



CITY OF SAINT PAUL
Melvin Carter, Mayor

25 West Fourth Street, Ste. 1400
Saint Paul, MN 55102

Telephone: 651-266-6700
Facsimile: 651-266-6549

March 12, 2021

To: Comprehensive and Neighborhood Planning Committee
From: Emma Siegworth, Josh Williams, Michael Wade, Luis Pereira
RE: Initiating the 1-4 Unit Infill Housing Zoning Study

Summary:

With this scoping memo, planning staff is recommending that the Planning Commission initiate the 1-4 Unit Infill Housing Zoning Study. The study will carry out actions called for in City Council Resolution 18-1204 to implement policies from the 2040 Comprehensive Plan, including the analysis of the potential for multi-unit buildings along transit routes and in Neighborhood Nodes in single-family zoning districts and the creation of zoning options to accommodate community growth and the diverse needs of residents, support increased housing density and flexibility, and address the city's housing shortage. Structured in two parts, Phase 1 of this study focuses on reducing restrictions in developing on small lots, related to physically small dwellings and accessory dwelling units (ADUs), and would move on a faster timeline. Phase 2 proposes to evaluate a broader set of zoning amendments that would support a greater range of housing options in one-family, two-family, and townhouse zoning districts.

Context:

Saint Paul currently faces a critical housing shortage. In 2019, rental vacancy rates averaged 4.4%¹, i.e., below 5%, which is generally regarded as full occupancy for well-functioning rental markets. In 2020, rental vacancy rates increased to an average of 6.0%², likely a result of the global pandemic. In addition, large numbers of households are struggling with housing costs: 22.5% of renter households are paying more than 30% of monthly income for housing (considered “cost-burdened”), and an additional 25% of renter households are paying more than 50% of monthly income to housing (considered “severely cost-burdened”), for a total of 47.5% renter households that are cost-burdened.³ At the same time, Metropolitan Council forecasts have Saint Paul's population growing by 29,100 people and 12,700 households by 2040.

While there are many factors involved, the housing shortage may be exacerbated by the way in which the City, primarily through zoning, regulates where and what type of housing is permitted. Saint Paul's zoning code is “Euclidian” in nature, meaning it separates differing land uses into distinct zoning districts. Since the adoption of the current zoning code in 1975, this has included the separation of detached single-family housing from duplexes, triplexes, and other forms of multifamily housing (prior to 1975, duplexes were allowed citywide). While the zoning code has been regularly amended since that time—including the introduction of traditional neighborhood

^{1 2} CoStar data, as analyzed by PED Staff

³ 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data. In addition, 12.5% of owner-occupied households are cost-burdened and 7.7% of owner households are severely cost-burdened, for a total of 20.3% of all homeowners being cost-burdened.

mixed-use zoning—it has still largely reflected a decision to keep exclusive single-family districts intact. Of Saint Paul’s land area, 67% is zoned for residential-only uses, and 72% of this (or 48% of the city’s total land area) is zoned exclusively for detached, single-family homes.

In addition, small-scale multi-family housing types, including duplexes, triplexes and fourplexes, have begun to disappear from the city’s housing stock. From 2000 to 2017, the number of housing units in duplexes decreased by 17% and the number of units in triplexes and fourplexes decreased by 11%. During the same time, the number of detached single-family homes increased by 2% and attached single-family homes increased by 29%. The number of units in multi-family buildings with 50 or more units increased by 40%. As of 2017, single-family homes (detached and attached) make up 54% of the city’s housing units, duplexes, triplexes, and fourplexes make up 11%, and multifamily with five or more units make up 35%.⁴

Background:

In 2018, the City Council passed Resolution 18-1204⁵ stating the need to create and preserve affordable housing, address disparities in housing, and create infrastructure to stabilize housing for all in Saint Paul. Among a number of other initiatives, the resolution called for Planning staff and the Planning Commission to study the potential for allowing 3- and 4-unit dwellings in currently single-family zoning districts located in Neighborhood Nodes and/or along transit corridors. Additionally, the policies in the 2040 Comprehensive Plan support environmentally and economically efficient, resilient land use development, offering opportunities for density in areas of high existing or planned transit capacity, and increasing housing choices for residents of all income levels. Specifically, policies LU-1, LU-30, H-48, and H-49 call for transit-supportive density and focused growth at neighborhood nodes, expanded housing types in urban neighborhoods, including duplexes, triplexes, townhomes, and small-scale multifamily, and the consideration of zoning amendments to permit small single-family houses and duplexes to facilitate the creation of small-home development types.

Based on RES 18-1204 and the 2040 Comprehensive Plan, staff conducted a preliminary analysis and identified a number of ways in which lots currently zoned only for single-family housing could be amended to accommodate 3- and 4-unit dwellings and duplexes, in the zoning code. In September 2020, staff sought input from the Comprehensive and Neighborhood Planning Committee⁶ on key policy and scoping questions for the 1-4 Unit Infill Housing Zoning Study. The meeting included discussion on:

- The committee members’ personal experiences with the city’s housing options
- Current affordability of 2- to 4-unit dwellings, household occupancy patterns
- The importance of removing barriers to accessing homeownership resources
- The idea that homeownership is not the only path to wealth building
- The potential for increased competition among non-local and local landlords and non-local wealth circulation
- The housing affordability gaps that exist for residents and developers

⁴ American Community Survey 2015-2019 5-year data (2017 midpoint)

⁵ Resolution can be found here: <https://stpaul.legistar.com/LegislationDetail.aspx?ID=3551114&GUID=EA5C348E-C176-482B-9BF0-28AA59BC63D5&Options=ID/Text&Search=18-1204>.

⁶ Scoping Memo to CNPC can be found here:

https://www.stpaul.gov/sites/default/files/Media%20Root/Planning%20%26%20Economic%20Development/1-4%20Unit%20Infill%20Housing%20Zoning%20Study%20_Scoping%20Memo%20to%20CNPC.pdf.

A question was posed to the Committee about the merits of including zoning changes to targeted geographic areas (e.g. Neighborhood Nodes and within transit corridors) in addition to text amendments that would allow a greater flexibility of 1-4 unit housing options within single family-only districts. An initial suggestion provided was to focus the study mostly on citywide amendments rather than targeted areas in order to provide the community with the broadest set of tools.

Since September 2020, interest has grown in the utility of physically small homes and accessory dwelling units (ADUs) to meet housing needs. Residents and private developers have voiced a desire for lower zoning barriers to neighborhood-scale dwelling styles that are more affordable to build and can be taken on by individual property owners with a little extra space. Clustering of small homes into cottage courts and the addition of an ADU to a single-family lot can provide an attractive housing option at a slightly higher density than a single-family dwelling on a lot. At the same time, “substandard lots” – lots that are smaller than the minimum required for building in the Zoning Code – have been highlighted by PED/Housing and Redevelopment Authority (HRA) staff for their potential to support housing. Many small lots sit vacant and building even one small home requires variances for either the size of the house or for exceeding lot dimensional standards, or both. In light of the interest in these housing opportunities, evaluation of relevant zoning text amendments could serve as a precursor to other amendments.

Purpose:

The purpose of the 1-4 Unit Infill Housing Zoning Study is to carry out actions called for in RES 18-1204 and to implement policies from the 2040 Comprehensive Plan, namely, to support increased housing density, broaden housing choices to address the city’s housing shortage, and to provide options to accommodate community growth. This will include analyzing allowing more multi-unit buildings (i.e. triplexes and fourplexes) along transit routes and in Neighborhood Nodes in single-family zoning districts. The study will draft related zoning text amendments that mirror these options. Due to the pressing nature of the housing shortage, the study is broken up into two different phases: Phase 1, which is on a relatively fast timeline, and Phase 2, which is longer, more intensive phase.

Based on conversations with City Council, the Mayor’s Office, and the Department of Safety and Inspections, staff proposes that Phase 1 of this study review the potential for reducing zoning restrictions to permit more dwelling units to be built on more lots citywide. Specifically, staff proposes to evaluate potential zoning amendments to:

- Allow physically smaller homes;
- Allow accessory dwelling units (ADUs) on smaller lots and with no owner-occupancy required; and
- Allow more than one residential building per lot

Based on the direction of City Council and the 2040 Comprehensive Plan, staff proposes that Phase 2 of this study review one-family, two-family, and townhouse zoning districts to assess their potential to permit a greater range of housing options including additional single-family as well as two-, three- and four-plexes. More specifically, staff proposes to evaluate potential zoning amendments to:

- Allow a greater diversity of single-family developments (i.e., cluster developments, townhomes, ADUs)
- Allow duplexes and triplexes in more places;
- Allow fourplexes in some places; and
- Change dimensional standards and other requirements to facilitate this greater range of housing options.

Proposed Scope:

The proposed scope of Phase 1 includes evaluation of:

- Easing requirements on the arrangement of windows and doors on façade ([§63.110](#). - Building design standards)
- Reducing minimum lot area for ADUs ([§65.913](#). - Accessory dwelling unit (a))
- Eliminating owner-occupancy requirements for ADUs ([§65.913](#). - Accessory dwelling unit (d))
- Amendments to the maximum floor area of accessory units ([§65.913](#). - Accessory dwelling unit (e))
- Addressing dimensional standards for one-family dwellings in RT1-RM2 ([§66.231](#). - Density and dimensional standards table (a))
- Reducing minimum distance between principal buildings ([§66.231](#). - Density and dimensional standards table (h))
- Reducing minimum building width ([§66.233](#). - Minimum building width)
- Amendments to the number of multiple principal buildings per lot ([§66.241](#). - Number of principal buildings)
- Updates to or removal of Planning Commission Duplex-Triplex Conversion Guidelines (2009)

The proposed scope of Phase 2 includes evaluation of:

- District text amendments
 - Amendments to RL-R4 districts to permit duplexes and triplexes by right ([§66.210](#). - Intent; [§66.221](#). - Principal Uses)
 - Amendments to RT1 districts to permit triplexes and fourplexes by right ([§66.210](#). - Intent; [§66.221](#). - Principal Uses)
 - Consolidation or reorganization of RL-RT2 districts
 - Changing minimum lot sizes and/or lot widths to permit 2-4plexes ([§66.231](#). - Density and dimensional standards):
 - Reduction of minimum lot size standards or elimination of minimum lot size standards paired with the introduction of FAR standards;
 - Consideration of maximum lot sizes or other zoning standards to regulate the degree and speed of redevelopment and/or protect against displacement;
 - Reduction of setback requirements;
 - Affordable housing incentives for RL-RT2 districts
 - Increasing maximum lot coverage from 35% for RL-R4 ([§66.232](#). - Maximum lot coverage)
 - Amendments to cluster development requirements ([§65.130](#). - Cluster development) to support greater flexibility and facility of use, and
 - Amendments to accessory dwelling unit requirements ([§65.913](#). - Accessory dwelling unit; [§63.501](#). - Accessory buildings and uses) to support greater flexibility and facility of use.
 - As needed evaluation of Phase 1 text amendments within this study's broader scope
- Depending on the nature of analyses considering local housing and other market dynamics, targeted rezonings (zoning map amendments) for Neighborhood Nodes and/or transit corridor geographies to support additional housing based on frequent, fixed transit service and market strength.

The following is out of scope:

- Amendments to multi-family residential districts (RM1-RM3) and traditional neighborhood districts (T1-T4)
- Affordable housing requirements (though by-right affordable housing incentives may be considered, see above)

Proposed Timeline:

Phase 1

- Scoping, Research, and Technical Expert Interviews (Fall/Winter 2020-Spring 2021)
- Amendment Drafting and Staff Review (Spring 2021)
- Planning Commission and Public Hearing (Spring 2021)
- City Council Approval (Summer 2021)

Phase 2

- Scoping, Research, and Existing Conditions Analysis (Fall/Winter 2020-Spring 2021)
- Technical Expert Interviews and Resident Engagement (Spring-Fall 2021)⁷
- Amendment Drafting and Staff Review (Fall/Winter 2021)
- Planning Commission and Public Hearing (Spring 2022)
- City Council Approval (Spring/Summer 2022)

Requested Action:

Staff recommends that the Planning Commission initiate the 1-4 Unit Infill Housing Zoning Study.

Attachment:

Draft Planning Commission Resolution

⁷ This phase may overlap with work done by a potential consultant, which may include a “stress test” analysis of the code or a “development simulation” with architectural concepts based on code regulations.

city of saint paul
planning commission resolution
file number _____
date _____

WHEREAS, the Saint Paul Zoning Code, found in chapters 60 through 69 of the Saint Paul Legislative Code, is established to promote and to protect the public health, safety, morals, aesthetics, economic viability and general welfare of the community; and

WHEREAS, Section 61.801(a) of the Zoning Code calls for periodic review of said code to reflect current city policies, to address current technology and market conditions, and to bring the zoning code up-to-date; and

WHEREAS, Metropolitan Council forecasts the city’s population growing by 12,700 households by 2040, 22.5% of renter households are cost-burdened by paying more than 30% of monthly income for housing, and an additional 25% of renter households are considered severely cost-burdened by paying more than 50% of monthly income to housing; and

WHEREAS, the 2040 Comprehensive Plan, in Housing policy H-48 and H-49, directs City staff to “expand permitted housing types in Urban Neighborhoods to include duplexes, triplexes, town homes, small-scale multi-family...to allow for neighborhood-scale density increases, broadened housing choices and intergenerational living” and to “consider amendments to the zoning code to permit smaller single-family houses and duplexes to facilitate the creation of small-home development types, such as pocket neighborhoods and cottage communities”; and

WHEREAS, in order to support the creation and preservation of housing that is affordable to all income levels, address racial, social, and economic disparities, and create infrastructure to stabilize housing for all in Saint Paul, City Council Resolution 18-1204 calls for a study of the Zoning Code to explore the potential for allowing three- and four-unit dwellings in currently single-family zoning districts located in Neighborhood Nodes and/or along transit corridors; and

NOW, THEREFORE, BE IT RESOLVED, RESOLVED, under provisions of Section 61.801(b) of the Legislative Code, that the Planning Commission initiates the 1-4 Unit Infill Housing Zoning Study to consider amendments to the Zoning Code pertaining to one-family, two-family, and townhouse residential zoning districts and accessory dwelling units, and other related regulations contained in the Zoning Code.

moved by _____
seconded by _____
in favor _____
against _____