure the data is accurately portrayed. Ideally, historical data provides a sense of how things have changed over time and may assist in describing why things are different today than in the past. Census data at the tract level, or block group where available, is particularly useful to understand neighborhoods. Economic data may only be available at the Metropolitan Statistical Area (MSA). Mapping software such as GIS can be helpful to see patterns in a community.



### Social, Economic, and Housing Characteristics (Census)

#### Households

- Average household size
- Number and percent of households with married/cohabitating households, householders living alone, households with persons under 18 and 65 and over
- Disability status of noninstitutionalized population total and 65 years and over

#### Economic Characteristics

- Occupation, particularly service occupations
- Median household and median family incomes
- Percentage below the poverty level
- Commuting to work

#### Housing Characteristics

- Total housing units and occupancy
- Total units in structure, and a grouping that identifies 1-unit detached, missing middle housing types, and larger multi-family developments
- Number of bedrooms in housing units (recommend combining no bedroom and 1 bedroom, some combine 2 bedroom as well to distinguish family housing)
- Housing tenure by owner and renter
- Selected monthly costs as percent of income for homes with a mortgage and renters

### Local Land Use and Zoning

#### Development (Planning Department)

- Land area dedicated to each zone district
- Housing type(s) allowed in each zone district
- Land area available for each housing type
- Minimum lot area by zone district and total allowable housing units for that district by housing type (build out)
- Select other relevant dimensional requirements to explore such as maximum density, minimum housing unit size, and building height.

#### Housing (Various)

- Assessed value over time (Assessor)
- Average sale prices over time (Assessor)
- Principal Residence Exemptions (Assessor)
- Amount of homes in local inventory (Realtors)
- Time of inventory on market (Realtors)
- Price range of homes for purchase (Realtors)
- Price range of units to rent (Property managers or websites)
- Number of nuisance and housing complaints (Enforcement)

### Other Considerations

#### Approval Processes (Planning Department)

- Diagram the local development approval process on a timeline or flowchart
- Types of projects being requested
- Percent of projects that receive approval from staff, Planning Commission, Zoning Board of Appeals, and/or the elected body.
- Project success/fail rate
- Review of standard objections from neighbors

#### Community Amenities ([walkscore.com](https://www.walkscore.com), Parks and Recreation Plan)

- WalkScore ®
- Presence (or absence) of sidewalks and trails
- Walking distance to commercial districts
- Location of schools and parks

#### School Pipeline (School District/s)

- Number of students in senior graduating class and kindergarten class
- Enrollment trends over time

#### Jobs (U.S. Bureau of Labor Statistics)

- Job growth and in-migration
- Wages
- Typical workforce wages
- Labor rates (Michigan Works)
- Employer feedback on workforce availability

**Asset Management**

- Miles of local streets in good/fair/poor condition
- Projected costs to maintain infrastructure in good/fair condition
- Tax revenue generated by land use and lot size
- Average age of water and sewer infrastructure

Once the data is collected, think about the various combinations that can be put together to tell a story about the people who live in your community and the housing that is available for them to live in. Be curious to see what you can learn! For example:

- Is the median household income low, average home prices seven figures, and the number of incoming kindergarteners declining?
- Are there a lot of householders living alone and all but a few housing units have 4 or more bedrooms?
- Do the neighborhoods with a high WalkScore have homes that are selling like hot cakes and renters are being priced out?
- Can the current pattern of development support the long-term liability of public infrastructure?

**Additional Data Resources**

The Michigan State Housing Development Authority (MSHDA) published a statewide housing needs assessment in 2019.<sup>65</sup> The needs assessment presents county-level data related to population, household, and job growth; current housing supply characteristics including housing supply by type and tenure as well as costs and affordability.

In addition, your local or county Community Development office should have a similar document for the purposes of Community Development Block Grant funding that will describe existing housing conditions and future needs.



# THE TOOLKIT

# HOW TO USE THE TOOLKIT

In this section, we outline fifteen tools to expand housing supply and choice. The tools are separated into three categories: Zone Districts, Form and Context, and Processes. Each tool can stand on its own, but often works even more effectively in concert with another tool or two. For each category, an explanation of the tool types have been provided. Additional zoning tools and approaches may follow in future work by the Michigan Association of Planning.

These tools were selected because of their applicability and ability to impact every community that has a zoning ordinance. Advisory Committee feedback also contributed to how the tools were addressed. For example, a more extensive explanation about missing middle housing was discarded due to the extensive amount of resources that are already available.

Each tool includes an explanation of what it is, how it is used, and how it affects housing. Case studies from across the state and country highlight how these tools work in action. Language from other master plans show how the tool can be justified in a community's vision and goals. In the zoning

ordinance examples, excerpts are shared of how ordinance language might be structured in your regulations. Lastly, we present possible obstacles to implementation along with strategies for how to combat them, and technical resources for further reading and review.

Where communities are seeking additional tools to assist with reducing the cost of new construction or preserving existing affordable housing, there are a number of economic development incentives and resources available. When paired with effective zoning reform, these incentives can make a big difference for households who are otherwise priced out of the market.

15 TOOLS TO REFORM ZONING		
Zone Districts	Form and Context	Processes
Collapse Zone Districts	Reduce Minimum Lot Width and Area	Eliminate or Reduce Elected Body Approval
Rezone for Mixed-Use / Multi-family in Commercial Districts	Reduce or Eliminate Minimum Dwelling Unit Size	Expand Administrative Review
Expand Allowable Uses	Reduce or Eliminate Minimum Parking Requirements	Pre-approved Plans
Performance Standards for Uses	Missing Middle Housing (Including ADUs)	More Flexible Approach to Nonconformities
	Density / Height Bonuses	Police Power Ordinances for Nuisance

## The Comprehensive Plan

A comprehensive (master) plan describes the desired "future state" of a community and establishes the type, character, and density of development that is appropriate in different areas, including where resources should be directed to revitalize or reuse already developed lands. It also provides a framework for identifying important agricultural, natural, and cultural resources to be protected, and for determining what public investments in streets and other infrastructure will be needed.

Establishing a narrative that embraces housing supply and choice with a greater variety of housing types, lot sizes, and other Toolkit recommendations begins with your community's vision to satisfy current and future housing needs. The mismatch between households and housing stock can be adjusted with policy guidance provided by the comprehensive plan.

It is important that as your plan is created and updated, the public understands the ramifications of keeping the status quo. It is much easier and more cost effective to establish a proactive planning framework that clearly states housing goals for a community so that change over time can be facilitated in a way that is acceptable, or at least tolerable, to the public rather than being forced to react to labor shortages, homelessness, rapid price escalations, and other challenges that government is much less equipped to respond to.

A vision for housing should express how housing is really a system. Various segments are dependent upon one another, so decision-making should focus on overall community goals rather than on a project by project basis. Angst and debate will routinely manifest itself in public hearings in the absence of a collective vision that drives new practices and processes. Piecemeal decisions (the antithesis of long-range planning) are not a useful nor effective strategy to address the housing crisis.

### Comprehensive (Master) Plan

- Michigan Planning Enabling P.A.33 of 2008
- The plan, along with the Future Land Use Map, is a powerful expression of a community's aspirations and intentions for the future.
- Once it is adopted, it guides the Planning Commission and Township Board/City Commission/Council in land use decisions. It is the "guide for growth."

### Zoning Ordinance

- Michigan Zoning Enabling P.A. 110 of 2006
- Zoning may be simply described as one of the means that local government uses to regulate land use and development.
- Zoning typically regulates the height, size and location of structures, and other requirements needed to gain development approval and is intended to insure that uses are compatible with one another.
- It implements the comprehensive plan.

### Relationship Between the Two

- The comprehensive plan is a statement of policy. The zoning ordinance is the law that works to implement that policy.
- The comprehensive plan refers to future land use. The zoning ordinance affects current land use, but is working towards implementing the vision of the comprehensive plan.
- The comprehensive plan describes a vision that could be 10-20 years into the future. It is not always immediately translated into zoning but is implemented over a period of time. The zoning ordinance shows land as it is intended to be used today.

# Zone Districts

Designated zone districts are what use-based ordinances are rooted in. Land in the community is divided into types of zoning districts – residential, industrial, commercial, etc. Based upon the district, certain uses are allowed “by right” while others require additional review by a Planning Commission via the special land use process. Unlisted uses are generally not permitted, and some communities include a list of prohibited uses. Rethinking how zone districts are formulated provides a significant opportunity to meet the diverse needs of Michigan communities and make ordinances more practical and user-friendly.

Somewhere along the way, zone districts became unwieldy. C1A, C1B, R1 through R4, R2A, B, and C, I, OS, and PUD – it can start to look like an alphabet soup to the untrained eye. While neighborhoods and districts have variation, there are other ways to use zone districts to regulate that complexity. The district itself does not need to do the heavy lifting. Instead, more refined zoning provisions related to the intensity of uses can result in better outcomes for everyone. The tools that follow in this section aim to accomplish the following:

- Make your zoning ordinance more user-friendly – for residents, developers, staff, and elected/appointed officials.
- Expand allowable uses and integrate different categories of uses for greater housing choice and affordability.
- Ensure complementary development.

Your zoning ordinance may already contain pieces of modified zone districts, multiple housing types in a district, and/or uses that have performance standards. Refinements in the structure and scope of the code will allow your zoning ordinance to better reflect the current demographic reality of Michigan households, allow for the market to produce housing that meets the needs and desires of existing and future residents, and help the bottom line of local governments, developers, and household budgets.



Overhauling zoning is not a silver bullet solution to our housing crisis. It is, however, a significant element that allows for a greater variety of housing choices and price points in the marketplace. Local action via zoning is needed if communities wish to choose how to meet the needs of all present and future residents.

Community conversations can be an effective way to spur change. As is mentioned in the [How to Talk about Housing](#) section, discussions need to be relatable. While data can be useful in framing the issue, a lot of people do not automatically connect with numbers and pie charts. They do, however, respond to stories and personal experiences. Search out those stories and look for opportunities to weave in facts that can help inform the discussion.

# Collapse Zone Districts

## WHAT IT IS

Traditional ordinances have zone districts that oftentimes build on one another with small nuances in uses. For example, a community might have an R-1 zone district for single-family dwelling units, an R-2 zone district that allows single-family and two-family units, and an R-3 zone district that allows single-family, two-family and up to 4-family units. Combining like districts can reduce the overall number of districts, begin to eliminate exclusionary practices, and increase opportunities for new investment. Instead of embedding dimensional context into the zone district, you can achieve appropriate siting of uses through use and design standards (described in the [Performance Standards for Uses](#) and [Form and Site Standards](#)).



Reimagine Plainfield Future Land Use Map

### Master Plan Case Study: Plainfield Township - Reimagine Plainfield

In 2021, Plainfield Township adopted a comprehensive redevelopment strategy to transform the Township’s key commercial corridor, Plainfield Avenue. The goal was to transform Plainfield Avenue’s low-density, auto-dependent, single-use, single-format development pattern into a dynamic environment that is more vibrant and dense, with more varied uses.

#### Master Plan Language:

“There are currently six zone districts that regulate development in the Plainfield Corridor...Several of the commercial designations are similar in nature, with distinctions made based on the intensity and impact of the uses. Zoning and development regulations are among the most effective regulatory tools that can be used by the Township to help implement the vision, goals, and design concepts in this Plan. Staff suggestions to support corridor redevelopment include simplifying the number of zone districts and creating more flexibility in design standards and the approval process.” (p. 109).

## WHY IT IMPACTS HOUSING

Limiting housing types through narrowly defined zone districts limits personal choice and the ability to build housing that serves the broad needs of a community’s households — seniors, single people living alone, couples, single-parent families, two-parent families, and adults living with other adults. Regulating through a tiered-use approach may have made sense when many families were of a similar size and

composition. But today, it is considered exclusionary because it mandates the construction of only one housing type (detached single-family) on most of the land in a community when most households are no longer two married parents with children. Differentiating zone districts based on housing type has the effect of determining where households can live, oftentimes isolating people of different incomes, ages, and abilities because a various housing types are not available in one place.

Reducing the number of zone districts can also make ordinance administration easier and more user-friendly for the public. Similar to [Rezone for Mixed-Use / Multi-Family in Commercial Districts](#), by simplifying the number of zone districts and expanding allowable uses based upon site-specific criteria, appropriate locations for additional housing units can be accomplished sensitively.

When allowing different housing types in the same zone district, in appropriate circumstances a dimensional variance could be sought rather than a use variance if zoning provisions do not directly align with a particular parcel. This removes another potential barrier to housing supply as a) the burden of proof is less; b) many communities do not allow use variance requests; and c) application fees for dimensional variances are commonly less costly than use variances.

**HOW IT IS USED**

Start by cataloging the key differences in your residential zone districts. Identify opportunities to combine districts. It is important to note that approval processes could vary between housing types. For example, in a former single-family zone district perhaps new multi-family uses must seek special land use approval with the planning commission. In areas that are currently zoned multiple family, perhaps more housing types are allowed by-right. Engage in a pattern book exercise to catalog development patterns in your community. A pattern book is a set of design guidelines and visual aids that can help you categorize development. There are several examples of pattern books listed in the technical resources below. This will help you

**TECHNICAL RESOURCES**

- [City of Grand Rapids – Neighborhood Pattern Work Book](#)
- [Redevelopment Ready Communities – Enabling Better Places: Users’ Guide to Zoning Reform](#)

to identify appropriate site- and form-based standards to accompany the collapsed zone districts so that new housing types “fit in” to an existing neighborhood context.

**PARADIGM SHIFT**

A “one size fits all” approach in narrowly defined zone districts does not meet the needs and preferences of today’s households. For example, aging baby boomers may wish to remain in their neighborhood, but a single-family home is too much to maintain, or the young professional would rather travel than mow the lawn. Overly prescriptive use-based zone districts adversely affect household budgets, family choices, and wealth building opportunities. Approval processes that follow well-defined standards can be used to determine the appropriateness of a housing type in a particular neighborhood location rather than banning it outright.

**POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT**

This could constitute a major overhaul of your zoning ordinance. It will require public engagement, planning commission and elected body approval, staff and/or consultant capacity, and the participation of key stakeholders. A values discussion can be helpful to frame why existing regulations should change. Residents may think a substantial shift is occurring and feel anxiety about it. Working through financial scenarios about the likelihood of changes in an existing, stable neighborhood may help to ease fears.

Determining how to apply appropriate site- or use-based criteria to regulate the intensity of uses will also require thoughtful consideration.

**Zoning Ordinance Case Study: Grand Rapids, MI**

In 2007, after several years of study and engagement, the City of Grand Rapids adopted a reformulated zoning ordinance. Central to the reconfiguration was a collapsing of zone districts, from multiple residential and commercial zone districts to a combination of three ‘Neighborhood Classifications’ and a simplified list of ‘Zone Districts.’ Residential zone districts, for example, shrank from seven to two.

The City of Grand Rapids offers a wide variety of housing types in all of its neighborhood zone districts. The Zoning Code also provides incentive-based policies such as minimum lot area reductions in exchange for meeting housing goals such as accessible units and mixed-income housing. For those uses listed as permitted (P) and meet all applicable standards (such as use standards, building design standards, etc.), review is administrative; either as a counter review or through the director review process. Where a use is listed as a Special Land Use (S), then a public hearing with the Planning Commission is required so that neighbors are notified and have an opportunity to provide input.

Zoning Ordinance Language:  
 “LDR, Low-Density Residential District. The Low-Density Residential District is intended to create, maintain and promote a variety of housing opportunities for individual households and to maintain the desired physical characteristics of the city’s existing neighborhoods. The density ranges for each Low-Density Residential Zone District varies based upon the Neighborhood Classification in which it is located. Site and building placement regulations, as well as requirements for building elements, take the built environment into consideration as many of the areas that include this Zone District are in existing developed areas.”



Table 5.1.12.G. Zone District Conversions	
1969 Zoning Ordinance	Districts in this Chapter
R-1, R-1A, R-2	LDR
R-3, R-4, R-5	MDR
SR, C-1	NOS
C-2, UBD, TBD, PSC	TBA, C, TOD
C-3	CC, TCC
C-4, I-1, I-2, PID	IT
PUD, PRD	PRD
FP	FP

# Rezone for Mixed-Use/ Multi-Family in Commercial Districts

## WHAT IT IS

Existing commercial districts and corridors can be great locations to accommodate more housing. Zoning for mixed-use districts along commercial corridors and in villages and downtowns is one of the easiest ways to support higher-density residential uses adjacent to, but outside of, less compact neighborhoods. It is important to note the type of surrounding commercial uses as well as the intensity and speed of vehicular traffic when locating affordable housing to avoid perpetuating past patterns of income segregation.

Many commercial corridors across Michigan are zoned exclusively for commercial land uses along several thousand feet of road frontage, or even several miles of road frontage. However, the most vibrant commercial districts tend

to be concentrated nodes that are just one or two square blocks of ground floor commercial, often with residential or other uses in the upper floors, behind commercial buildings, or on side streets.

When commercial land uses are spread across vast geographies, the development pattern reinforces an automobile-only mentality of travel and undermines a sense of place. This linear and dispersed pattern of development also seriously undermines the potential to generate the substantial tax revenue that more compact development patterns can generate. Allowing for mixed-use districts creates a built-in market of residents for local businesses, provides for greater tax revenue per acre of land and per linear foot of infrastructure, and improves the sense of place for customers, business owners, and residents alike.



### Master Plan Case Study: New Buffalo Township (2019)

#### Ch. 11 – Future: Land, Zoning & Action

A major departure of these recommendations from the Township's past regulatory system is the permitting of multifamily residential uses in all of the proposed commercial districts. The Medium- and High-Density Residential categories have been removed in favor of mixed use development, both along the Township's coastal corridors and within the areas surrounding the Township's two Interstate exchanges as defined by the Township's adopted Corridor Improvement Authority. These higher-density formats are encouraged in order to meet the Township's need for housing in a wider range of price points and to offer options which are accessible by means other than personal vehicle. (p. 113)

## WHY IT IMPACTS HOUSING

In many communities there is very little land available to build compact housing types such as apartments, condominiums, or townhouses. This may be because a majority of the land has been built-out with development that is relatively low density in nature, such as large lot single-family homes or single-use/single-story commercial buildings. Existing development patterns can therefore take a long time to change. Community infrastructure, such as water and sewer, may also be limited to confined geographic areas. Whatever the case, rezoning to allow residential uses in commercial districts presents a strong opportunity to allow for more housing types where local roads are designed to accommodate traffic and connect new households to regional job centers. While other tools in this Toolkit include recommendations to support a greater variety of housing types and lot types in traditional neighborhoods, this strategy is appropriate for commercial districts.

## HOW IT IS USED

Allow for new residential development to occur in between existing buildings, on under-utilized parking lots, on the out lots surrounding other retail, or above commercial or office uses. This is best done as part of a larger redevelopment strategy where the community intends to utilize existing infrastructure to support mobility choices and establish a strong sense of place on and between commercial parcels. In these environments, each new residential building can provide another piece of the puzzle over time.

## PARADIGM SHIFT

It's important to recognize that a commercial corridor without any residential uses today may not immediately take on the feeling of a tight-knit neighborhood once you allow for residential uses. If the first few investments are small, it will take time to establish a sense of place. As a result, those first investments may require financial support from the public sector to become viable.

There are several state tax incentives that are available to support mixed-use or multi-family development in commercial districts. These can be helpful to catalyze early investments and support new construction before the local private market is able to fully sustain the cost of new development. The Michigan Economic Development Council (MEDC) MiPlace Developer Toolkit and Build MI Community Initiative can provide useful technical assistance.

### Master Plan Case Study: City of Sturgis (2020)

#### Ch. 10 – Integration & Implementation, Zoning Changes:

Most of the zoning changes needed to implement the "live" recommendations of this master plan entail expanding the types of housing offered. This can be done in a couple ways. For example, "mixed residential," could be formed that permits a mix of housing types, and/or the established residential zones could expand what is permitted. Another example of expanding residents' housing options is to consider an "age-in-place zone" where development caters to Baby Boomers and future generations who wish to change homes as they age without leaving their community. This would require a re-thinking of residential zoning, as many of these developments call for a mix of housing units, medical offices, and community facilities. Another way to do this is to permit second story housing downtown and in mixed-use zones, and programming vacant and redevelopment sites for alternative residential uses can solve the "missing-middle" housing shortage. (p. 97)



Google Streetview

### POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Understanding the economics of commercial land values and redevelopment is important to catalyze mixed-use districts. It's important to recognize that an existing commercial building that is producing rental income for the owner is an asset. Most commercial building owners won't consider demolishing an existing building unless the potential return on investment for a redeveloped site will exceed the return on investment from the existing building.

Similarly, adding additional stories above an existing single-story building is not always structurally or financially feasible. The cost of shutting down the business on the ground in an effort to add the construction necessary to carry the load of one or two stories of residential units above may undermine the economics of the project. The specifics will need to be calibrated to a property's unique location and condition within a community.

#### Zoning Ordinance Case Study: City of Royal Oak

The City of Royal Oak has two mixed use zone districts, allowing for a mix of uses at varying densities.

##### § 770-45. Mixed Use 1.

Purpose: This zone is intended to provide for a mixture of residential, office and low-intensity public/institutional uses in an urban design pattern. While permitting redevelopment and reuse of certain areas of the City, uses within the Mixed Use 1 District are intended to be compatible with the established residential neighborhoods... In general, the proposed development shall be consistent with the Master Plan. In particular, the proposed development shall be compatible with adjacent uses and improvements, shall minimize adverse impact to traffic circulation, and shall be of overall benefit to the community. A single use may be proposed; however, said proposed use shall be consistent and compatible with the mixed use intent of this section.





##### § 770-46. Mixed Use 2.

Purpose: This zone is intended to provide for a mixture of residential, office, low-intensity public/institution uses, and neighborhood business uses in an urban design pattern. Such uses are intended to link the Central Business District with residential neighborhoods and the Woodward/I-696 Regional Business District. Upper floor residential uses are encouraged above lower level retail or office uses...In general, the proposed development shall be consistent with the Master Plan. In particular, the proposed development shall be compatible with adjacent uses and improvements, shall minimize adverse impact to traffic circulation, and shall be of overall benefit to the community. A single use may be proposed; however, said proposed use shall be consistent and compatible with the mixed use intent of this section.



Google Earth

**TABLE 154.408.G1 PRINCIPAL BUILDING TYPES - SUMMARY**

Principal Building Type	Permitted Districts
 <p><b>HOUSE:</b> A detached Building having an Edgeyard yard type that may be shared with an Accessory Building in the backyard. This Building type typically incorporates a single Residential unit.</p>	<p><b>CO-3L</b> <b>CO-3</b> <b>CO-4</b></p>
 <p><b>DUPLEX:</b> A small to medium sized Building that consists of two attached units, with separate entrances at least one of which faces the Thoroughfare. Both of the units, side-by-side, front-to-back or over-and-under, are contained within a single Building Massing. This Building type sits on a small to medium sized Lot having an Edgeyard or Sideyard yard type that may be shared with an Accessory Building in the backyard.</p>	<p><b>CO-3L</b> <b>CO-3</b> <b>CO-4</b></p>
 <p><b>TOWNHOUSE:</b> A collection of very narrow- to medium-sized attached Buildings with a Rearyard yard type (or Sideyard if an end unit) that consists of side-by-side units with individual entries facing the Thoroughfare. This type shares at least one party wall with another Building of the same type and occupies the full Frontage Line.</p>	<p><b>CO-4</b> <b>CO-5</b></p>
 <p><b>MULTIFAMILY:</b> A Building that consists of 3 or more side-by-side and/or horizontally stacked units, typically with one or more shared entries.</p>	<p><b>CO-4</b> <b>CO-5</b></p>

*Illustrations are provided for illustrative purposes only.*

#### Zoning Ordinance Case Study: City of Mount Pleasant

The City of Mt. Pleasant allows a variety of housing types in traditional commercial zone districts. The CD-4 General Urban District and the CD-5 Urban Center District allow for a range of stand-alone housing types in addition to mixed-use buildings and commercial businesses.

### TECHNICAL RESOURCES

- [Case Studies in Retrofitting Suburbia](#)
- [Placemakers – Don't Get Mixed Up on Mixed Use](#)
- [Urban Land Institute – Mixed Use Development 101](#)



# Expand Allowable Uses

## WHAT IT IS

Today's zoning ordinances contain a myriad of regulations - setbacks, lot sizes, lighting requirements, and more. Somewhere in every zoning ordinance there will be a list of mapped districts and the subsequent list of uses that are allowed in each. Expanding the list of housing types that are permitted in each zone district, especially by right but also as a special land use, will open up more land to more housing types. After all, they are all residential uses...the change simply allows the opportunity for more housing types other than only detached single family homes to be constructed. Adding new housing types to existing residential zone districts can be less controversial than collapsing or renaming known zone districts.



### Master Plan Case Study: City of Warren (2021)

Goal: To have a diverse housing stock that accommodates residents through all life stages and all income levels.

#### Objectives:

- To provide "missing middle" housing options at a range of price points.
- To integrate new housing types into neighborhoods.

#### Strategies:

- Permit duplexes by right in all residential zones.
- Permit small multi-plexes (up to 6 units) as a special land use in all residential zones, subject to design criteria. Permit small multi-plexes (up to 6 units) as a special land use in all residential zones, subject to design criteria.
- Permit accessory dwelling units in residential zones. (p.117)

## WHY IT IMPACTS HOUSING

Allowing for additional housing types in residential neighborhoods will increase housing supply and housing affordability. Research shows that limiting the land available to medium and higher density development raises housing prices because it is an artificial restriction on supply.<sup>66</sup> Limiting the majority of the residentially zoned land in a jurisdiction to detached single family is also a limitation on personal choice and does not meet the needs of the diverse household types common in most communities. Nearly two-thirds of households consist of only one or two

persons. Many older Americans report their desire to stay in their same home and community as long as possible (76% and 77% respectively).<sup>67</sup> Yet many homes are not suited for aging in place. Many communities do not allow for accessory dwelling units or duplexes that might allow a family member or caregiver to live with an aging relative. Expanding uses in residential zone districts to include duplexes, accessory dwelling units, townhomes, and apartment buildings is a way to create housing that serves the needs of Michigan's residents, increase housing supply, and increase housing affordability.

## HOW IT IS USED

To start, conduct an inventory of your existing detached single-family housing units. How many duplexes or multi-family homes presently exist? Are they nonconforming? You will be able to get a sense of which neighborhoods in your community were developed earlier, with a fair number of duplexes and [Missing Middle Housing](#) types. Using a pattern book can help you analyze your community.

Once you have a sense of what exists in your community versus what is permitted by zoning, you can begin to close the gap. Expanding allowable housing types can be done incrementally. Perhaps you begin by allowing attached single-family housing by-right and six-plexes as special land uses in exclusive single-family zoned neighborhoods. Many zoning codes do not permit more than detached single-family units by right, so developers often resort to use and dimensional variances or the planned unit development (PUD) process to create more units. Reducing the administrative burden and allowing the planning commission alone to approve these uses as a special land use lowers the cost of development as well.

You could also move a step beyond and allow duplexes and triplexes by right. If you expand allowable uses in concert with [Performance Zoning](#) and [Form- and Site-Based Standards](#), you can ensure that housing types are sited appropriately.

### Zoning Ordinance Case Study: City of Marquette

Marquette's Low Density Residential zone district allows duplexes by right and accessory dwelling units as a special land use.

#### Section 54.307 LDR, Low Density Residential District

Intent: The LDR district is intended to establish and preserve quiet, attractive neighborhoods of detached single-family dwellings with a low to medium density and compatible residential land uses. Some additional non-commercial, compatible uses may be allowed. It is also intended that developments in this district will be designed to preserve significant natural features, including woodlands, steep slopes, wetlands, and floodplains.

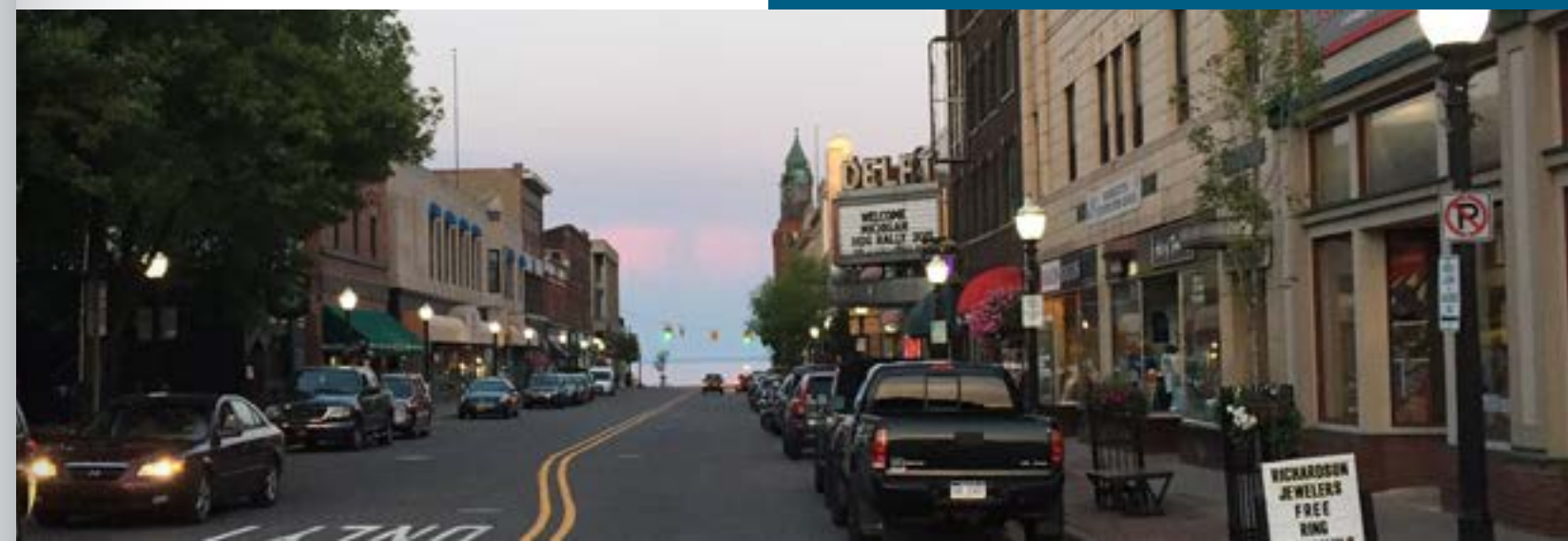
The Medium Density Residential zone district allows accessory dwelling units by right, duplexes, and "intentional communities" as a special land use.

#### Section 54.308 MDR, Medium Density Residential District.

Intent: The MDR district is intended to establish and preserve medium density residential neighborhoods that present an environment acceptable to a range of users, including families of all types. Some additional non-residential compatible uses may be allowed. It is important to the community to preserve and enhance the pedestrian-friendly, compact neighborhood types where homes and buildings are of similar scale and character.

In Marquette's zoning ordinance, an "intentional community" is defined as:

A planned residential community designed to have a high degree of social cohesion. The members of an intentional community typically have common interests, which may be an organizing factor, such as a social, religious, or spiritual philosophy, and are likely to share responsibilities and resources. Intentional communities include cooperative housing communities, communes, convents, eco-villages, and housing cooperatives. Property may be owned collectively, and/or new members of an intentional community may be selected by the community's existing membership.



### Zoning Ordinance Case Study: Grand Haven

The City of Grand Haven renamed their Single-Family Residential Zoning District to the Low-Density Residential Zoning District in January of 2020. They expanded the allowable uses in the Low-Density Residential Zoning District by adding duplexes and accessory dwelling units as a special land use. In their Moderate Density Residential Zoning District, they added accessory dwelling units and multiple-family as special land uses.

#### Section 40-403.01. - LDR. Low Density Residential District

Intent: The LDR, Low Density Residential district is intended to provide for relatively low-density single-family residential neighborhoods, which predominantly serve families with children. Neighborhoods will be quiet and free of unrelated traffic, though limited, low-impact residentially related land uses may be permitted as described below. Residential streets will be scaled for compatibility between pedestrians and automobiles; and will be lined with attractive landscaping. Except where topographic or other environmental constraints preclude such connectivity, streets within the LDR district should be interconnected, although both curvilinear and grid patterns are encouraged, some cul-de-sac and collector patterns may be developed.

#### Section 40-404.01. - MDR. Moderate Density Residential District

Intent: The MDR, Moderate Density Residential district is intended to provide for moderate density single-family residential neighborhoods, with two-unit dwellings being permitted along key street segments. Neighborhoods shall be quiet and free of unrelated traffic, though limited, low-impact residentially related land uses may be permitted as described below. Streets within the MDR district shall be interconnected.

## PARADIGM SHIFT

If it looks like a duck, quacks like a duck, and waddles like a duck then... it's a duck. Naming this section Expand Allowable Uses is, in truth, a misnomer. The reality is that all of the housing types we have been discussing in this Toolkit are actually all the same use. A duplex, rowhouse, and apartment building are all residential uses. Think about reframing how you talk about varying housing types as uses. They are all the same use - the number of housing units in a structure is what is different.

Today, it is estimated that it is illegal to build anything other than detached single-family on 75% of residentially zoned land in the United States.<sup>68</sup> We will not solve the housing supply crisis if we do not free up more land for the development of more and different types of housing. It is important to note that this is not an argument against detached single-family housing, but against the law privileging this type of built form over all others.

Planners Michael Manville, Paavo Monkkonen, and Michael Lens said it well when they wrote in the Journal of the American Planning Association in 2018:

*“There is nothing intrinsically wrong with detached single-family homes...Living in a detached single-family home is a perfectly acceptable private choice...But it is not a choice that warrants public protection. People in detached single-family homes neither need nor deserve laws ensuring that nothing will surround them but structures like their own.”*

Furthermore, it's been shown that diverse housing types are beneficial to the quality of life and stability of a neighborhood. A study of foreclosure and home sales in 14 U.S. metropolitan areas before and after the peak of the foreclosure crisis in the late aughts found that neighborhoods with less housing diversity had higher foreclosure and sales rates.<sup>69</sup> Expanding allowable uses to include more dense housing types is about choice, quality of life, and addressing the severe housing shortage we are seeing in Michigan and across the country.<sup>70</sup>



Accessory Dwelling Unit in a neighborhood.

Google Streetview

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Single-family residential is a cornerstone of traditional zoning ordinances. When zoning was enacted in many communities, huge swaths of land were zoned for detached single-family at the same time. It will be an adjustment to conceive of “single-family” districts as being suitable to a wider range of housing types. One recommendation is to rename the “single-family” zone district to something else. Some communities have adopted the language of “low-density residential” or “mixed-density residential”.

Homeowners can be a significant force of opposition, which is why the “How to Talk About Housing” section was included in this Toolkit. Using your community's comprehensive plan as the basis to provide housing for current and future residents assists in setting a framework for discussion as well. It will be important to identify what talking points will resonate in a given community's context and understand housing needs based on available data before zoning text amendments are proposed.

## TECHNICAL RESOURCES

- [City of Grand Rapids – Neighborhood Pattern Work Book](#)
- [AARP & CNU – Enabling Better Places: A Handbook for Improved Neighborhoods](#)

# Performance Standards for Uses

## WHAT IT IS

Many communities prohibit certain uses in a given district out of fear of possible nuisances to adjoining land uses. Performance standards for uses can help to achieve compatible mixed-use environments. Instead of preventing all potential adverse impacts by eliminating specific uses from a zoning district, these use-based standards allow for differing land uses to be sited harmoniously by preventing or limiting the nuisance. In this way, property owners who are good actors have the flexibility to do more with their property. Those who might be bad actors are restricted from causing harm through the use of clear standards.



### Master Plan Case Study: Village of Roscommon (2019)

#### Focus Area 4: Residential Development

Objective B: Maintain the tranquil quality of existing neighborhoods by protecting them from the intrusion of incompatible uses.

- (1) Implement buffering and lighting standards where residential abuts non-residential.
- (2) Ensure that all non-residential uses in residential neighborhoods are low impact and compatible with and support the residential uses. (p. 6-10)

## WHY IT IMPACTS HOUSING

Performance standards make it possible to increase the number of potential locations for new housing by increasing the compatibility between uses, particularly in mixed-use districts where residential and non-residential uses coexist. [Rezoning for Mixed-Use/Multi-Family in Commercial Districts](#) should include performance standards as supplemental requirements. Standards that focus on the impact of a use, more than the use itself, can help to prevent adverse effects before they occur. Performance standards can be used when introducing new housing types to a neighborhood with detached single-family homes and in commercial areas where residential living is being added.

## HOW IT IS USED

You may be familiar with performance based zoning or the use of performance standards to mitigate nuisances. For example, regulations targeting industrial by-products such as air pollution, noise,<sup>71</sup> vibration, and glare are commonly found in zoning ordinances.

Typically located in a separate Article from zone district uses, performance standards are usually characterized as use regulations. These are separate provisions which are written uniquely for a particular use or group of uses that are being introduced into a geographic area. To address mixed-use environments, these requirements may be focused on

outdoor activities or particularly loud or late evening uses. For example, 24-hour uses, live entertainment, or outdoor seating may have standards to ensure that they do not become a nuisance to proximate businesses or residences. Rules may include restricting hours of operation, limiting rooftop or rear yard activities, or sound mitigation of a nightclub or bar where apartments are located on upper levels. A relief valve is typically provided that would allow staff or the Planning Commission the ability to waive requirements in certain circumstances where no issues are anticipated to emerge.

Performance standards may also apply to residential uses. This could include requirements for landscape buffers, building step-downs, or building step-backs to blend the edges of a higher density housing type with that of a single-family home. For example, where possible off-street parking and loading for a small apartment building would be required to be located away from the stand-alone home.

## PARADIGM SHIFT

A conventional zoning ordinance relies on the zone district to do a lot of the regulatory work, but you can regulate at a more refined level of detail through use-specific standards. Ideally, a zoning ordinance will blend use, form, and site-based regulations.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

The use of performance standards requires the Zoning Administrator or Planning Commission to get comfortable with adding conditions of approval for uses. All conditions must be directly based on standards in the ordinance and should be reasonable so that conditions do not need to be modified over time. These conditions should be part of an enforcement protocol. In many places, staff capacity to respond to violations can be a challenge.

## TECHNICAL RESOURCES

- [MSU Extension – There Are Multiple Ways to Style a Zoning Ordinance](#)
- [Housing Innovations Program – Performance Zoning](#)

### Zoning Ordinance Case Study: Bath Charter Township

Article XIV, Performance Criteria, Section 14.01 - Purpose:

Within each zoning district is contained a section entitled “site development standards” which provides the framework for regulating the basic issues of zoning, i.e., adequate light, air, open spaces and so forth. Further criteria as contained within this article provide detailed regulations and restrictions in order to protect neighboring uses from possible adverse impacts associated with a given use. Also, to protect the general health, safety and welfare by limiting where uses may be established, ensuring that traffic congestion is minimized, controlling the intensity of use and prescribing other such performance criteria as may be necessary to meet the goals and objectives of this ordinance. In that flexibility within application of the basic zoning regulations is a primary focus of this ordinance, it also depends upon a comprehensive performance evaluation process to review use proposals as well as insure compatibility between neighboring and perhaps dissimilar land uses.



# Form and Context

Many communities find significant homeowner resistance to housing types that look different than the surrounding neighborhood. This resistance is often based on prior experience with higher density development that was not well-executed. Under traditional Euclidean zoning in the 1970s, 80s, and 90s, many local zoning codes imposed very few design requirements. Carefully crafted design standards can be helpful in ameliorating neighbor concerns.

It's crucial to recognize that the quality of development or the market segment it attracts often has very little to do with density. Instead, as with all neighborhoods, the quality and price are driven by accessibility, proximity, and connectivity. Housing located near community amenities like grocery stores, libraries, schools, retail, medical, and nature, will be attractive to nearly all households in the marketplace - no matter the density. Well-connected and amenity-rich neighborhoods are far more likely to retain their value over time and attract additional investments than isolated neighborhoods without proximity or connectivity to desirable amenities.<sup>72</sup>

In fact, there is no empirical evidence that higher density causes any decline in property value. It's often helpful to begin conversations about allowing for more compact development and a broader selection of housing types with discussions about design - which means talking about building form and building context.



Two different forms of quadplexes, Google Streetview

The tools that follow aim to accomplish the following:

- Trade density for better design to increase the compatibility of various housing types with existing development.
- Make development easier to accomplish by reducing lot area and lot width, density, unit sizes, and parking requirements.
- Facilitate the construction of missing middle housing.

One of the elements that can help existing property owners feel more secure in allowing for a greater variety of housing types is to identify specific standards related to form and the elements of a neighborhood that shape its context. At a minimum, this typically includes massing standards that ensure new homes and buildings aren't dramatically larger than existing buildings in the immediate area.

There may be a desire to go further with form and context standards in some communities. This may include standards related to the location and placement of garages and driveways, the amount of transparency (windows) on a residential building, and the size and scale of porches, or the front entry orientation.

A word of caution is needed here. Regulating the shape or form of new development does not equate to a City Council picking out paint colors or the Township Board dictating how many bedrooms. Community expectations must be reasonable and should relate to how a site and building functions rather than personal preferences. It is important to identify, then select, those things that are **most** important to the built context that new development projects should respect. For example, if all of the homes in a traditional neighborhood have front porches, then it would not be appropriate for a new fourplex to have a row of garages facing the street.

Affordability plays a role in this discussion. Design expectations can add a true financial cost to a project. The trade-off for those expectations can be additional housing units (increased density). This can create a win-win for the community and developer. For example, requiring detached single-family homes in a neighborhood will likely result in pricing of at least \$325,000 to \$350,000 for starter homes. In contrast, attached townhomes, duplexes, or small condominium buildings could offer starter homes from \$185,000 to \$250,000. This price point would be more attainable to more households.

It can be helpful to talk through the community's broader priorities as they may relate to supporting a variety of housing types and sizes or supporting those families who work within the community. Then, talk through the cost of new housing if all new homes were required to be identical to those that already exist compared to allowing a greater variety of types, sizes, and configurations. Pause when thinking about design regulations and ask:

- Does this rule really shape the overall look and feel of the neighborhood?
- Will this requirement make a difference or is this just adding extra cost?
- Am I imposing my personal preference?
- Can we provide a menu of options for a builder to choose from rather than being overly prescriptive?

Most neighborhoods can accommodate many different building types without any adverse impacts on the context and character of the community. If the context of the buildings is similar - the setbacks, relationship between buildings, relationship to the street - varying housing types can coexist harmoniously and even prove to be beneficial to home values. Recent data show that neighborhoods with diverse housing types retain their value better than neighborhoods that are all the same. The key is to find a reasonable balance between affordability (don't require too much in architectural standards) and value creation (new construction supports a quality built environment and, ideally more units) to find success.



Two different forms of duplexes, Google Streetview

# Reduce Minimum Lot Width and Area Requirements

## WHAT IT IS

Lot width requirements set the minimum standard for how wide a lot must be to support a particular land use; this is sometimes referred to as a frontage requirement – as in the amount of road frontage a lot must have. Lot area requirements set the minimum standard for how large a property must be. These two standards combined are often the primary criteria that establish whether a lot is buildable, and they are a significant controlling factor in the likely cost of a home.

### Master Plan Case Study: East Jordan – Master Plan (2020)

#### Proposed Zoning Changes – District Regulations

In some instances, the district regulations conflict with the City’s historic development patterns. Where possible, these inconsistencies should be rectified in the zoning ordinance to reduce the number of non-conformities and support future development that is harmonious with historic patterns. Some examples of recommended changes to the district regulations include:

- In the R1 District, reduce the minimum parcel size and minimum lot width to ensure compatibility with the existing parcel boundaries. (p.118)

#### Neighborhoods & Housing

Goal: Provide for a variety of housing types to serve all residents with safe, attractive, and affordable housing options.

- Consider reducing setback requirements in the City’s traditional neighborhoods to accommodate infill development that matches the historic development patterns of those neighborhoods. (p. 124)



## WHY IT IMPACTS HOUSING

Historically, neighborhoods and communities have included a wide variety of home sizes and lot sizes. Small cottages were built on small lots. Large estate homes were built on larger lots. In older neighborhoods, these lot sizes and house types were seamlessly intermingled on the same block or from one block to the next.

However, with the advent of the post-WWII suburban zoning paradigm, entire tracts of land were zoned for one standard minimum lot size or width, making building those smaller cottages much more difficult.

A common rule of thumb is that the home’s value will be approximate three times the value of the land it is on. With larger lots in high-demand areas, the land is too expensive to justify building only a small cottage. Instead, the larger the lot, the more expensive the land. The more expensive the land, the more expensive the home built there. In this way, larger lot sizes can be an exclusionary tactic used to prohibit smaller, less expensive homes.

Communities which intentionally zone land to require large lot sizes to discourage smaller, less expensive homes from being

built are leaving people behind. High housing prices can make living in certain communities nearly impossible for fire fighters, teachers, daycare workers, and other individuals the community relies upon. The practice of trying to keep out specific housing types is resulting in failed recruiting attempts to find a qualified workforce. Further, the Michigan Zoning Enabling Act (MZEA) prohibits the exclusion of uses and a 2015 Supreme Court ruling began to examine the concept of disparate impact where low-income individuals were excluded from better areas of a community.

## HOW IT IS USED

Many communities use lot width or lot area (often the two in combination) to regulate the "character" of a neighborhood. These standards can be very blunt tools that, ironically, can be used to regulate and reinforce sameness.

More often, the standards that impact context have much more to do with how buildings frame the street: the proximity of trees to the road, how large those trees are, the amount and style of landscaping employed on both private property and within the public right of way, and the materials, architectural style, and form of the buildings. Lot width and area requirements in and of themselves do not necessarily give

a neighborhood any sense of character. Yet, they are often relied upon as the sole or primary method for articulating development patterns.

## PARADIGM SHIFT

While the cost of land is one of many factors that impacts the cost of housing in a particular neighborhood, allowing more homes is an excellent mechanism to turn the dial toward slightly more affordable housing.

For example, if a 10,000 sq. ft. lot sells for \$75,000 and a builder/owner is permitted to build a single home on the lot, the total value of the land will be reflected in the sales price of the house – adding \$75,000 to the total cost of construction. However, this land price can be reduced by one-half or one-third per new home constructed if an additional home or two is permitted to be built. In this example, lot width and lot area requirements can have a \$25,000 to \$50,000 impact on the price of a new home in the neighborhood.

If the 1,000 sq. ft. home above can be built at-cost for \$200,000, the size and value of the land can potentially add anywhere from 12% to 40% to the final price tag. A 33' x 100' lot should be one option for a builder or homeowner to choose if a large yard is not a priority for the homeowner.

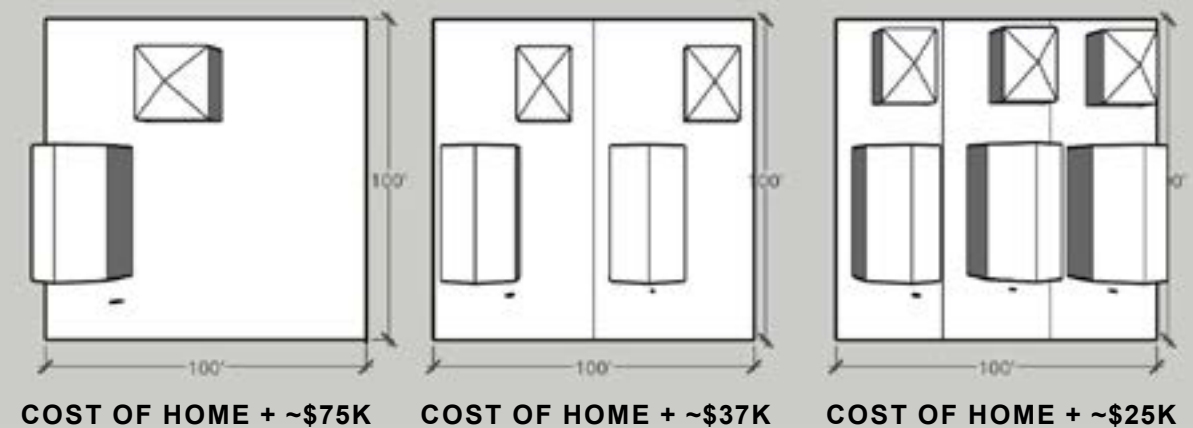


Image courtesy of Ryan Kilpatrick

### Zoning Ordinance Case Study: Traverse City

This block in Traverse City includes lots that range from under 30' to more than 200' in width. Lot areas range from 2,000 sq ft up to ¾ of an acre. The average lot in this neighborhood is roughly 50' x 170' (8,500 sq ft). Yet, other lot sizes (both larger and smaller) coexist nicely. Also included in this image are the estimated values of each home and property. The size of the property is not always the primary indicator of the property's value in this example, and there is a most noticeable correlation in the smaller lots, allowing for more moderately priced properties.



### Ch. 1332 – R1a and R1b – Single-Family

- The Single-Family Dwelling—Large Lot (R-1a) District is for the purpose of primarily accommodating conventional single-family dwellings.
- The Single-Family Dwelling—Small Lot (R-1b) district is for the purpose of accommodating single-family dwellings on small lots.
- Clustering (e.g., single-family attached, zero-lot-line detached dwellings) may be allowed in either district on larger parcels within the designated density guidelines as a means to protect sensitive soils and provide usable open space.

Reducing minimum lot width and area requirements can also have implications for infrastructure costs to a community. Allowing existing lots to be split for new homes takes advantage of existing infrastructure for infill development.

### POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Many people believe the myth that sameness preserves property values. Opponents to allowing a diverse range of lot widths and sizes will argue that allowing for smaller lots will reduce their property value, add unwanted traffic, or change the neighborhood's character. Research by land economists provides evidence that does not support these claims. Neighborhoods with a greater diversity of housing types and price points fared much better during the Great Recession than homogeneous neighborhoods with only single-family homes.<sup>73</sup>



Photo courtesy Modern Cottage Blog

### TECHNICAL RESOURCES

- Your County may have a parcel viewer that you can use to view lot dimensions in your community, such as [Kent County Parcel Viewer](#) or [Property Gateway](#) in Oakland County.
- [BS&A](#) is a great resource to view property values and other information.

# Reduce or Eliminate Minimum Dwelling Unit Size

## WHAT IT IS

Most communities have established a minimum dwelling unit size for various housing types. For example, single-family homes must be a minimum of 1,000 square feet, and multi-family units will have a minimum size that can range from 400 square feet to 800 square feet, depending on the community.



### Master Plan Case Study: Eaton Rapids (2020)

Goal: Variety

- Update the Zoning Ordinance to reduce the minimum lot size and/or minimum floor area requirements in residential neighborhoods. (p. 75)

### Master Plan Case Study: River Rouge (2017)

Goal: Provide high-quality housing options throughout the City that meet the housing needs of all ages, income levels, and levels of disability.

- Action: Reduce the minimum floor area for studios and one-bedroom units. (p. 90)

## WHY IT IMPACTS HOUSING

The cost of a home is very often directly related to the size of the house. Size isn't the only factor influencing cost, but it is a significant contributing influence. As a result, when a local community predetermines that all detached homes must be at least 1,000 square feet, the community makes choices on behalf of individual homeowners. From the single widow in their early 60s seeking to transition into a small cottage to the young professional hoping to move out of their parent's house into their first apartment, minimum dwelling unit sizes often have unintended impacts on which housing choices and price points are available in a community.

## HOW IT IS USED

Minimum dwelling unit sizes are often imposed to prevent certain kinds of perceived incompatibilities. In some instances, a minimum dwelling unit size for detached homes was a reaction against mobile homes. However, these standards often created hundreds of non-conforming structures among post-WWII homes that might range from 750 to 950 square feet. This was the workforce housing for the Greatest Generation, and in many communities across the state, it has become illegal to build.

To implement, consider reducing the minimum required dwelling unit size by housing type. Or, you could even eliminate a mini-

minimum dwelling unit size. Some communities do not regulate the minimum dwelling unit size within their zoning ordinance. Instead, the zoning code defers to the standards of the Michigan Building Code. It is also common for Homeowner Associations (HOAs) to have their own private standards.

### PARADIGM SHIFT

Since the 1970s, the average household size in the United States has been steadily falling. In 2020, just under 40% of all households in Michigan included children under 18 in the home. This means 60% of all households are comprised of a single adult or two adults without children at home.

Young professionals and empty nesters are both more likely to prioritize the location of their home over the size of the house. Communities that revisit minimum dwelling

#### Zoning Ordinance Case Study: Glen Arbor Township

Residence: A dwelling that is designed and built for human occupancy. The dwelling must have a minimum of 480 sq. ft. and a minimum core dimension of 20 feet by 20 feet (400 sq. ft.) The dwelling must have a bedroom, full bath, kitchen/dining area, and a living room. A residence may be occupied full or part-time and is often referred to as a home, house, apartment, condominium, modular home, or mobile home.



Google Streetview

### TECHNICAL RESOURCES

- [The New Neighborhood, Empire, Michigan](#)
- [Pocket Neighbourhoods](#)

unit sizes can better accommodate the shifting demands toward lower maintenance and higher amenity options like cottage courtyards, townhomes, and condominiums. In high-growth markets with many young professionals seeking to live close to downtown, studio apartments are also an important option to allow. Combine this tool with [Reduce Minimum Lot Area and Width Requirements](#) or more flexible density standards, and this is a winner for creating housing that is more affordable.

### POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

This is a fairly simple code adjustment with very few obstacles in the way of enacting right away. However, it is common to hear neighbors or planning commissioners express concerns about allowing smaller homes to be constructed in a neighborhood. The perception is that a smaller home will be less expensive and this will cause a drag on property values in the neighborhood. In reality, most property valuations are based on a combination of factors which include location, condition of the home, size of the home, and proximity to positive or negative features in the community. Where smaller homes are permitted in neighborhoods with a diversity of housing types, the smaller homes tend to retain a property value that is higher on a per square foot basis than larger homes.

This means that an 800 square foot cottage in a neighborhood with 1,600 and 2,400 square foot homes will likely be valued more per square foot than the larger homes.

- 800 square foot cottage: Estimated property value of \$230,000, or \$287/sq. ft.
- 1,600 square foot home: Estimated property value of \$325,000 or \$203/sq. ft.
- 2,400 square foot home: Estimated property value of \$399,000 or \$166/sq. ft.

# Reduce or Eliminate Minimum Parking Requirements

### WHAT IT IS

Most zoning ordinances require off-street parking to be provided for development. Commonly calculated by use, parking requirements are typically the minimum number of parking spaces that must be provided. Commercial uses may require parking based upon gross square footage or the number of employees, while residential uses commonly require parking based upon the number of dwelling units or bedrooms. Reducing or eliminating the minimum number of parking spaces required is an intervention that can lower the cost of development to make a housing project more feasible and/or increase the amount of developable land for more housing units.

#### Master Plan Case Study: Ann Arbor – Comprehensive Transportation Plan (2021)

The city should expand its current policy for downtown and remove minimum parking requirements from the Unified Development Code so that all new developments can determine the proper amount of parking based on existing and forecasted demand. A variety of cities across North America, including Buffalo, New York; Hartford, Connecticut; and Edmonton, Alberta have all eliminated parking minimums.

- In addition to removing minimum parking requirements, Ann Arbor should establish maximum parking ratios in downtown and other locations well-served by transit, such as along signature transit corridors (see Strategy 10). Maximum parking ratios set a ceiling for how much parking a development can include, while giving developers the option to provide any amount of parking beneath that threshold.
- By removing parking minimums citywide and establishing parking maximums in appropriate locations, the supply of parking will be better aligned with real-world demand. Requiring less land to be set aside for parking can bring a multitude of benefits by increasing housing affordability and freeing up land for alternative uses. (p. 106)

### WHY IT IMPACTS HOUSING

Providing off-street parking costs money. That cost can be for the additional land area required to construct parking, the cost of materials to construct a surface parking lot or parking structure, or the cost of adding a garage to a residential structure. The cost of building surface parking spaces generally starts at \$20,000 for each space. A spot in a parking structure costs about \$45,000, and underground parking can cost upwards of \$75,000 a space. This cost is passed to the occupant, resulting in higher housing costs whether or not that person owns a vehicle. The cost of providing parking

also limits the ability of a developer to provide more housing units. Land or square footage that could be devoted to residential dwellings is relegated to parking. A study by the Mortgage Bankers Association found parking spaces outnumber homes 27:1 in Jackson, Wyoming. Philadelphia's parking density is 3.7 times greater than that of homes, and Des Moines has 83,141 households and 1.6 million parking spaces.<sup>74</sup>

The relationship between parking, land use, and transportation can become a vicious cycle. Parking minimums drive up housing

costs, which inadvertently locates more affordable housing in areas where land is cheaper. In these "more affordable" areas, however, the need to drive and park is prevalent and raises household expenses for vehicle ownership.<sup>75</sup> In this way, parking minimums contribute to sprawl and support the need for an automobile as the only reliable or realistic form of mobility, thereby reducing access to jobs, education, medical

assistance, recreation, and nearly all other amenities and opportunities. This decreased accessibility most severely impacts people without the means to own an automobile or who cannot drive.

### HOW IT IS USED

Parking requirements can be structured in a variety of ways. For residential development, a minimum number of spaces may be required per dwelling unit, the number of bedrooms, or the type of occupant (for example, senior living). Parking requirements can be reduced by decreasing the number of parking spaces required per dwelling unit. Instead of 2 spaces per dwelling unit, many communities now require 1 or 1.25 spaces. You can also establish different thresholds based on the number of bedrooms. For example, all dwelling units with two bedrooms or less could be required to have only 1 parking space, but 0.5 additional parking spaces could be required for each additional bedroom.

Proximity to transit or a community's central business district or the availability of bike infrastructure and public parking can also influence parking requirements. Many communities do not require parking in business districts, either for all uses or for non-residential uses. Other cities waive parking or reduce parking for housing located within a certain distance from a transit stop, such as half a mile or 500 feet. Another strategy is to waive a certain number of parking spaces if there is available on-street parking within a certain radius. Car parking requirements could also be reduced if bike parking is provided.

Additionally, allowing for shared parking agreements for complementary uses can be a way to limit the amount of off-street parking for neighboring parcels. Uses with a primary parking need during the day can allocate their parking spaces to uses with a primary parking need during the evening or vice versa.

#### Zoning Ordinance Case Study: Traverse City

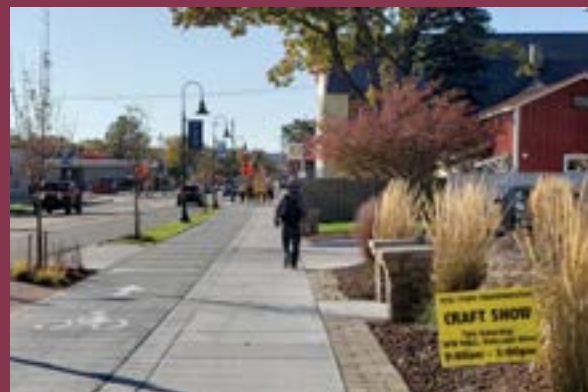
Traverse City outlines a vision for transportation that balances the use of the personal automobile with pedestrians, bicyclists, and other modes.

#### Chapter 1374 – Circulation and Parking

"The purpose of chapter is:

- To make Traverse City safe and accessible by pedestrians, cyclists, drivers and passengers.
- To give equal consideration to the pedestrian in the design of all public and private parking areas.
- To promote site designs that help to reduce crashes and conflicts between pedestrians and vehicles.
- To maintain the utility of the public rights-of-way to move goods and people safely and adequately.
- To promote interesting street edges that invite people to walk.
- To encourage a healthier transportation mix."

Traverse City also reduced their residential parking requirement from 1 per dwelling unit to zero.



Progressive AE



Instituting maximum parking requirements is another way to limit parking provision and signals an attitude shift. A development providing more than a certain percentage above the minimum parking requirement may be required to receive special land use approval for the excess parking. Lastly, some communities are exploring eliminating parking requirements altogether. Developers are allowed to decide the parking the amount of parking needed.

### PARADIGM SHIFT

It is not the responsibility of the local government to guarantee free and convenient parking for every resident, visitor, and business owner. Many communities established parking minimums in the 1950s and 1960s when developable land was more plentiful and attitudes about the automobile were different than they are today. However, the unintended consequences of prevalent parking are coming to bear. Local government units are questioning the utility of parking as a land use compared to other more productive uses. A report by the Urban Land Institute found that "parking often earns only 7 to 42 percent of the tax revenues earned by other land uses."<sup>76</sup>

Sustainability and quality of life concerns are other motivations for reducing parking minimums. Required parking can lead to

increased traffic congestion and pollution, increased flooding and property damage from impervious surfaces, and rising temperatures due to the heat island effect.

Communities across the country are beginning to rethink their parking policy. A study by Parking Reform Network of 200 zoning ordinances across the country found that 20% have eliminated or reduced parking minimums throughout their entire jurisdiction.<sup>77</sup> The reality is that parking minimums are generally unnecessary in the zoning ordinance. Developers and the banks underwriting their financing will generally consider parking within the overall marketability of the development. It is in their best interest to finance/build only enough parking to meet end-user needs, or else it won't be marketable. There are two scenarios that result: either the ordinance requires more parking than the use actually requires, pushing up costs for parking that never gets used, or else the ordinance requires not enough parking and the developer will build more than the ordinance minimum, making a minimum requirement irrelevant.

### POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Residents may say, "If you don't require parking for X development, people are just going to park in my neighborhood." Depending on the location of the neighborhood, it is possible this could happen. Solutions like on-street permit parking can be explored as well as parking management districts. Remember that oftentimes that same neighborhood is desirable is because of the nearby amenities.

Reduced parking should be done in tandem with policies to encourage transit and non-motorized transportation. This could entail changing the conversation around "free" parking and "free" roads. These are being paid for, but the costs may feel less direct.

### TECHNICAL RESOURCES

- [Local Housing Solutions – Reduced Parking Requirements](#)
- [Parking Reform Network](#)
- [Urban Land Institute – Parking Policy Innovations in the United States](#)



# Missing Middle Housing (including ADUs)

## WHAT IT IS

Missing middle housing types take many shapes and sizes. Typically, “missing middle” housing refers to the moderate density housing types between detached single-family and larger multi-family housing, commonly 2-20 units per structure. The Opticos graphic below illustrates these housing types. The following is a shortlist of missing middle housing types.



**Accessory dwelling units (ADU)**, sometimes referred to as a *granny flat*, *in-law suite*, or *guest house*, is a more commonly known example of missing middle housing. An ADU is a small residence that shares a lot or building footprint with a larger primary dwelling. These types of dwellings can offer tremendous flexibility for the homeowner – a place for an aging parent who would like to remain semi-independent but needs someone to look in on them regularly; an adult child saving for the down-payment to purchase their own home; a family friend who has recently gone through a divorce; or a working professional who has relocated to the area for a job but would like to take time to get to know the community before buying a home. Sometimes the homeowner will live in the accessory dwelling and rent the primary home to a family.



▲ Accessory dwelling units (or ADUs) come in many shapes and styles.

Photo courtesy of City of Tucson, AZ

**Townhomes or attached single-family homes** are typically houses attached to the neighboring house via a shared wall. These house types can be built on smaller lots with a smaller building footprint while still allowing for single-family homeownership with a traditional mortgage. This is one of the best ways to provide housing that can be family-oriented, owner-occupied, and remain relatively affordable.



Photo courtesy Mosaic Homes

**Small Apartment House or Mansion House** is an excellent way to integrate a different housing type into a neighborhood while maintaining some consistency with existing homes. These building types can fit seamlessly onto lots that are very similar in size to a detached house but can accommodate 3-6 apartment units. These building types create housing choices within neighborhoods that might otherwise be inaccessible to local residents, offering stable housing for essential workers, young professionals, and older residents who would like to age-in-place and no longer want the upkeep of their bigger home.



Photo courtesy Metric Structures

## WHY IT IMPACTS HOUSING

Missing Middle Housing offers opportunities to build more than a single home on a traditionally sized lot in almost any neighborhood type. The building design and character should be very similar in size and massing to other structures in the neighborhood – see the [Form and Site Standards](#) tool for more detail on how to shape these regulations. By allowing these building types, local neighborhoods can offer housing choices in a broader range of sizes and price points while providing better access to local schools, parks, and amenities.

## HOW IT IS USED

Missing middle housing is often located near neighborhood entrances, commercial districts, community gathering places like parks or recreation centers, between planned commercial/retail nodes, or on corner lots. Small clusters of missing middle housing can offer much needed diversity of housing types while maintaining the traditional character of a neighborhood.



Photo courtesy Thomson Architecture

## PARADIGM SHIFT

Missing middle housing meets the needs of a range of household types. The following are a few reasons why a diversity of housing types is becoming more popular and necessary in the U.S.:

### Master Plan Case Study: Cassopolis (2019)

GOAL #7: Identify residential growth opportunities and within five years, develop a strategy to attract housing types that match the State of Michigan's definition of 'missing middle housing', including: townhouses, mansion flats, fourplexes, duplexes, live/work, etc.

#### OBJECTIVE A

Execute a Residential 'Target Market Analysis' (TMA) to determine gaps in needs and attract developers (in conjunction with the commercial TMA).

#### OBJECTIVE B

Identify appropriate locations for missing middle, multi-family, and single-family residential types and identify strategies to attract residential developers.

#### OBJECTIVE C

Rezoned land as needed to develop a comprehensive plan for the future of housing and the amenities that will be supported, and in turn support, new residents. (p. 43-45)



- *Aging in place.* A large segment of the population in many communities is aging and ready to let go of home maintenance responsibilities but would prefer to remain in an active and familiar neighborhood. Offering smaller cottages, townhomes, attached homes, condominiums, and accessory dwelling units can be an excellent way to support older adults who want to remain in their neighborhood without being obligated to own a 3,000 sq. ft. house with a large yard and all of the responsibilities that come along with it.
- *Multi-generational households.* Missing middle choices allow for families to care for elderly relatives or launch young adults into more independent living while keeping a close eye on them. Missing middle housing allows multi-generational families to maintain privacy and independence.
- *Housing across the lifecycle.* In some life stages, smaller homes are the most suitable. First-time home buyers often can't afford the largest homes, and elderly homeowners often want to downsize to something smaller and with less maintenance.
- *Financial benefit.* A homeowner can generate additional income by renting out one of two units in a duplex or an accessory dwelling on their property. A homeowner can also opt to live in the ADU and rent out the primary structure.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Some of the missing middle housing types are more likely to be rentals. Many people perceive renters as a potential threat to neighborhood stability. However, more than two decades of research have shown that neighborhoods with a diversity of housing types tend to fare better during economic downturns and have an equal or better rate of property value appreciation than their single-family only counterparts.



New construction is always surprisingly expensive, even for smaller and more diverse housing types. Neighbors may complain that proposed missing middle housing types are not affordable enough to justify the transition from single-family only. However, these arguments rarely consider the even higher cost of building new single-family homes as a comparison.

Missing middle housing types will require adequate water and sanitary services. This may mean a more extensive shared septic system or available underground utilities. However, smaller housing units typically accommodate smaller families who impose a lesser burden on infrastructure than larger families. Systems should be sized for the number of bathrooms and kitchens being served rather than the number of units.

### Zoning Ordinance Case Study: Brighton

#### Article 98-3.0 Zoning Districts, R-5 Uptown Multiple Family

The R-5 multiple-family residential medium-to-high density district is intended to provide for residential units in a variety of styles and types within walking distance (five- to ten-minute walk) of downtown and adjacent to the downtown business district. The R-5 district is a unique area of the city. It is located north of downtown, east and west of N. Second Street, and is primarily surrounded by industrial and commercial uses. A portion of the district fronts on the Millpond. It is intended to be transitional between areas of dissimilar land use and the downtown. It also is intended to implement the High Density Mixed Residential category on the City's Future Land Use Map.

This district is divided into two sub-districts: Uptown North and Uptown South. Uptown North is envisioned with larger-scale multiple-family development projects on larger lots. Typical building types include large apartment buildings and townhouses. Uptown South is envisioned with small-scale, multiple-family structures on smaller lots, including redeveloping one or two lots of record that meet the dimensional requirements for the desired building type. Typical building types include townhouses, courtyard apartments, fourplexes, and similar types.

- For Uptown South, a typical building of one to three stories is envisioned. For Uptown North, up to four stories may be permitted if certain standards are met and the development is compatible with the surrounding neighborhood. The neighborhood in the R-5 district should be walkable, and tree-lined streets should encourage pedestrian linkages to downtown.

## TECHNICAL RESOURCES

- [AARP – The ABCs of ADUs](#)
- [AARP – Home and Community Preferences Survey](#)
- [Local Housing Solutions – Missing Middle](#)
- [HousingMissingMiddleHousing.com](#)
- [MEDC – Missing Middle Housing Solutions](#)

## APPLICABLE CASE STUDIES

- [Celadon New Town, Grand Rapids Township](#)
- [Veridian at County Farm, Ann Arbor](#)
- [North Barton Mews, New Buffalo](#)

# Density / Height Bonuses

## WHAT IT IS

Many communities regulate development based on the number of dwelling units per acre, number of stories per building, or building height. Each of these regulations creates an artificial cap on the number of homes or apartments that can be developed on a given parcel of land, regardless of what pressure there may be on the private market to produce more housing on the site. Creating a density bonus or a height bonus gives the planning commission and/or local governing body the ability to allow the private market to build more housing on a given site if the developer agrees to provide something associated with the project that also aligns with community priorities. A density bonus may be related to affordable or attainable housing, greenspace or open space preservation, sustainable development, or another priority that has been established by the community.



*Master Plan Case Study: East Lansing Master Plan (2018)*

Future Land Use Category: Residential 3 –  
Context: Zoning Plan

This land use category is shown on the future land use map primarily where there is a mix of renter-occupied housing and owner-occupied housing within a single-family residential neighborhood or where there are multi-plex building types three (3) stories or less on the edge of a single-family neighborhood. The category allows for rowhouse and small multi-plex building types. It is limited to these building types at a density of sixteen (16) units per acre with heights no higher than two and one half (2.5) stories or thirty-five (35) feet by right or four (4) stories or fifty (50) feet with a bonus.

The intent of this land use category is to increase the variety of housing choices with a small-to-medium building footprint by allowing a higher density than the Residential 2 Category through increased height as a bonus and where it provides a transition between residential and commercial uses and between higher intensity multiple-family uses and single-family residential uses through the redevelopment of existing building types. (p. 88)

## WHY IT IMPACTS HOUSING

Artificial constraints on the creation of new housing supply tend to impose a mismatch between supply and demand. When the local housing market proves a demand for more housing units per acre than the local zoning will allow, this typically creates scarcity in the market and pushes prices up more quickly.

## HOW IT IS USED

By creating a density and/or height bonus, the community can allow for an incremental increase in housing units while simultaneously negotiating for community priorities that align with the project. However, it is imperative that this tool be calibrated to the local economic conditions in the specific neighborhood where it is

being utilized, and that the local planning commission has a clear understanding of the true cost of implementing the community's expectations. In some neighborhoods, a single story of additional height, or a half dozen additional dwelling units per acre can make an important difference for financing. In other neighborhoods, multiple stories of additional height or a doubling of density will be necessary to make the provision of the community amenity make financial sense.

### *Cost-benefit analysis example:*

#### *Mixed-Use building*

A mixed-use, three-story building with a 10,000 sq. ft. footprint costs roughly \$7,000,000 to construct on a half-acre lot. The proposed building will have 5,000 sq. ft. of ground floor retail/commercial space and 28 residential apartments. In order for this development to make financial sense for an investor, the developer must charge at least \$18 - \$22 per square foot for the commercial space and an average of \$1,300 per month for the apartments. This rental rate is roughly affordable for households who are earning at least \$52,000 per year in the local community.

If the community offers the developer the option to build a fourth story in this building and add another 10 units to the



Photo courtesy Matt Reames

project, it is possible for the developer to moderately reduce the rent for a portion of the additional apartment units. It is important to recognize that the additional apartment units will each bring additional costs to the project. However, the overall cost per unit to construct these additional apartments will likely be slightly less as the number of units increases.

While the overall cost of construction will increase with every apartment unit added to the project, the cost of land, design fees, legal fees, and much of the site work will remain relatively the same whether the building is three stories or four. This means that at least 3-5 of the additional 10 apartment units could be leased for \$900 - \$1,000 per month instead of \$1,300 per month. These additional units would be attainable to households earning at least \$36,000 per year and works out to roughly 10% of the total units in the project being income-restricted and affordable.

#### *Cost-benefit analysis example: New neighborhood subdivision*

Similar to the previous example, communities can negotiate for an increase in the total number of homes per acre within new subdivisions. Where an underlying zoning code may permit 3-6 units per acre, allowing for 9-12 units per acre (or more) can provide for significant cost reductions on a portion of

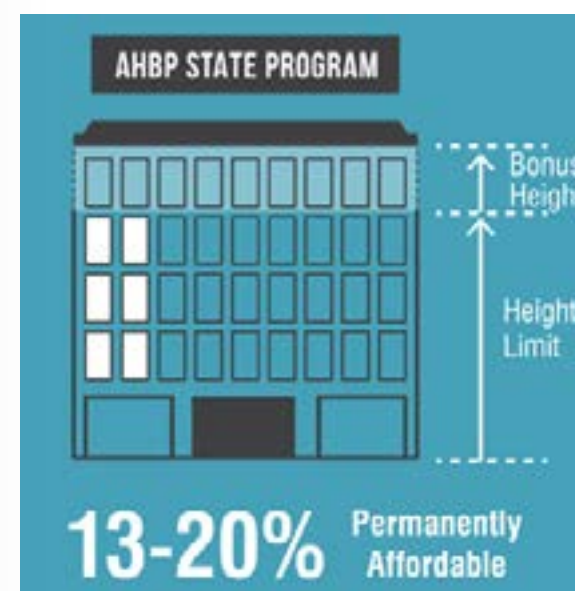


Photo courtesy City of San Francisco

the homes. The greater the density bonus, the greater the likelihood of a reduction in price.

Once again, in the example involving homes for sale, there are some fixed costs associated with construction that cannot be eliminated or reduced with a density bonus. However, by allowing for a greater number of small lots, and by allowing some of the homes to be attached instead of detached, a developer is able to disperse the cost of land, legal fees, design fees, and site work across a greater number of units. If negotiated strategically, this is an excellent opportunity to support mixed-income neighborhoods with a variety of housing types and price points to support a variety of family sizes and income levels. See [Missing Middle Housing](#) to learn more about these housing types.

### PARADIGM SHIFT

For decades, many communities have operated under the assumption that density was not good for property values, tax revenue, neighborhood stabilization, and a host of other community priorities. In fact, the Michigan Zoning Enabling Act



Comparative densities

even cites one of its purposes being to “limit the inappropriate crowding of land and congestion of population!”<sup>78</sup> However, density carefully designed and regulated can offer dramatically improved property values, greater tax revenue relative to services required, and neighborhoods that are much more vibrant and socially connected.

Moreover, the National Association of Realtors biennial poll (2019) finds that a majority of homebuyers or would-be homebuyers prefer a walkable, amenity rich neighborhood to a large lot subdivision. The poll also found that a majority of Millennials, the Silent Generation, and the Greatest Generation preferred a smaller home in a walkable neighborhood to a large home without walkable amenities. These preferences have been consistent for about a decade. (It should also be noted that while the COVID-19 pandemic has impacted preferences for walkability, it is too soon to say whether these attitude shifts are permanent.)

The adjacent image illustrates two different neighborhood plans on the same ~18-acre parcel. The design at the top creates space for 38 new single-family homes. In Michigan, these homes will likely be priced from \$325,000 to \$425,000 each or more, depending on the location. Total investment is likely around \$12.5 million and taxable value is roughly \$6 - \$7 million.

The design at bottom creates space for 146 new dwelling units (40 single-family homes, 16 studio apartments, 16 live/work dwellings, and 74 townhouses), along with more than 50,000 square feet of commercial/retail/restaurant space, and a 10,000 sq. ft. church. Prices in this neighborhood are likely to range from about \$1,000 per month or less for the studio apartments, \$225,000 to purchase a townhouse, and the same \$325,000 to \$425,000 price point for single family dwellings. In this design, total investment is likely to approach \$50 million with a taxable value near \$25 million – 3 to 4 times the

revenue generated by the lower density option at top. Meanwhile, the mixed-density option creates housing choices for young renters, first-time homebuyers, empty-nesters, start-up business opportunities, middle-income families, and folks who want a larger home with all the benefits of a walkable, amenity-rich neighborhood.

This is an example of a significant increase in density which can create a correspondingly large amount of attainable and even affordable housing within the neighborhood. In exchange for the additional density, the local community may require a deed restriction to preserve affordability on a portion of the additional homes permitted and permanent protection of the open space.

### POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

In many communities, density is still a four letter word. It may take some effort to communicate the benefits of allowing for greater densities. Creating a local capital improvement plan and clearly communicating the long-term obligation of local infrastructure can be a good opportunity to talk about density. The more efficient a community can be at maximizing the value of infrastructure to generate revenue that pays for short-term repairs and long-term maintenance, the lower the local tax levy must be to cover those costs. This, in turn, gives local voters choices to either reduce taxes or pay for additional amenities like public education, community recreation centers, enhanced parks, and open spaces, or even affordable housing.

When granting a density bonus, it can be tempting for a local planning commission to continue to maintain the standard minimum requirements related to parking

### TECHNICAL RESOURCES

- [Inclusionary Housing – Density Bonuses](#)
- [Local Housing Solutions – Density Bonuses](#)
- [Inclusionary Housing – Mechanisms for Preserving Affordability](#)
- [Local Housing Solutions – Deed-Restricted Homeownership](#)
- [Randall Arednt - Rural by Design: Planning for Town](#)

#### Zoning Ordinance Case Study: East Lansing

##### Article VI. Business, Office, and Industrial

Districts – Division 4. – City Center Commercial District, B-3 – Section. 50-593. Development Standards

- F. The minimum building height shall be four stories. The maximum number of stories permitted is eight and the maximum building height is 112 feet. The city council may, upon an affirmative vote of three-fourths of all members of the city council, permit an increase in stories or a maximum building height of up to 140 feet for a building deemed by the city council to be of significant public benefit subject to an approved special use permit as provided in article II, division 3 of this chapter. Further, additional stories may be added to existing one- and two-story buildings that total less than four stories or 64 feet in height if the existing building remains substantially the same and no additional structural changes are needed to the existing building to support the additional stories.



and greenspace. However, these standards can often directly undermine the value of the density bonus. Each market is somewhat unique, but the higher the underlying land value, the more likely it is that excessive parking and open space requirements will undercut options for affordability.

# Form and Site Standards

## WHAT IT IS

Form- and site-based standards regulate the form and placement of a structure on a parcel. These standards are a middle ground between a conventional use-based zoning code and a form-based code. While a form-based code in the strict sense of the term is agnostic towards the use of a building, form and site standards work to appropriately integrate specific uses into an area. Use still matters, but a neighborhood can host a wider variety of them so long as they are appropriately sited and integrated.

### Master Plan Case Study: Lansing – Design Lansing Comprehensive Plan (2012)

The City of Lansing established a Form Based Code in 2021 based upon recommendations from its 2012 master plan to adapt zoning standards to preserve and encourage appropriate neighborhood patterns.

Ch. 7 – Placemaking. Transect and Pattern Types  
“A transect is an urban-to-rural cross section that identifies the relationship of pattern types which vary in the intensity and character of their natural and built components across the city. The different pattern types are defined by the design elements described above, including the layout and design character of streets; lot sizes and how buildings are located in relationship to the street and each other; building types and architectural styles and features. The transect and pattern type descriptions are often compiled in a “pattern book” and used to encourage building and neighborhood design decisions that reflect the regional location and architectural history of a city and that, as a result, are more compatible with the valued characteristics of the existing built context. They have been used effectively to counteract the standardized, “anyplace” design of mass-produced housing and chain

retail buildings and to ensure a coherent character and consistent quality in large development projects implemented over time by a variety of builders.

By understanding the pattern types and relationships that exist today, Lansing will establish a basis for developing the tools needed to ensure that valued patterns are preserved and less desirable patterns are enhanced or transformed in the future. This information provides the basis for future discussions on how placemaking content – also known as urban design or form-based considerations – might be made part of Lansing’s development regulations and/or review and approval process.” (p. 162).



Photo courtesy Brookfield Neighborhood

## WHY IT IMPACTS HOUSING

If a common argument against range of housing types is that they don’t “fit in” to the existing neighborhood, form- and site-based development standards can help integrate denser housing into a low or mixed density neighborhood development pattern. These standards help to quantify the term “neighborhood character,” which can often be an amorphous flag waived in opposition to new or more dense housing projects. Form and

site regulations allow for the harmonious integration of townhouses, accessory dwelling units, duplexes, and small apartment buildings into residential or commercial zone districts. More units in more places means an increase in housing supply. Rather than barring certain housing types from a zone district outright, they allow for the location of these different types strategically.

## HOW IT IS USED

The standards here fall into two categories: those that address the siting of a particular housing type within a neighborhood or on a parcel and those that address elements of the building’s form. These standards can be based upon a variety of factors: the zone district, the location within a street network, the size or frontage of the parcel, or the use, for example. While you are no doubt familiar with the dimensional or site layout standards common to a zoning ordinance such as minimum lot area or minimum front yard setback, this tool attempts to prioritize the form or context of a structure more than the number of housing units (density) itself when determining its appropriateness for a site.

Site and context regulations can allow a duplex or a multi-family dwelling to be permitted by right when certain lot criteria are met. For example, a duplex can be allowed by right when located on a corner lot, or perhaps an apartment building is permitted by right on all major streets within a community, regardless of the zone district. If you opt for that strategy, make sure to classify all the streets in your network and produce a map to refer to.

Building element requirements can ensure that higher density development integrates with the rest of the neighborhood context. These standards can apply to things like façade variation, building orientation,

transitional features, and transparency. In older neighborhoods, you might regulate the front entrances of buildings, making sure that traditional features like a porch or the framing of the doorway are maintained. In this way, [Missing Middle Housing](#) can appear architecturally similar to single-family homes. Form-based standards produce buildings that feel consistent in scale and massing and their relationship to the street and other buildings. This can result in a neighborhood that includes more than just detached single-family structures because structures are complimentary.

Consider form or context elements that the community may regulate: building orientation and placement, parking location, expression line, transparency, building materials, entrances and porches, landscape buffers, and building setbacks. There will be a tension here, however, with costs and feasibility to be mindful of.

Form and site standards when used in conjunction with other tools like [Expand Allowable Uses](#) and [Rezone for Mixed-Use/Multi-Family in Commercial Districts](#), allow us to create the sorts of unique neighborhoods that are beloved and typically could not be built under the conventional zoning codes that became ubiquitous in the early to mid-20th century. As an added benefit, many of these form and site standards can work to create more pedestrian-friendly and safe neighborhoods.



Photo courtesy City of Lansing



# Processes

The district, form, and site regulations of your zoning ordinance aren't the only areas that can have an impact on housing supply and cost. The length of the development approval process can add cost to a housing project, which is then passed onto prospective renters or buyers. One of the Michigan Economic Development Corporation's Redevelopment Ready Communities "Best Practices" is to simplify and streamline development approval processes.

Developers dread local approval processes. It can be expensive, time consuming, and mentally exhausting with no guarantee that, in the end, there will be an approved building permit in hand. If a community's master plan and/or zoning ordinance is outdated, the process can also be ambiguous. It can be unclear to both the builder and neighbors what the criteria will be for decision-makers' review. This, then, leaves a lot of room for interpretation, bias, and uncertainty.

A proactive approach can be used that collects public input during the creation of your community's comprehensive master plan. The opportunity to describe what is desired, where the best locations for it are, and how it will add to the community's context can be received in advance of a development proposal. Zoning provisions should align with the master plan vision, and should be developed in a transparent process that ensures the community's expectations are codified correctly. These engagement opportunities really are decision points that inform the development approval process.

There is little incentive for neighbors to participate in a master planning process if the outcome of every development decision is decided in a public meeting.<sup>79</sup> Therefore, development approvals should really be considered an administrative function; similar to building or licensing approvals. The public is invited to provide input in the crafting of the rules, but

individual requests are managed as part of a standardized process that checks to make sure the rules are being followed. Public input on individual projects, when gathered, should be relied upon to learn new information related to the subject site and its surroundings. Neighbor concerns should be validated with data instead of speculation to assist in determining valid mitigation approaches.

The tools that follow aim to:

- Streamline development approvals to reduce uncertainty and permit housing construction.
- Encourage quality infill development that is predictable for neighbors and developers.
- Expand the range of approval paths best suited to a local market.



Photo courtesy Progressive AE

Development review can be made more efficient by removing the elected body from the responsibilities of site plan review for permitted uses, special land uses, and other general development approvals. Empowering the zoning administrator or planning commission to undertake non-legislative actions can create a more predictable decision-making framework. Removing unnecessary steps allows everyone to appropriately wield the planning authority bestowed upon them in the Michigan Zoning Enabling Act.

For the purposes of this section:

- "Zoning Administrator" refers to the administrator, planning staff, or consultants.
- "Legislative Body" or "Elected Body" refers to a Township Board, Village Council, City Council or Commission.

A community's approach to non-conformities can also work to expand housing choice and decrease review costs. The use of waivers or administrative departures to allow for planning commission or planning staff approvals can replace the necessity for seeking a dimensional variance in some cases. Additionally, allowing nonconforming structures and uses that may exist in your community to be treated with more flexibility can expand the supply of housing and encourage continued investment.

Another mechanism for reducing administrative burden in the development review process is allowing pre-approved plans. Communities across the country are experimenting with pre-approved plans – a particularly promising approach currently being used for accessory dwelling units and other housing types. Finally, zoning attempts to pre-empt unwanted behaviors by anticipating them. This prevents good things from happening because "what if". The use of police power ordinances outside of zoning can assist in managing nuisance behaviors, freeing up the opportunity to explore new methods of regulation.

There are a lot of reasons why changing development processes may be one of the hardest things in this Toolbox to accomplish. Whether elected leaders believe it is their duty to evaluate each development request, or the process is viewed as a negotiating tool to get what the community "really" wants, or it is simply the way it has always been done...those are excuses for not doing the hard work upfront to set the right rules that will achieve the right results. This barrier to increase housing supply and choice is entirely within a local jurisdiction's ability to change and can become an exciting opportunity to focus on other important business that will move a community forward.<sup>80</sup>



Photo courtesy of City of Ontario Economic Development

# Eliminate or Reduce Elected Body Approvals

## WHAT IT IS

Whenever possible, a zoning code should be written simply and clearly. A zoning administrator should be able to administer the review of a majority of site development requests and uses that are permitted by right. More complicated site plans and special land uses may require planning commission review. The legislative body of a community does not need to review site plans or special land use requests because these are considered administrative functions that either the zoning administrator or the planning commission can undertake. Only when a legislative action is required – changes to zoning ordinance text or maps and development agreements – should the elected body be included in the process.



### Case Study: Pinckney (2020)

The Village began the process to become part of the MEDC/Redevelopment Ready Communities (RRC) program in 2013. The RRC certification program promotes communities to be development ready and competitive in today's economy by actively engaging stakeholders and proactively planning for the future – making them more attractive for projects that create places where people want to live, work and invest. (p. 32)

- Pinckney's economic development strategy includes four goals: #4. Establish regulations and procedures that will advance the health and welfare of Village residents. Align goals and objectives in planning documents and the Capital Improvement Plan. Reduce administrative burden to streamline new developments.

## WHY IT IMPACTS HOUSING

Time is money, and lengthy local approval processes result in more expensive housing. Part of the cost of development includes project design and the local approval process. The more subjective the local decision-making process, the more political it can become. Developers can experience increased holding costs, delays, frustration, and uncertainty about the viability of a project if too many housing units are removed from the original project proforma. Increased costs are then passed along to the end buyer or renter instead of being held by the developer. In the end, new dwellings may not be attainable for a number of households that otherwise would have been able to purchase or rent if costs are too high.

## HOW IT IS USED

When a land use is determined to be compatible within a zoning district and the site plan meets ordinance requirements, the MZEA states that communities "shall approve" projects that meet ordinance standards. If all code requirements are met, then the zoning administrator should be able to sign off on a project just as if it were a building permit. Ordinance provisions can be included to allow the zoning administrator the discretion to present a project to the planning commission if there are concerns. In developing the review standards in your zoning ordinance, use these best practices:

- Provide clear, consistent, and streamlined standards for all land uses permitted by-right and allow site plans and applications

- for these uses to be reviewed by the zoning administrator.
- Consider allowing administrative departures for benign minor issues where the exact language of the ordinance does not fit (see Expand Administrative Review). Require findings, record keeping, and reporting to the legislative body as appropriate.
- Clearly articulate the performance standards related to uses.
- Establish consistent findings for the planning commission to review and consider in their approval process.

## PARADIGM SHIFT

Spend time in your community to identify what is most important to regulate. Developers are not mind readers. Codify what you want. If there are design standards or particular performance standards that must be met, codify the requirements for developers to follow. In this way, the community achieves the type of development it desires without negotiations and long public hearings. The legislative body and planning commission can then focus on implementing the vision of the community's master plan and placemaking efforts that create more impactful quality of life and economic development outcomes.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

- Elected officials often want to have a hand in reviewing and approving development proposals. Instead of having site plans go to the entire elected body for review, you could consider having one of your elected officials serve on the Planning Commission as a way to encourage alignment between the two boards.
- Even though the planning commission is appointed by the legislative body, there may be issues of trust between the two. Ensuring sufficient training for elected and appointed officials, such as that offered by MAP, can ensure that your planning commissioners have the skills and training they need to carry out their responsibilities effectively.

### Zoning Ordinance Case Study: Midland

In October 2020, the City of Midland passed zoning amendments to remove final site plan approval authority from City Council and bestow it upon the Planning Commission. This change was spurred in part by the City's pursuit of RRC certification from the MEDC. In a memo from the Community Development Director, several rationales are given for the change including:

#### Level the playing field for smaller developers by removing cost

- "From a developer's perspective, the proposed amendments will make the City's site plan process more concise and consistent. While these changes will benefit all developers looking to invest in Midland, small-scale, local and non-profit developers will see the most benefit through the leveling of the playing field. To small-scale developers, a more concise and predictable process will eliminate the perception that Midland can be challenging to new development. For any project, every new challenge is a cost to their project which increases the expenses to build within the city.

#### Simplified public engagement process.

- "The proposed amendments would also simplify the public engagement process for new site plans. While the intent of the current process may be to provide citizens more opportunities to weigh in, the effect can dilute engagement: a citizen who cannot follow the process or be available for multiple meetings may find their interests lost in the process. The current system also exacerbates a problem common to civic engagement. That it privileges a small minority of residents with the time and means to engage a project at multiple steps over the citizens who may only be able to engage a project once."

#### Alignment with MZEA

- "The proposed amendments will remove legal mismatch and reduce the City's exposure to risk. As discussed previously, the Michigan Zoning Enabling Act designates site plan approvals to be administrative in nature. Placing an administrative task on the agenda of City Council implies and invites a legislative role instead. This mismatch of expectations creates a situation where the City Council either invites legal action if it rejects a site plan that complies with the City's objective criteria, or it disappoints citizens who expected a more legislative action from City Council."

#### A. Midland, Article 27 – Site Plan Review

- b. Sec. 27.03.A. Review and Approval Authority
  - iii. All site plans shall be reviewed and approved by the Planning Commission and approved by the City Council following the procedures set forth in the following Section 27.04. The City Council Planning Commission shall have the authority to approve, approve with conditions, or deny all site plans.

## TECHNICAL RESOURCES

- [Redevelopment Ready Communities - Best Practices](#)
- [Smart Growth America](#)



# Expand Administrative Review

## WHAT IT IS

Administrative review is a development approval conducted by the zoning administrator. Rather than require approval from the Planning Commission or the elected body, administrative review allows the zoning administrator to approve certain uses and development projects.



### Zoning Ordinance Case Study: City of Kalamazoo

#### 1.2 2025 Vision for Downtown

• “Create policies and regulations that facilitate the envisioned development and streamline the review and approval process.” (66)

#### 3.1 Form-Based Zoning Downtown

• “Streamline Review & Approval. If the zoning regulations are crafted to achieve the desired outcome, fewer review steps will be required. Building within the parameters of the code could mean the ability to develop a lot by right.” (84)

## WHY IT IMPACTS HOUSING

Expanding administrative review cuts down on development costs by reducing the amount of time required to get a project approved. Requiring a permitted use to go to planning commission for site plan review is an added step that can increase costs. By empowering the zoning administrator to exercise the administrative approval authority invested in them by the Michigan Zoning Enabling Act (MZEA), the approval of multi-family or mixed-use projects, where they are allowed by right, can be streamlined.

## HOW IT IS USED

Administrative review can be used for more than single-family homes and sheds. They already happen every day. These routine development approvals are reviewed by the zoning administrator. Administrative approvals are authorized in the zoning ordinance and are typically used for site plans.

The MZEA states:

*“A site plan shall be approved if it contains the information required by the zoning ordinance and is in compliance with the conditions imposed under the zoning ordinance, other statutorily authorized and properly adopted local unit of government planning documents, other applicable ordinances, and state and federal statutes.”*<sup>781</sup>

Site plan approvals should be an administrative function. The zoning administrator can confirm compliance. This expedites the review process and keeps the planning commission docket open for long range planning, rezoning requests, and other considerations.

Qualified review of certain uses is another way to expand administrative review. It is appropriate for those land uses with the potential for impact on neighboring uses but which do not rise to the level of needing

a public hearing. In qualified review, the public is notified in the same way they are as when a public hearing is scheduled – by postcard, notice in the paper, etc. This process is similar to that for special land uses, which the MZEA also allows the zoning administrator to do. If staff receives a request for a public hearing, then it is scheduled. If no request is received, then staff can review the proposal.

Administrative departures are another way to expand administrative review. In this case, the function is similar to the waiver power afforded the planning commission or even the quasi-judicial power of the Zoning Board of Appeals. Administrative departures are specific deviations from zoning standards that can be sought based on unique site conditions and can be approved administratively by the zoning administrator. The zoning ordinance authorizes what type of departure is allowed and describes the criteria that should be met to grant a departure. The ordinance may contain standards of review and require record keeping as a distinct approval so that departures can later be evaluated.

Administrative departures are not designed to be a substitution for a variance, but instead offer the flexibility to produce a

### Zoning Case Study: Albion

Article 5. Plot Plan and Site Plan Review  
Sec. 5.4 Designation of Major Projects & Minor Projects

- A. Major Projects. All developments greater than ten thousand square feet of structure or larger than two and one-half (2 ½) acres in size and all PUDs are major projects which require site plan review by the Planning Commission. All other projects are either minor projects subject to review and approval by the Planning Department or amendments to existing site plans.
- B. Minor Projects.
  1. The Planning Department (or Zoning Administrator) may review and approve minor project site plans or amendments without their submission to the Planning Commission provided that the proposed modification or amendment does not:
    - a. Increase required parking or decrease parking below that which is required;
    - b. Change the approved vehicular or pedestrian circulation pattern on the site; and
    - c. Include other site modifications that do require Planning Commission review and approval
  2. The Planning Department reserves the right to bring any “Minor Project” to the Planning Commission for final approval.



better or equal outcome to existing zoning standards by allowing a minor deviation. Examples include a waiver of parking up to a certain percentage when specific criteria are met, deviations for landscaping standards, or allowing an alternate location for the siting of mechanical equipment. Administrative departures should have their own application form and review standards to ensure consistency and transparency.

**PARADIGM SHIFT**

Approving a permitted use should be an administrative decision, not a political one. Expanding administrative review by allowing the zoning administrator to assess development projects against zoning standards keeps it that way. This does not mean that local leaders do not have a role in the development process. Elected and appointed officials play a critical role in establishing expectations for community engagement in the master plan process.

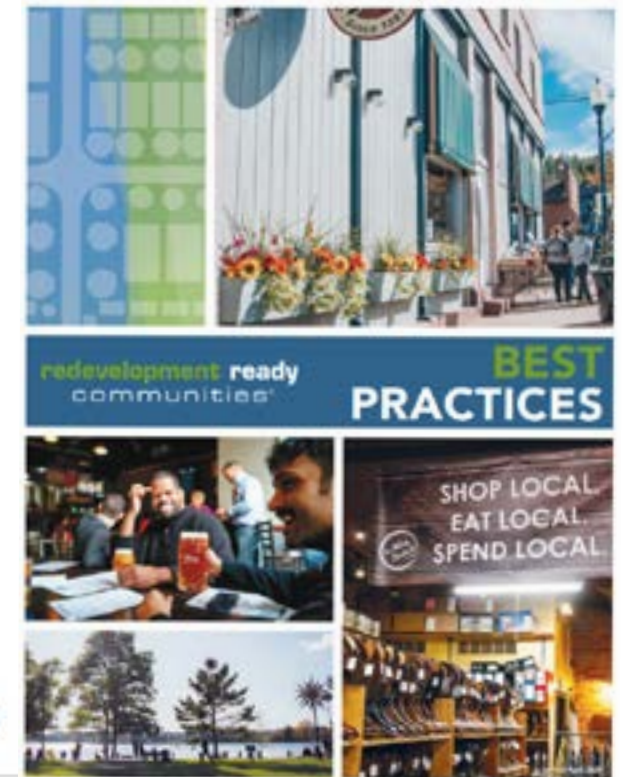
As the reviewing and approving bodies of the master plan and zoning ordinance, officials are also the gatekeepers of a community's policies and regulations. Officials' time is better spent crafting well-designed community plans and ordinance provisions to achieve exactly what the community wants, rather than spending time in public hearings on individual requests. The planning commission will stay busy with special land use requests, rezonings, and other often neglected duties like the capital improvement plan, neighborhood or sub-area planning, refining a zoning provision to produce a consistent results, or preparing the annual report and using it as a guide for next year's tasks. Reducing the amount of time spent on development reviews gives the planning commission time to do actual proactive, long term, visionary planning.

Administrative approval also does not mean that the public is excluded from the process. On the contrary, significant public engagement should be done ahead of time to determine what kind of development is desirable and appropriate. Discussion should touch not just on use but on standards like parking, landscaping, and building design. These priorities should be made clear in the master plan and codified in the zoning ordinance. When that is done, the zoning administrator will have clear guidance on the criteria by which to evaluate a potential zoning project.

Expanded administrative review is not a new idea for Michigan communities. The Michigan Economic Development Corporation's Redevelopment Ready Communities program recommends streamlining the approval process by using administrative review. Best Practice 3.5 Approval Authority expects site plans for permitted uses to be approved administratively or by the planning commission for 'Essentials' communities and expects permitted uses to be approved without a formal public hearing for 'Certified' communities.<sup>82</sup>

**POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT**

Your planning commission may desire to be as involved as ever with the minutiae of site plan review. Instead of focusing on what you are losing, think of what you are gaining...time to do more meaningful work. What could your board/commission be doing rather than debating the location of a maple tree or reviewing a drainage plan that your community engineer already reviewed? Codify your expectations and the outcomes you want to achieve. Then, set it and forget it. Instead, work on setting a vision for a part of your community, refine a zoning provision, or identify ways in which you could leverage other community resources to facilitate master plan implementation. The opportunities are endless!



**Best Practice Three: Development Review**

**3.1 Defined Processes**

Clearly defined development review processes provide predictability for investments big and small.

**CRITERIA:** The zoning ordinance includes clear steps for major development review processes.

ESSENTIALS EXPECTATIONS	CERTIFIED EXPECTATIONS
<input type="checkbox"/> Processes for site plan review, special land use, rezoning, variances, and text amendments are clearly laid out in the zoning ordinance.	<input type="checkbox"/> Processes for site plan review, special land use, rezoning, variances, and text amendments are clearly laid out in the zoning ordinance.
<input type="checkbox"/> Development review standards are clearly defined.	<input type="checkbox"/> Development review standards are clearly defined.

**3.5 Approval Authority**

Approving permitted uses at the planning commission or staff level allows faster approval and respects the administrative nature of development review.

**CRITERIA:** The community streamlines the approval process by using administrative and planning commission approval authority.

ESSENTIALS EXPECTATIONS	CERTIFIED EXPECTATIONS
<input type="checkbox"/> Site plans for permitted uses are approved administratively or by the planning commission.	<input type="checkbox"/> Site plans for permitted uses are approved administratively or by the planning commission.
	<input type="checkbox"/> Permitted uses do not require a formal public hearing (but allow for public comment and other engagement as deemed necessary).

**TECHNICAL RESOURCES**

- [MEDC & MAP – Streamline Development without Sacrificing Quality](#)
- [MEDC – Redevelopment Ready Communities Best Practices](#)

# Pre-approved Plans

## WHAT IT IS

Blueprints for a specific housing type are authorized by the local jurisdiction as “approved” for construction. These blueprints have been vetted for compatibility with a neighborhood’s context and are found to be appropriate.



### Master Plan Case Study: Clark Township (2015)

Ch. 5 – Community Goals, Objectives and Strategies  
Land Use.

- Objective: Coordinate all land use controls to prevent duplication and unnecessary “red tape”.

Housing.

- Objective: Review and enact appropriate zoning ordinance standards that minimize “red-tape” and encourage the provision of affordable housing in appropriate locations within the Township.

## WHY IT IMPACTS HOUSING

Pre-approved plans that meet a community’s criteria provide a great deal of predictability and consistency for a homeowner, builder, and even neighbors. Decisions have already been made about what types of buildings are acceptable ahead of time. This shortens approval timelines and eases the workload of the zoning administrator. Design and permitting fees can be much less for someone using a pre-approved plan. The shortened timeline and reduced fees can assist in lessening construction costs. One of the ten principles of the Smart Growth movement is to “Make development decisions predictable, fair, and cost effective.”<sup>83</sup> Pre-approved plans are one such measure to enact this tenant.

## HOW IT IS USED

This approach is particularly useful for infill housing scenarios where “gentle density” is allowed. The most common way in which

pre-approved plans are used is for Accessory Dwelling Units (ADUs) as a stand-alone structure. Floor plans and building elevations will typically be found in a design manual or website for a property owner to select from. (The configuration of a lot or building will need to be considered alongside the pre-approved plan.) Some communities provide pre-approved plans for free or at a very low cost; others have partnered with architectural or design firms to sell their pre-approved plans at a lower cost than a custom design; or a community may work with vendors who have prefabricated models available for purchase. Thresholds are identified by ordinance for allowable modifications to allow a plan to continue to be considered “pre-approved”.

## PARADIGM SHIFT

What is old is new again. While Sears Catalog homes were not intentionally designed to provide a development pattern that would satisfy zoning requirements,

the idea of a model home that could be replicated is the same. Pre-approved plans take the guesswork out of the development process and provide a powerful “carrot” that expedites the development of small infill housing projects.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

A strong community process likely will be needed to build a willingness in the community to accept pre-approved plans. The length of time and expense to develop a program that is agreeable to all stakeholders can be a challenge where there is limited capacity to do the work. If the process is too narrow, however, the choices of pre-approved plans may fail to meet the demand for customizable approaches desired by owners. Plans provided by the community may also not be supported by a designer or architect to walk alongside the owner through permitting and construction phases.



### Case Study: Citrus Heights, California – Permit-Ready ADU Program (PRADU)

Citrus Heights is a community of around 87,000 people located in Sacramento County, California. The community launched a permit-ready accessory dwelling unit program in the summer of 2021 in an effort to mitigate the region’s growing housing affordability crisis. Funded by a grant from the California Department of Housing and Community Development, the program provides homeowners with pre-approved plans for ten different accessory dwelling unit options. Designs range from a 496 sq. ft. studio unit to a 749 sq. ft. two bedroom-one bath unit. Options for roof lines, exterior finishes, and interior layouts are available, such as wider doorways and hallways to make an accessible unit. Plans can also be reversed to meet site conditions.

Plans are available to residents free of charge, which represents an estimated cost-savings of around \$6,500 in design costs and \$1,000-\$4,000 in plan review fees. The Citrus Heights PRADU website features a comprehensive list of FAQs, instructions, and the library of available plans.<sup>84</sup>

### Case Study: Roanoke, Virginia – Residential Plans Library

Roanoke is a city of almost 100,000 located in southwest Virginia. In addition to pre-approved plans for accessory dwelling units, Roanoke has a Residential Plans Library that includes plans for single-family and two-family homes. Plans can be purchased directly from the designer at a reduced price and then submitted to the City. All plans included in the library have been pre-approved for compliance with the City’s neighborhood design regulations and the Virginia State Building Code.



## TECHNICAL RESOURCES

- [California ADU – Pre-approved Accessory Dwelling Units](#)
- [AARP – Model State Act and Local Ordinance for Accessory Dwelling Units](#)
- [AccessoryDwellings.org](#)
- [Citrus Heights, CA – PRADU Program](#)
- [Roanoke, VA – Residential Plans Library](#)

# More Flexible Approach to Nonconformities

## WHAT IT IS

Before single-family became the predominant housing type, many neighborhoods in America contained a diverse mix of housing types. A structure that was legal at the time of construction but is no longer due to amendments to the zoning code is referred to as 'nonconforming.' There are different categories of nonconformity—uses, lot size and dimensions, structures, and site elements can all be nonconforming, depending on the specific zoning provision in question. By taking a more flexible approach to nonconformities in your community, older structures and lots can be utilized to broaden the range of housing opportunities available for reuse and new construction.



Master Plan Case Study: Lincoln Park (2019)

### Ch. 10 – Implementation

Develop a second category of nonconforming use within the Zoning Code which supports the continued existence of some nonconforming uses, including expansion and the right to rebuild, while prohibiting the establishment of new instances of that use in a district. (113)

## WHY IT IMPACTS HOUSING

It is quite common for single-family residential zone districts to contain nonconforming two-family, multi-family, or commercial structures, especially in older neighborhoods. Because these properties were legal at the time of construction, they do have nonconforming status. However, most zoning codes have a clause whereby upon destruction of the structure up to a certain percentage (50 or 60 percent is common), the structure must be rebuilt to conform with the current zoning ordinance. Thus, while the nonconforming use or structure can continue to exist, it no longer conforms to the current local zoning ordinance. In many cases, property owners may not invest in their properties as much as they might otherwise, knowing that the type of use is not permitted or

desired within the zone district. As planner Michael Brough remarked in the American Planning Association's Unified Development Ordinance in 1985: "Nonconforming uses do not fade away – they simply become more run-down and shabby looking."<sup>85</sup> By allowing for a more flexible approach to nonconforming uses in your community, you may be able to dissuade disinvestment and in the process, secure another form of naturally occurring housing supply.

Uses can be nonconforming, but so can site or building elements. Let's say you have a single-family home that was built on a platted 40 ft. wide lot in the 1920s. In the 1950s, the minimum lot width for that single family district became 50 ft. The property now has a nonconforming lot width, and possibly setbacks or lot coverage. If that property owner wants to construct

an addition, they might have to seek dimensional variances to do so. Or perhaps a developer would like to split an 80 ft wide residential lot to build two homes. The lot consists of two platted lots of 40 ft. wide. Despite other homes on the block being sited on 40 ft. platted lots, the developer is not able to split the 80 ft. lot in two. Taking a more flexible approach to nonconforming site elements can allow for the creation of more housing.

## HOW IT IS USED

Provisions regulating nonconformities typically specify allowances for enlargements, reconstructions, and substitutions. Many communities prohibit the enlargement of nonconforming structures or uses because doing so further entrenches the nonconformity. Reconstruction is typically allowed under a certain percentage of the value of the property. Additionally, a nonconforming use may be replaced by a use that is more conforming or no less conforming.<sup>86</sup>

To allow for more flexibility, you can add language that specifies scenarios for nonconforming uses, structures, lots, and site elements (such as landscaping, for example), regulating each differently. Perhaps the expansion of a nonconforming use can be done when certain criteria are met and approved by the zoning administrator or Planning Commission. You can allow additions or improvements to nonconforming structures if the addition brings the property into closer compliance with current zoning standards. The case studies below highlight several strategies to deal with nonconformities in a nuanced manner.

## PARADIGM SHIFT

Nonconforming uses, structures, lots, and site elements do not have to be obstacles to making great places. Think of your favorite neighborhood in your community. What does

## Zoning Case Study: Plainfield Township

### Section 4.03 – Nonconforming Uses

F. A nonconforming use within an existing building shall not be substantially enlarged or increased, nor extended to occupy a greater area of land than was occupied at the effective date of the adoption or amendment of this ordinance, except as may be permitted by the Community Development Department after reviewing the following criteria:

- Roads and streets leading to and from the nonconforming use, as well as any additional traffic flow problems to be created by said expansion.
- Any increase in noise, odor, fumes, lights, glare, waste, sewer discharge or other like detrimental effects created by the proposed expansion.
- Whether the proposed expansion of the nonconforming use is compatible with the surrounding areas and properties
- Whether the proposed expansion could be made less detrimental to surrounding properties and areas by the use of appropriate buffering and screening.

it look like? Could it be rebuilt under your current zoning code? Many of our most cherished neighborhoods would not meet current zoning standards. In many cases, taking a flexible approach to nonconformities allows for infill development in a neighborhood and can be a return to its original fabric. Simply by taking a more flexible approach to nonconformities, you can expand the range of allowable housing types and allow for investment in properties that may have been neglected. Think of this approach as an intermediate step before Expanding Allowable Uses or Rezoning for Mixed-Use and Multi-family.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Adjusting rules for nonconformities is one of the most benign changes that can be made, but will allow progress to begin to occur.

## TECHNICAL RESOURCES

- [MSU Extension – Understanding Nonconformity](#)

# Police Power Ordinances to Regulate Nuisance

## WHAT IT IS

Authority is extended to Michigan's municipalities (townships, villages, and cities) to enact police power ordinances for the protection of public health, safety, and general welfare. Zoning is a police power that regulates the use of land. Over the years, zoning regulations became anticipatory or proactive – designed to prevent some real or perceived threat. The challenge is determining if current zoning regulations that restrict the use of land are substantiated and an actual detriment when other ordinances (e.g. nuisance, blight, noise, etc.) can appropriately address issues associated with negative behaviors and activities; or if zoning has been used as an exclusionary mechanism to limit housing choice.

## WHY IT IMPACTS HOUSING

A detached single-family house, duplex, townhouse, or multiple-family apartment are the various housing types that are considered residential land uses. Zone districts will often differentiate between housing types. For example, an R-1 zone will only allow detached dwelling units, but an R-5 district may allow all housing types. There is an implicit bias in the approach that separates housing types. As more information has come to light about “de jure segregation” (segregation that existed because of local laws that mandated it) the view that a duplex or townhouse is dangerous to the public and somehow must be separated from a detached single-family house is becoming an outdated perspective. According to the Federal Fair Housing Act, it is a legal obligation of communities to break down barriers to housing discrimination.

The [Collapse Zone Districts](#) tool can be paired with other police power ordinances to address potential issues rather than automatically associating a negative behavior with certain types of housing or households. For example, an externality such as cars parked on the front yard grass can be better managed through a parking ordinance that allows for immediate ticketing. Other police power ordinances can react to undesirable conditions and activities as they occur. They are also more equitable

– the same rules apply everywhere in the same community rather than only applying certain rules in certain areas, such as zone districts.

## HOW IT IS USED

There should be a reasonable relationship between public health, safety, and welfare and the regulation prescribed. Those ordinances could also be more effective when not tied to property rights; nuisance non-conformities may be better addressed with other police power ordinances. Sign regulations, for example can be contained within a zoning ordinance or placed outside of it. As a stand-alone ordinance, an added benefit is that non-conforming rights no longer become a consideration for signage.<sup>87</sup>

Conduct a review of the zoning ordinance to identify areas where nuisance language can be shifted outside the zoning ordinance to a police power ordinance.

## PARADIGM SHIFT

Police power ordinances can address overcrowding (building code), parking (nuisance or parking code), noise (noise ordinance), and other activities. Zoning regulations should not be based on “that one time” there was a problem. Consider how other ordinances can be used to address an issue in a faster, more efficient way.

The composition of households and the housing market itself have changed dramatically since the early days of zoning and zoning-related court decisions. Oftentimes neighbor perceptions, unsupported by data and based on fear rather than facts, drive land-use decision-making and ultimately result in exclusionary practices. Shed the idea that all solutions rest within the zoning ordinance. Local communities have a range of police power ordinances to draw from to address neighbor concerns while also increasing the range of allowable housing types within a zone district.

## POSSIBLE OBSTACLES TO DESIGN AND IMPLEMENT

Police power authority for certain issues may not extend to a County under Michigan law. If a County does zoning for a local jurisdiction, it will need to be examined if some regulations could be severed from zoning. Most commonly, the jurisdiction under county zoning adopts typical police power regulations related to noise, dust, odor, etc. and is responsible for administering those regulations.

Cost and capacity to enforce police power ordinances related to nuisances are another consideration.

**Case Study: Grand Rapids – Crime Prevention Through Environmental Design Ordinance**  
Crime Prevention through Environmental Design, known as CPTED, is a philosophy of crime prevention that utilizes a multidisciplinary approach to the built environment that is intended to deter criminal behavior, foster improved quality of life, assist in achieving community-policing goals, and facilitate self-policing by the community. CPTED draws on passive strategies incorporated into the normal planning, design, and management of the built environment. This ordinance focuses on goals that relate to the physical built environment and generally addresses the following key elements of CPTED philosophy:

- Natural access management for the physical guidance of people and vehicles
- Natural surveillance to promote and maximize visibility
- Territorial reinforcement to delineate space and express a positive sense of ownership
- Physical maintenance and management for the general upkeep of a building or area

Though this ordinance targets commercial and mixed-use design versus residential, this police power ordinance is an example of policy that addresses nuisance behavior outside of a zoning ordinance.

## Zoning Case Study: City of Muskegon

It is important to understand how all of your community's ordinances work together. For example, the City of Muskegon found an issue when enforcing its anti-blight provisions to keep vehicles parked on paved driveways and parking pads. The City learned that there was a winter conflict with city parking bans in the early morning hours designed to clear the streets of vehicles when snowplows began operating. As a result, the City eliminated the winter street parking ban in the hopes of correcting front yard parking issues.



Photo courtesy Muskegon Chronicle

## TECHNICAL RESOURCES

- [The International Crime Prevention Through Environmental Design Association](#)
- [City of Grand Rapids – CPTED](#)

# Making the Tools Work: Market Contexts

The old adage in real estate is location, location, location. This is about how different market contexts can influence the cost of land and housing. For the purposes of this Toolkit, we have made some broad generalizations about a variety of local market contexts. However, there is no one-size-fits-all solution. Michigan is a diverse state with more than 1,800 units of government. There are different local politics, varied development patterns, and community priorities.

The contexts are described as: growth, transitional, and revitalization markets. Each local market has its own unique dynamics and characteristics which need to be understood by policy makers in order to wisely select from among the tools. We have done our best to generalize these market contexts with widely-available data, and to select a range of examples for illustration, with the recognition that the more local leaders can adapt these generalizations to the true conditions on the ground, the more effective these tools will be.

## GROWTH MARKETS

These are residential areas that are experiencing new demand for residential housing. In most areas of the state, where growth is occurring, local communities are struggling to keep up with demand. They are experiencing a mismatch between the housing that is available and the prices that much of the local workforce can actually afford. As noted previously, when demand exceeds supply, housing prices have risen more quickly than local wages. This creates an affordability problem.

However, growth markets can be influenced by a number of factors. In regions like those anchored by Traverse City and Marquette, growth is being generated by seasonal and second homeowner

demand, expanding regional employers and educational institutions, as well as higher income workers with a newfound flexibility to work remotely. High demand is heavily influenced by a strong sense of place and access to outdoor amenities and abundant water resources. In these places, the strong market makes density bonuses a viable tool to attract developers, and reduction or elimination of minimums for parking and dwelling unit size can maximize the share of limited space that is available for housing. Increasing the range of housing types, too, can allow for more compact development so that land resources are conserved.

In several neighborhoods within and surrounding communities like Grand Rapids and Ann Arbor, growth is being influenced by an influx of young workers and empty nesters who are all vying for a limited supply of housing in walkable, amenity rich neighborhoods. University students are also competing for older, traditionally less expensive housing stock, and tend to be much more willing to live in groups of four or more in a single home or apartment – often paying \$500 or more per bedroom. Increasingly, low- and moderate-income households cannot afford the \$1,500 to \$2,000 per month rent that can be paid by groups of students or young adults.

In these communities are large, long-developed single-family zoning categories that have become extremely nuanced over time. Collapsing some of these districts into more flexible zones that permit a wider range of uses, lot sizes, and housing types will increase the capacity of existing neighborhoods at a manageable rate. Expanded administrative approval supported by police power ordinances to regulate nuisances may be needed in order to get them built.

It's not just our larger cities that are growing in Michigan. There are several small towns and rural communities in the state that are feeling the pressures of growth – especially those on the fringes of larger metropolitan markets. Communities like Oxford, Middleville, and Vicksburg are increasingly experiencing new housing demand, often driven by job growth, that challenges the local identity of a small, rural community.

Communities in this type of context are often currently planning for suburban-style growth consisting of mostly individual homes on larger lots. Yet, with the amount of housing demand these communities are experiencing, suburban growth patterns can quickly overtake the formerly rural environment and transform it into a chain of subdivisions where little of the original community identity remains. Lack of exposure to attractive, well-designed attached housing formats can lead to resistance to their implementation from existing residents, so form and site standards can offer assurance that the community's most valued physical characteristics will be preserved. Pairing these with expanded administrative approval and eliminated elected approvals allows the process to deliver those results within a predictable cost range for the developer.



### TRANSITIONAL MARKETS

While there are quite a few local and regional growth markets in Michigan, there are even more housing markets in transition. This transitional market context includes those communities experiencing a shift in population that is not easily accommodated by the existing housing supply. For example, Sutton’s Bay in the Leelanau Peninsula has experienced a significant increase in housing despite a declining population, signaling an increasing reliance on seasonal and service industries. Very often, communities in these market contexts have not historically planned or zoned for housing types other than single-family homes.

Many single-family homes in these communities are aging and may require significant rehab or repair costs. In markets where there is a growing demand for seasonal homes, it is often higher-income earners buying these properties as second homes because they have the available resources to improve the properties to modern standards. Meanwhile, the local workforce is not able to compete for the

limited existing housing stock and does not earn enough to support the cost of new construction. Allowing mixed uses and multifamily residential development in commercial districts reduces the transportation obligation imposed on the workforce and also allows for a realistic and sensible reduction in parking requirements, while missing middle formats can offer pleasant and fair housing options for service and essential workers with growing families.

In communities such as Grayling, Roscommon, and Lexington, on the other hand, expansion in the moderate- and middle-income manufacturing and production activities that underpin much of their employment base has not been matched by increases in population, suggesting that workers are enduring long commutes and that a whole range of housing formats would deliver a return on investment.

These communities are poised to become new growth markets and will shortly be faced with the conflict between preserving rural character and chopping it up into

lawns. These communities will benefit from planning for new compact neighborhoods with small lots, attached housing, and strong performance standards that allow for the integration of neighborhood commercial and service establishments. Revising "standard" development patterns also assists communities with lower costs of infrastructure and the ability to better manage service delivery.

There are also places where the number of jobs are holding steady in the face of population decline, pointing again to a mismatch between housing that is desirable and affordable, and the housing that is available. Sturgis and Sault Ste. Marie both fit this pattern, which is supported by data showing an increase in housing units despite a decrease in population. This is an opportunity for missing middle housing formats. Re-purposing space in commercial districts for residential use and a flexible approach to nonconformities can help achieve additional dwellings through adaptation rather than new construction.

### REVITALIZATION MARKETS

Several market contexts in Michigan have experienced high growth trajectories in previous decades but have since lost significant population and are now dealing with legacy infrastructure, vacant parcels, and sometimes blighted homes. These market types, with communities that include regional anchors like Port Huron as well as inner-ring suburbs like Lincoln Park, can offer significant opportunities to increase homeownership and support various housing types. However, there tends to be a significant gap between the cost of new construction and local appraised values where little supply has been built in recent years. Because these markets are characterized by a simultaneous decline in jobs and population, they are often looking to attract new investment while also working to ensure that existing residents are not displaced. Pre-approved plans and expanded administrative review can help bring the cost of development down to address the appraisal gap, while a more flexible approach to nonconformities can help these communities make the most of their significant existing investments.

Region	Community	Pop. Change (2000-2019)	No. Jobs Change (2002-2017)	No. Housing Units Change (2000-2019)	Market Type
SW	Vicksburg	42.0%	-13.0%	35.0%	Growth
W	Middleville	25.0%	14.0%	23.0%	Growth
NW	Traverse City	7.0%	19.0%	8.6%	Growth
UP	Marquette	6.2%	-2.0%	5.5%	Growth
SE	Ann Arbor	5.8%	6.6%	7.7%	Growth
W	Grand Rapids	0.3%	-5.9%	4.7%	Transition/Growth
NW	Sutton's Bay	-1.3%	-63.0%	45.0%	Transition
SE	Oxford	-2.9%	88.0%	3.5%	Growth
C	Sturgis	-4.0%	8.4%	6.3%	Transition/Growth
SE	Lincoln Park	-8.3%	-33.0%	-7.6%	Revitalization
TH	Lexington	-8.5%	198.0%	6.8%	Transition/Growth
NE	Roscommon	-8.5%	157.0%	10.0%	Transition/Growth
TH	Port Huron	-10.0%	-38.0%	-2.3%	Revitalization
UP	Sault Ste. Marie	-18.0%	9.7%	1.9%	Transition/Revitalization



# Where Do We Go From Here?

This Toolkit for updating local zoning codes is designed to include a variety of tools. Not every tool will work equally well in every housing market, just as one housing type will not be the best fit for every type of household. Local politics and priorities are an important element of success. The subject of housing is complex. Increasing housing supply will require a mix of fixes. Additional work to consider is included here.

## FIND YOUR ALLIES

Without a coalition of supporters, it can be difficult to achieve lasting and meaningful success. We recommend starting with some very simple question questions: Who is most impacted by the current housing market in your area? Are local businesses having trouble finding employees that can afford to live nearby? Are local schools struggling to attract teachers due to a high cost of living or lack of available housing? Or perhaps some schools are losing students as low- and moderate-income families can no longer remain in neighborhoods where housing prices have increased beyond their budgets. Are local faith leaders receiving an increasing number of requests for housing support from individuals in the community? What are the local Realtors seeing in the market?

The answers to these questions will help to inform who should be a part of an initial coalition of partners. Additional partners may include local or regional non-profits, community foundations, the United Way, and perhaps County administrative staff. Convene this group of potential partners and talk about the experiences they are having. Look for commonality among the stories. Discuss within the group where they perceive the greatest pain points to be.

Many communities across the State are experiencing a significant mismatch between the types of housing or price points available and the average income of middle-class families. Achieving some agreement among your coalition of partners to pursue a local or county-wide Housing Needs Assessment can be an excellent way to obtain up-to-date data to help the group better understand the specific needs within the local/regional housing market.

With a strong coalition of dedicated community partners and a solid set of data that illustrates the details of the local/regional housing needs, your community is ready to start tackling zoning reform.



## FRAME YOUR TARGET MARKET

Each zoning tool outlined in this toolkit can serve slightly different market segments. Reducing minimum lot area and widths can help to make homeownership more affordable for higher-income renters or downsizing retirees. Collapsing zone districts and coding for missing middle housing types can support new housing choices in existing neighborhoods. These choices can serve single parents, or young couples without kids, or other smaller households who don't need a large single-family home on its own lot. Which of these market segments are most important in your community? And which of these market segments might have a strong group of local advocates who are willing to speak up about the need for more housing choices in your community?



Photo from Bridge Michigan file

When we can relate to the people who would benefit from these changes, zoning reform concepts often become less abstract and more personal. The local third grade teacher who's been commuting 45 minutes to work every day because there are no housing options close enough to the school where she works may engender some support for allowing accessory dwelling units or mixed-use buildings. Define who you are intending to serve with proposed zoning changes and how those individuals are supporting your community today.

## ILLUSTRATE YOUR PROPOSALS

Many people have a certain set of experiences that frame their perspectives on any number of issues. If the experiences that someone can immediately recall with a duplex or a neighborhood apartment building are negative, this can color their entire perspective of your proposal. Instead of allowing those previous experiences to create a mental model for your proposed zoning changes, provide several illustrations and images that represent the specific changes you are trying to make.

This means that when you are drafting your local code amendments, seek out attractive images that are highly representative of what will be in your draft ordinance amendment. Use those images liberally to talk about the proposal and tie them back to the market segments you're hoping to support.

Also consider making at least two examples of a site plan to illustrate what the planning commission might expect to receive from an applicant in the future. How will the building be sited on the lot under your proposed standards? Where will parking be located (if required)? How does the building size match up with other buildings in the vicinity? How much green space is likely to be set aside?

## ORGANIZE YOUR SUPPORTERS

It's very important that you continue to keep your original allies informed and engaged throughout the process. It is very rare that local staff can effectively champion these changes without the support of local advocates in the community. Be sure to set up regular opportunities to share the progress on local zoning reform, take feedback, and encourage supporters to attend meetings with the planning commission and speak up on behalf of the work the community has done.



## Future Work

### SYSTEMS CHANGE IS NECESSARY

The *Zoning Reform Toolkit* is a first step in a multi-faceted effort to equip municipal leaders with the tools necessary to transform the land use regulatory system. The 15 tools identified in this publication are intended to provide actionable steps to modify municipal codes so as to encourage the development of more housing units, and are foundational to subsequent actions. But zoning code amendments alone will not solve the national, or Michigan's, housing crisis - a protracted, thoughtful, integrated, and deliberative approach is required.

While MAP, along with so many of our partners, understands the past zoning and development practices that have shaped where we are today, there remains intense resistance to solutions that include adding density or flexible housing models in historically single-family neighborhoods. This resistance comes at all levels, from residents and local elected officials to gun-shy planners and change-averse state legislators.

There is a knowledge gap about affordability, and why, when so many in past generations could afford to own, or even rent, safe and decent housing, it is now out of reach in many communities to all but the wealthiest. Many municipalities with largely or wholly single-family housing stock ask why here, why not in the next community over, and Not In My Back Yard (NIMBY) syndrome is prevalent nearly everywhere.

### RECOMMENDED READING

- The Color of Law: A Forgotten History of How Our Government Segregated America – Richard Rothstein
- Evicted: Poverty and Profit in an American City – Matthew Desmond
- How to Kill a City: Gentrification, Inequality, and the Fight for the Neighborhood – Peter Moskowitz
- The Affordable City: Strategies for Putting Housing Within Reach – Shane Phillips
- Fixer Upper: How to Repair America's Broken Housing System – Jenny Schuetz
- Arbitrary Lines - Nolan Gray

### SHARING SOLUTIONS

The first step is to get this Toolkit into the hands of planners, local leaders and other municipal professionals; provide training about the tools; identify which tools are most appropriate in a given community; and make available direct technical assistance to guide local implementation. Solutions will vary by community, but lessons can be learned by all and shared across Michigan to build awareness, interest, and enthusiasm for zoning reform.

Many communities, particularly small towns, townships and rural areas, have limited capacity because many rely on volunteers, part-time staff, or individuals who must wear several different hats in their service. They lack awareness of the vastness of the challenge that lies before us. These communities must be reached, too, because regional solutions will be more effective in solving the housing crisis.

Equipping professional planners with the knowledge and skills needed to implement this Toolkit's recommendations is also critical to the success of its policy suggestions. Direct funding to assist local governments for master planning and code reform is critical if we hope to see transformative change.

### SHORT-RANGE SOLUTIONS

#### 1. Training

Many Michigan municipalities do not know where to begin, do not employ professional planning staff or do not have capacity, and may lack the political will or technical knowledge to accomplish meaningful change.

- A. Develop a workshop series for **elected and appointed leaders** on the following topics:
  - I. Housing Needs Assessments. Training should cover why they are important, key elements, what data is used and where to find it, and how to analyze the data to gauge housing needs, identify gaps, and highlight trends.
  - II. Zoning and regulatory changes to create more housing. How to determine what is right for your community, an overview of the Toolkit interventions, and how to develop a game plan for action.
  - III. Managing public meetings for development success. Learn how inclusive community engagement ensures true representation; how to

have difficult conversations; how to respond when community opposition is strong but the project is great; and how to educate and inform the community about the value and benefit of expanding the housing supply.

- B. Develop a high level, technical, professional level workshop curriculum for **professional planners, zoning administrators, city managers, township supervisors and administrators, and other municipal professional staff**. Objectives of this course are to introduce process and implementation solutions to create policy and develop impactful codes.
- C. Develop a Train the Trainer curriculum for Michigan **private practice planners**. The consulting community serves municipalities that have limited capacity and often do not employ a professional planner, or they deliver specialized planning and zoning services when a municipality does not have in-house expertise. In either case, consultant planners can provide a corps of professionals ready to take on zoning reform initiatives, and this course will prepare them to take the next steps.



## 2. Technical Assistance and Funding

Once understood, through training, that even modest changes to regulations can open up local housing supply, many communities will need technical and financial assistance to move forward.

- A. Develop and launch a technical assistance program that delivers professional assistance and direct guidance to communities that are ready to begin. This support can include assistance with identifying solutions best suited to their needs, including providing master plan support, drafting ordinance changes, and guidance during the local adoption process.
- B. Explore funding sources to deliver technical assistance, including local ARP funds, MSHDA, MEDC / RRC, others.
- C. Educate communities about additional development barriers (beyond funding) such as infrastructure and utility needs that they need to understand to assist in facilitating development.
- D. Familiarize communities with the issues development and redevelopment sites face so that they can provide developers and investors with a transparent picture of the issues, and what resources are available to assist in mitigating those barriers (costs, technical expertise).
  - Pre-development Coaching (how to get through the local process in a fairly seamless manner)
  - Available incentives

## 3. Housing Needs Assessment

- A. While some Michigan communities have conducted housing needs assessments to determine gaps in local housing supply, far more have not. A local housing needs assessment is a data rich analysis of local (and regional) conditions that can identify gaps or needs. Community leaders must have a basic understanding of the situation – the housing needs for their discreet community - to have meaningful discussions, develop goals, and adopt a policy and action plan.
- B. Develop a Housing Needs Assessment Guidebook, a "How To" guide for local professionals to develop their own actionable plan, based on local data, demographics, and goals.
- C. Develop and disseminate a DIY Housing assessment template with step-by-step instructions on data, demographics, housing audit, population projections, and more.
- D. Test assessment findings by stress-testing findings with development and lending communities.
- E. Conduct a scenario planning exercise. Based on the identified housing gaps in a community or region, local planners and officials should feel empowered to model growth under a business as usual framework as well as a preferred development pattern framework. Using the data from the housing needs assessment to inform the building types and price points will help to establish a much more accurate baseline of medium and long range growth scenarios.

## MID-RANGE SOLUTIONS

### 1. Communications Campaign

Campaign elements should include communications strategies and suggested messaging for local leaders. A statewide effort would send a powerful message and assist with influencing change. A comprehensive, protracted, and multi-layered campaign could amplify the need for increased housing supply, articulate the economic and social benefits, and reinforce solutions embedded in this product, along with a variety of complementary interventions provided by a range of stakeholders (state agencies, governmental organizations, and NGOs).

- Develop a coalition, or expand the Housing Michigan Coalition to collectively advocate for the development of a statewide communications campaign for increasing housing supply generally, as well as providing for a much greater range of housing types and price points.

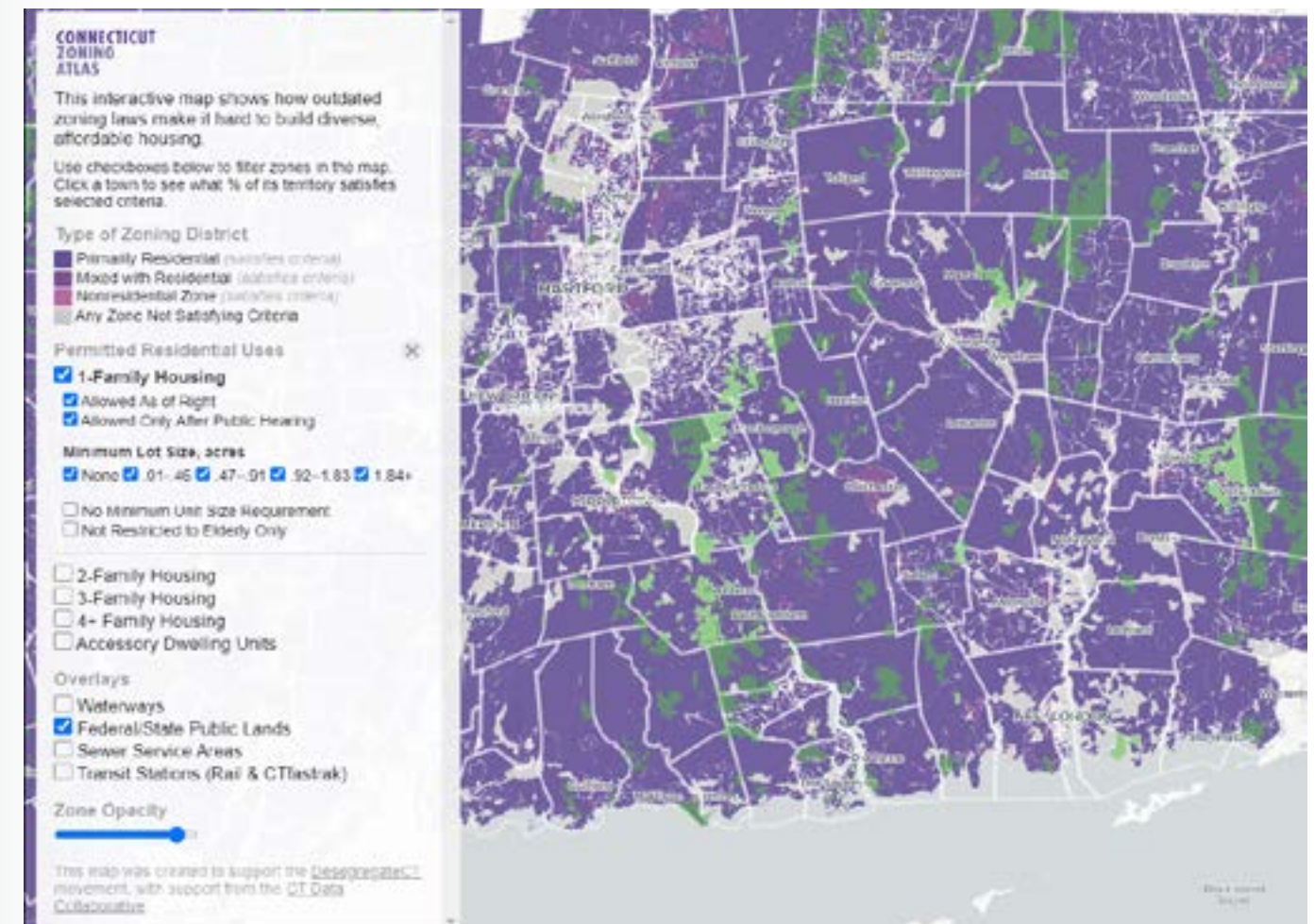
- Develop “regional rapid response teams” and train them to rally at municipal public hearings for missing middle and multi-family housing developments to counter neighborhood defender/NIMBY voices at meetings. Equip advocates with data and talking points about the value of increasing housing supply for all.
- Identify state agency leaders who understand the urgency of the issue from a social, economic, and global competitive perspective.

### 2. Statewide Zoning Atlas

A zoning atlas, the auditing and display of zoning ordinances and maps at a state or regional level, can provide data to help us understand how much land is zoned for what purpose. The Connecticut Zoning Atlas revealed that the vast majority of zoned land in that state was for single family use, and that only 2% of the land allows multiple family housing over 4 units as a use by right. A statewide Michigan Zoning Atlas, or one



1. TECHNICAL ASSISTANCE      2. MENTORSHIP      3. PRE-DEVELOPMENT      4. DEVELOPMENT      5. POST DEVELOPMENT



piloted in one of the State's Planning and Development Regions, would provide the data necessary to make better land use decisions, could be used as an element of a robust communications toolkit or campaign, and could provide the justification that many elected leaders and community professionals need to make the case for changes to local policies and ordinances that will expand housing supply. Perhaps most importantly, it could be used as a tool to influence state legislators to advance meaningful legislative reforms to equalize housing accessibility.

## LONG-RANGE SOLUTIONS

### *Explore State Legislative Changes*

From California and South Carolina to Oregon and Utah, state legislatures understand that to really drive the expansion of housing supply, state laws must change. A variety of solutions have been advanced, including mandating affordable housing action plans (Nebraska), requiring ADUs as permitted uses (Utah), and a sweeping package of bills that allow ADUs to be by right, disallow minimum parking standards, and eliminate the term "character", which can serve as a cudgel to deter anything other than single family zoning (Connecticut). Decades of misunderstood zoning policy, not just in Michigan but everywhere, have restricted housing supply in many ways.

Much of the power to regulate development falls to local government. While most land use planning and zoning happens at the local level, state level actions can motivate or mandate local government to action. Some municipalities will never implement meaningful changes to local regulations without state statutory change. The stakes are high, but the timing is right, as business leaders understand that inadequate housing supply is stifling business growth.

- A. Research the legislative solutions advanced by other states, create a matrix to ease analysis, and determine which solutions might have scalability in Michigan.
- B. Draft sample bill language (MAP Law Committee) and convene a working group with Michigan Municipal League and Michigan Townships Association.
- C. Coordinate a broad coalition of stakeholders or partner with the existing Housing Michigan Coalition.
- D. Establish a strategy to move bill(s) through the legislature and Governor's office that would best suit Michigan's communities and our housing needs.

## Conclusion

Whether it is through the lens of empowering capitalism to meet market demands, affirmatively furthering fair housing, or a sincere desire to expand housing stock for existing and new residents, arguably nearly all zoning ordinances in Michigan could use a tune-up. The Zoning Enabling Act requires a community master plan to serve as the basis for local zoning. Master Plan goal statements such as "provide a variety of different price points and housing types", "be age-friendly", or "provide affordable housing for young families" are meaningless if a community's zoning ordinance has not been updated to implement these policies. Achieving community aspirations requires action. Modifying local regulations to increase housing supply and choice is one way to improve livability and ensure that all people in Michigan have a place to call home.



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87 82. Be sure to seek the advice of legal counsel prior to taking any enforcement actions.



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