

Expanding Housing Opportunities in The City of Bloomington

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Impacts of Shortages in Local Housing Supply

- Limited housing options escalate housing costs.
- Many workers cannot afford to live in the city.
- Harder to recruit employees for new jobs with the high cost of housing
- Living further away creates longer commutes and more traffic congestion



Expand Options with More Neighborhood-Scale Housing

- Duplexes, triplexes, fourplexes
- Cottage courts, townhomes, ADUs
- More affordable, sustainable, and walkable than exclusively single-family homes.



Benefits of More Neighborhood-Scale Housing

1. Affordability: More housing types = lower costs.

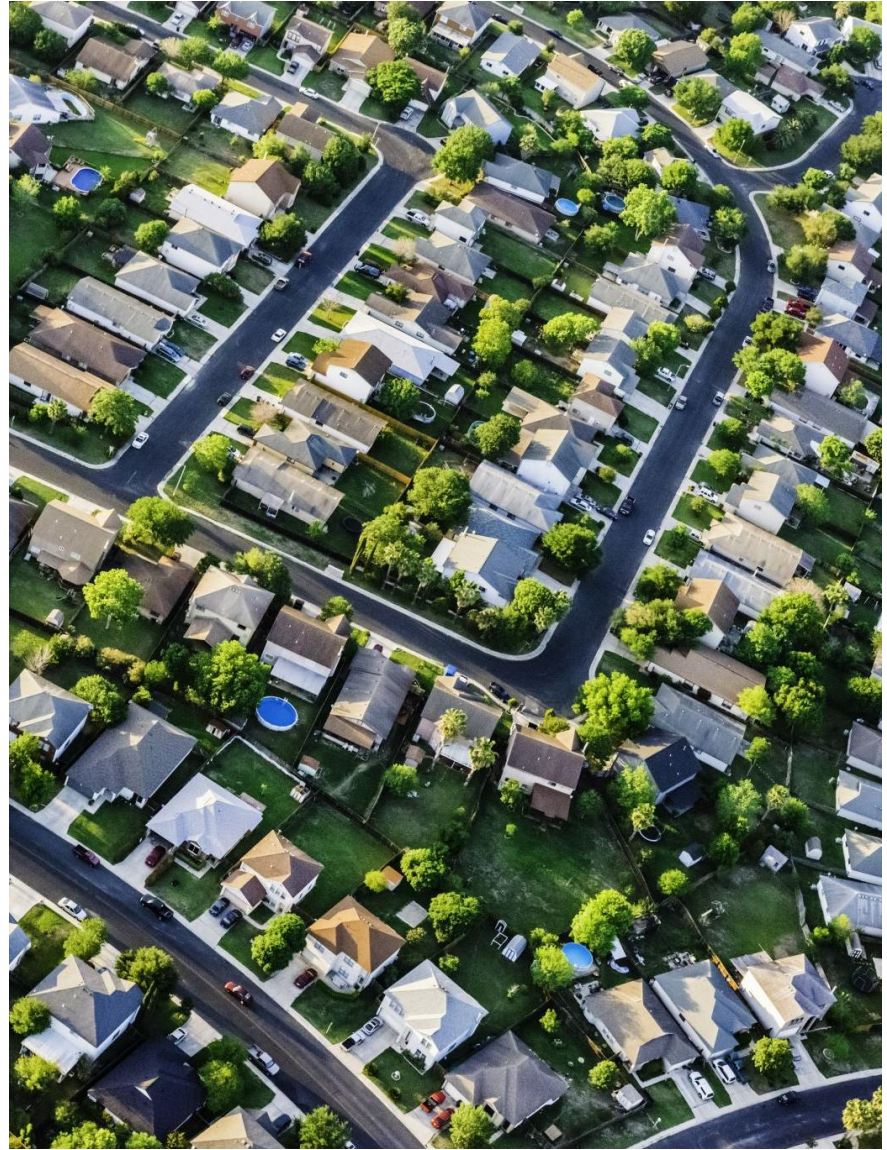
2. Sustainability:
Reduces car dependency & energy use.

3. Economic diversity:
More options for households all incomes



National Housing Trends

*Meeting Housing Needs in the
2020's*



State of the Nation's Housing 2024

Highlights

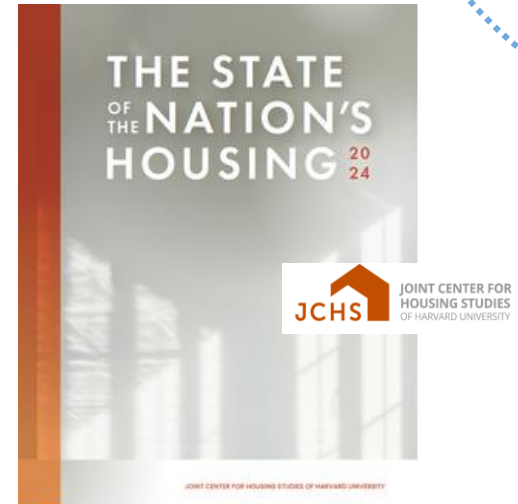
Home Prices
Continue to Rise as
For-Sale Inventory
Hits Lowest Level in
30 Years

Household Growth
Driven by Millennial
Homeowners and Gen
Z Renters

Cost of
Homeownership
Highest in More Than
30 Years

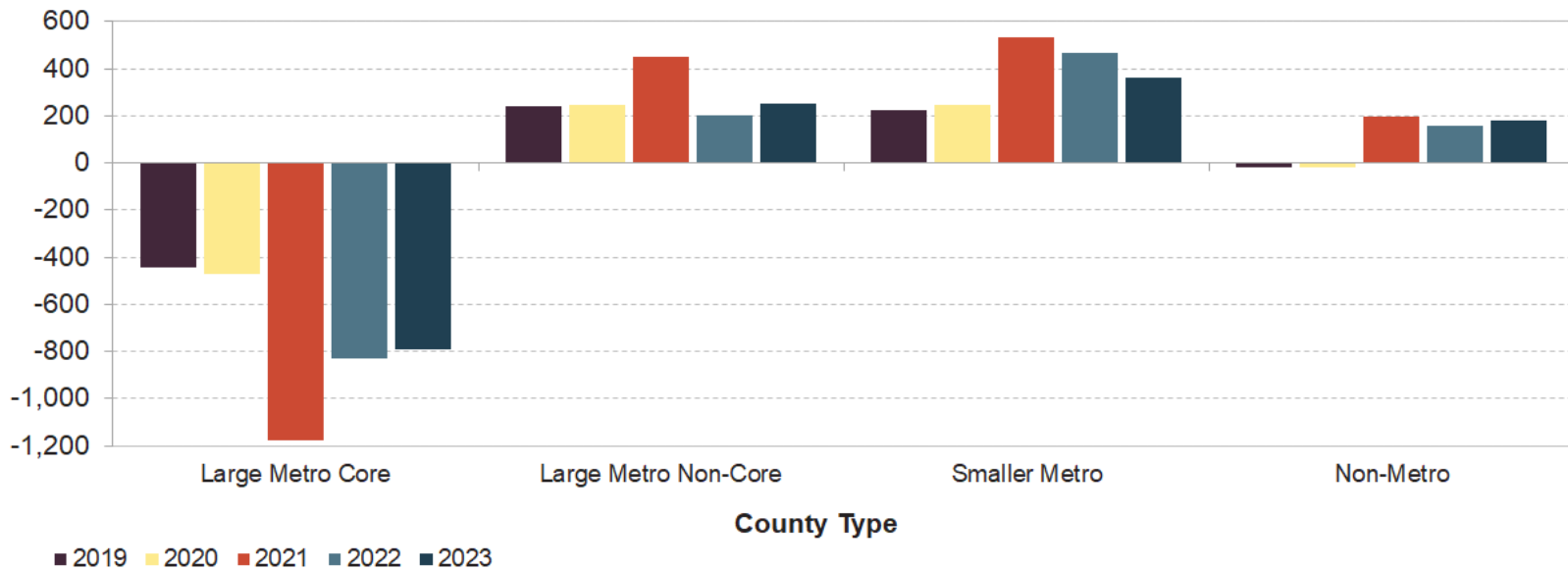
Number of Cost-
Burdened Renters
Hits a Record High, as
Number of Gen Z
Renters Doubles

More States Embrace
Zoning Reform and
Homelessness Hits
Record High



Smaller Markets and Rural Areas Continued Pandemic-Era Migration Gains

Net Domestic Migration (Thousands)



Notes: Large metro areas have at least 1 million residents. Core counties contain either the largest city in the metro or any principal city with at least 250,000 residents. Non-core counties are all other counties in large metro areas.

Source: JCHS tabulations of US Census Bureau, Population Estimates Program.

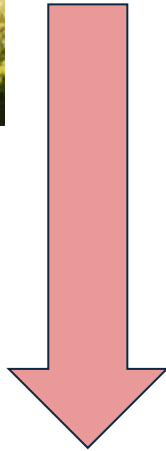
REPORT:
More Young Americans Achieving
Homeownership By Changing Locks On
Airbnb



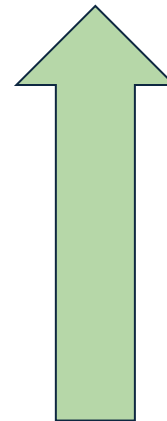
the ONION®

Mismatch: Housing Supply & Demographic Changes

**“Nuclear Family”
Households**

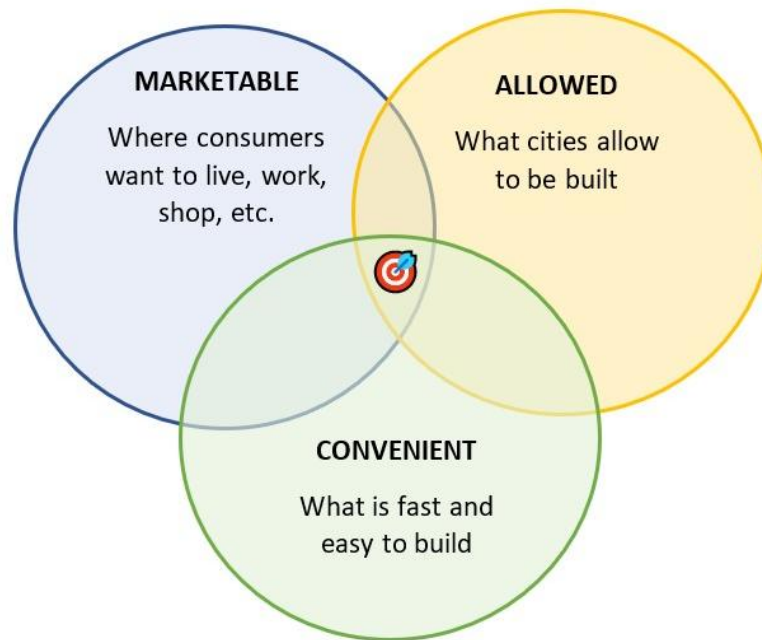


**Multigenerational living
& aging in place**



What Gets Built?

Marketable, Allowed, and Convenient



Source: Matt Hoffman, AIA
Director of Urban Design
MBL Planning + Architecture

Opportunities with Amendments to the UDO

What is limiting housing production?



Current zoning restricts plexes in most areas.



Parking minimums & lot size rules increase development costs.

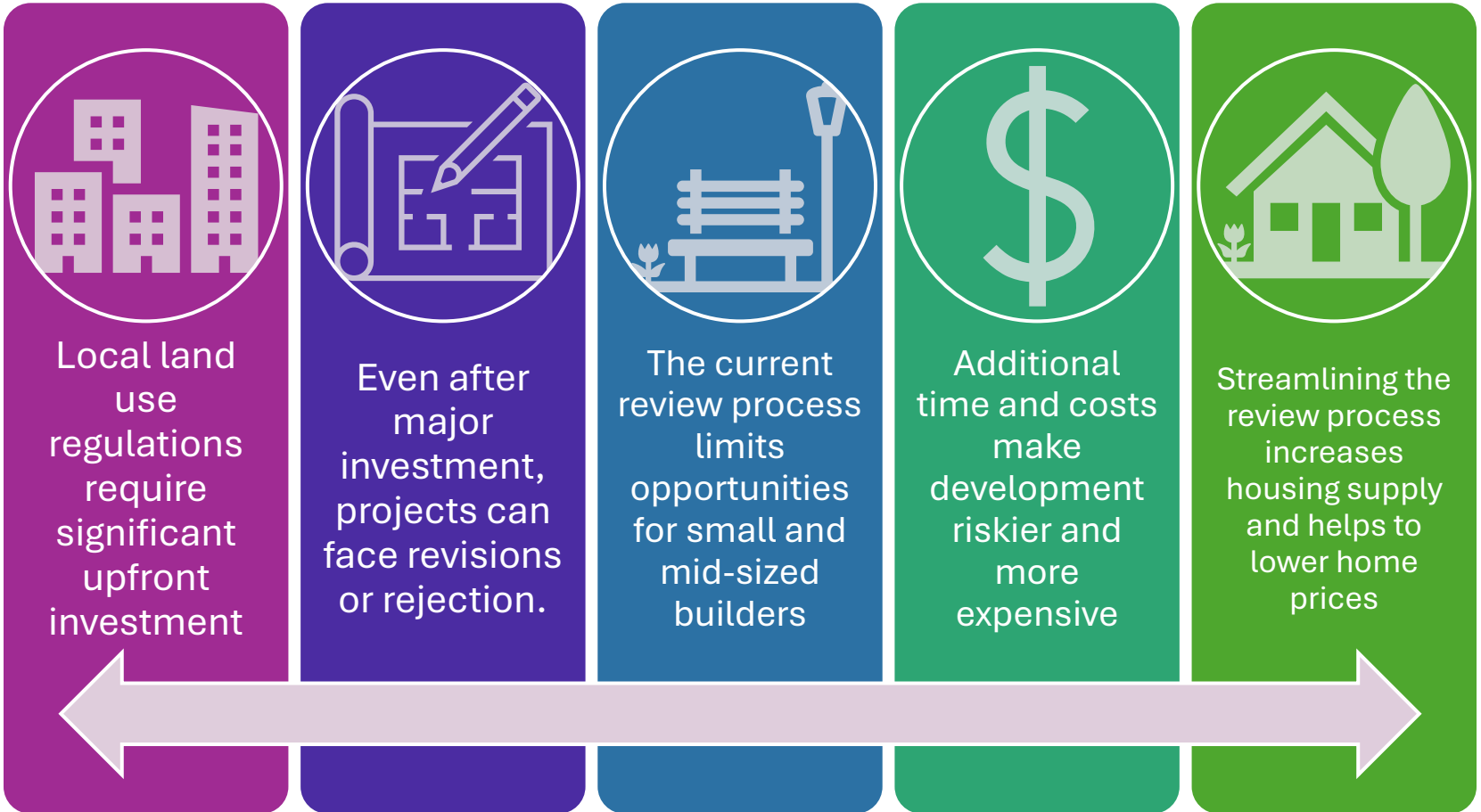


ADU restrictions such as owner-occupancy & size limits discourage housing options.



Solution: Reform these rules to align with the city's housing goals.

Make it Easier to Add to Bloomington's Housing Supply





Add to Sustainability with More Neighborhood- Scale Housing

- Bloomington's Climate Action Plan supports these goals:
- More density = Reduced vehicle miles traveled (VMT), lower emissions.
- Smaller homes & shared walls = 25-50% lower energy use.
- Efficient land use = Less strain on infrastructure & utilities.

F. - No persons of any race other than the Caucasian race shall use or occupy any building or any lot, except that this covenant shall not prevent occupancy by domestic servants of a different race domiciled with an owner or tenant.

Use Zoning Reform to Combat a History of Disparities

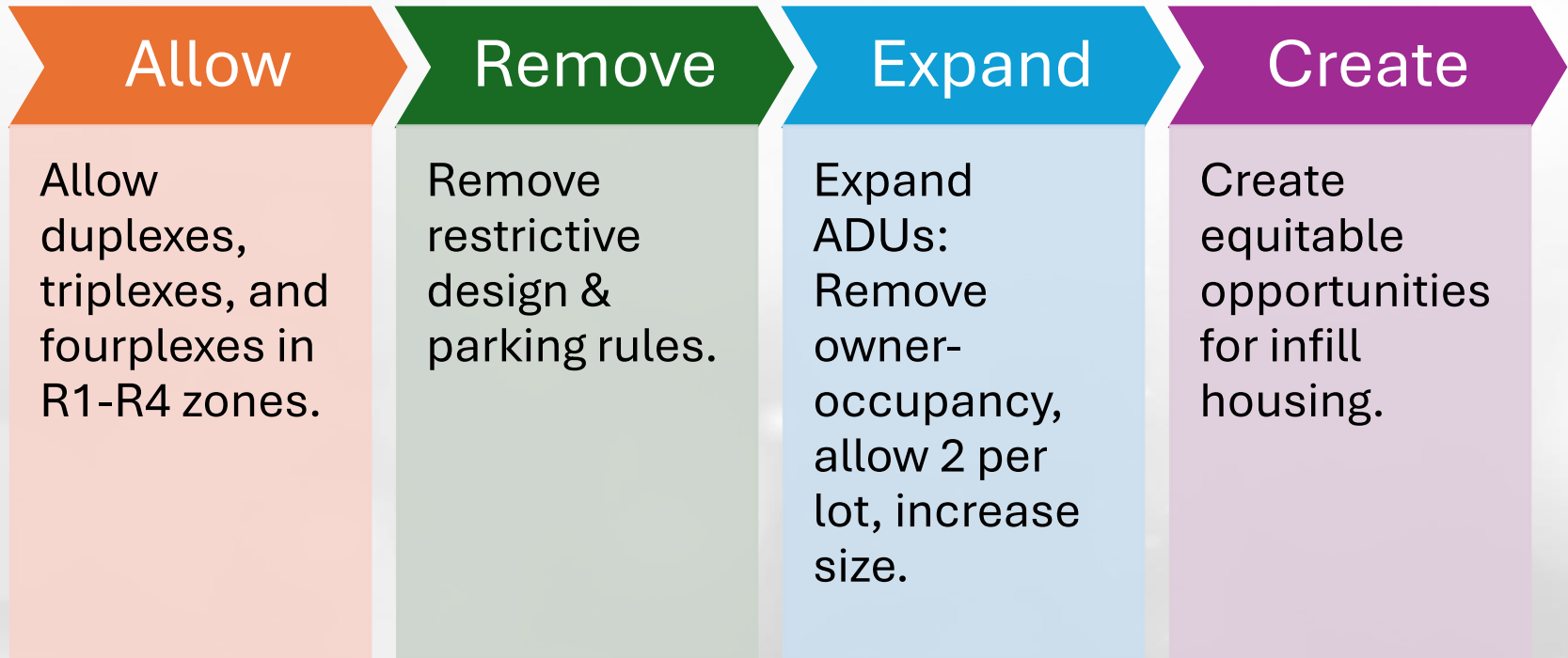
Exclusionary Zoning = Neighborhood Segregation

- Zoning has historically served to restrict access to certain neighborhoods based on income & race.
- It still limits affordable housing options, reinforcing racial & economic divides.

Segregated Housing = Segregated Schools

- School district boundaries mirror housing patterns, leading to unequal educational opportunities.
- Affluent, predominantly white neighborhoods have better-funded schools, while lower-income areas face resource disparities.

Opportunities for Legalizing More Housing



Housing Policy Innovations:

Examples from Around the Country



What are some ways to tackle the country's housing shortage?





“

- **REFORM** zoning and other regulations to unleash housing production
- **CONNECT** resources that maximize the impact of housing investments
- **LEVERAGE** land, finance, and the adaptive reuse of outmoded buildings to create new opportunities for residential development.

”



Implement Zoning Reform

Diversify housing supply

- **Montgomery County, MD: Attainable Housing Strategies plan** supports mixed-income neighborhoods by legalizing townhouses, courtyard apartments, and small multifamily buildings.
- **Raleigh, NC's 2021 Missing Middle Zoning Reforms** eliminated single-family zoning restrictions, allowing duplexes, townhomes, and cottage courts citywide.

REFORM

Make Infill Easy

Add accessory dwelling units

- **Arlington County, Virginia reduced restrictions** on lot sizes, setbacks, and parking requirements for ADUs to make it easier to build them.
- **Colorado offers financial support for ADUs** such as grants, low-interest loans, and tax incentives for homeowners who construct ADUs for long-term rental to low- and middle-income tenants.
- **Washington State streamlined the approval process for ADUs**, making it easier for homeowners to add these units to their properties.

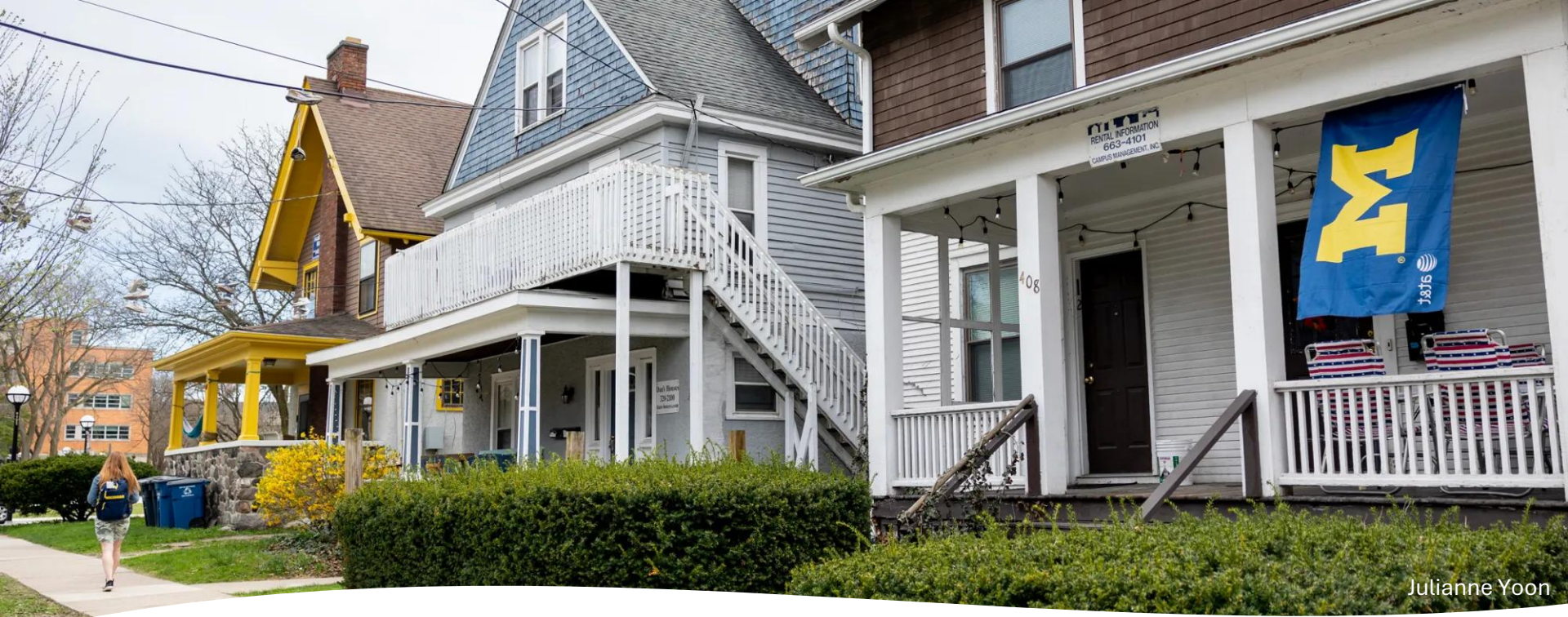
REFORM





*Iowa City, Iowa:
Legalizing Duplexes
& Expanding ADUs
(2023)*

- **Duplexes & Attached Homes** – Now permitted in more residential areas with **reduced lot size requirements**.
- **Accessory Dwelling Units (ADUs)** – Expanded allowances to **increase affordability & housing options**.
- **Townhomes & Multi-Family** – Integrated into more zones, supporting **higher-density, mixed-use development**.
- **Simplified Approvals** – Streamlined review process for **multi-family & mixed-use housing**, reducing barriers to construction.



Julianne Yoon

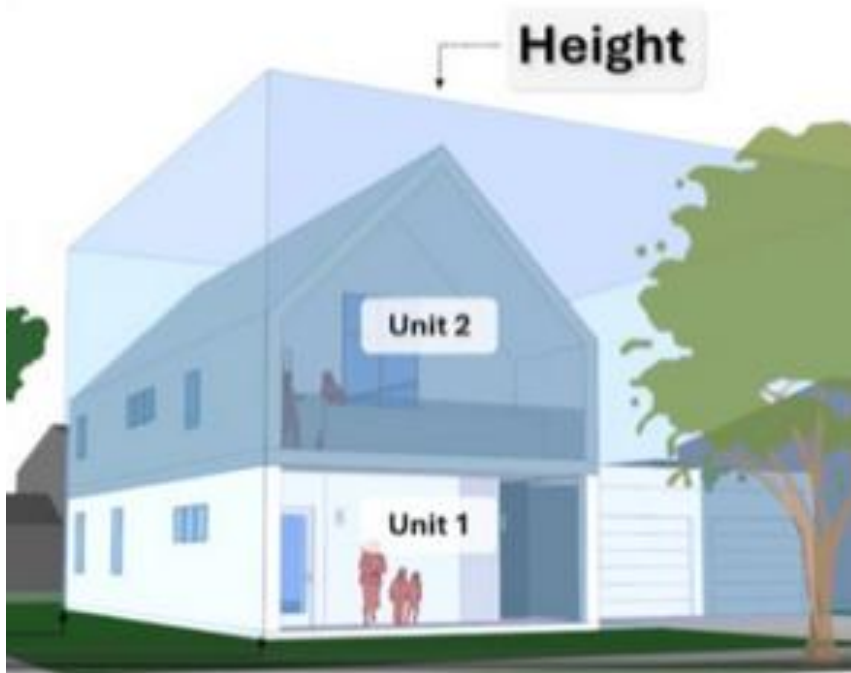
Ann Arbor, Michigan: Allowing More Housing Types (2023)

In 2023, the Ann Arbor City Council implemented these zoning reforms to diversify housing options:

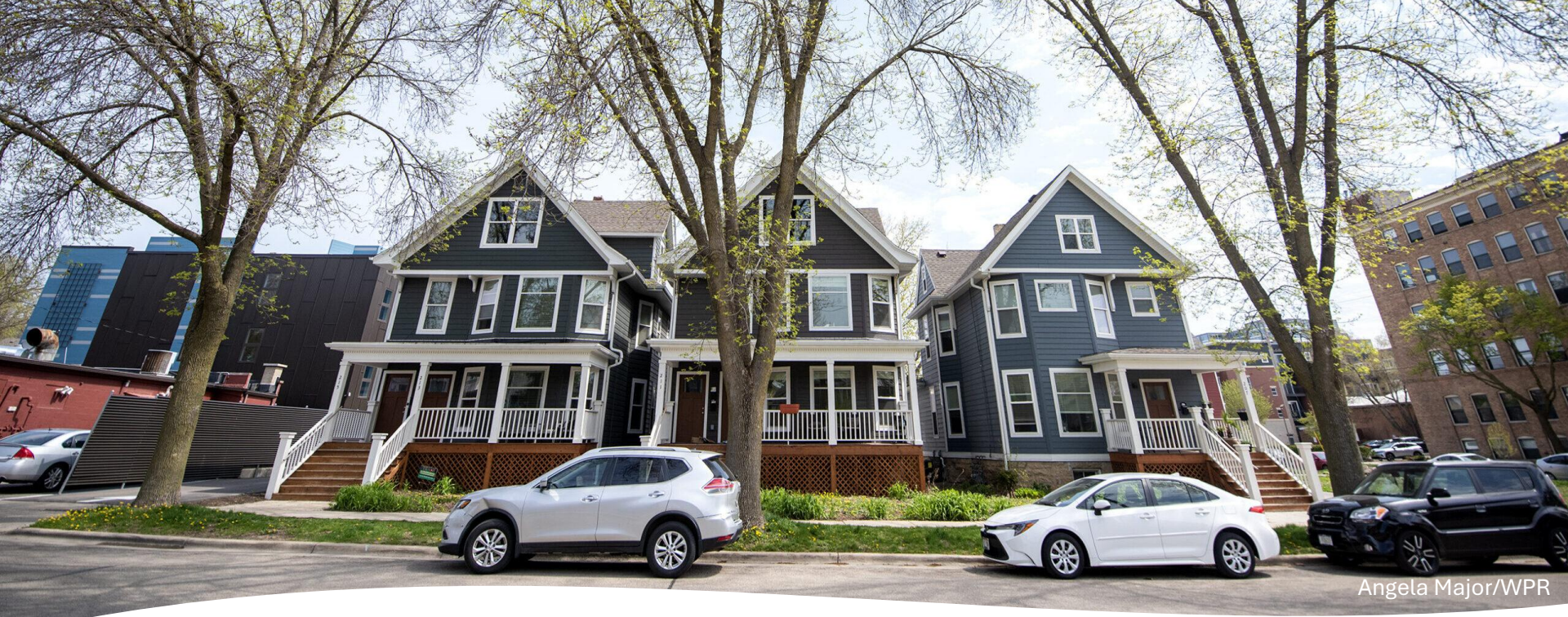
- **Accessory Dwelling Units (ADUs)** – Eliminated minimum lot size requirements and restrictions on detached ADUs.
- **Increased Housing Density** – Removed Floor-Area Ratio (FAR) limits in key zoning districts to allow more housing units per lot
- **Height & Density Adjustments** – Relaxed zoning standards in urban districts to support more options for neighborhood-scale housing.

Boulder, Colorado: Simplifying Approvals (2022)

RM-1: Duplex Same Form & Bulk Standards



- **By-Right Development:** Duplexes and triplexes are now permitted by-right on larger single-family lots, simplifying the approval process and encouraging the development of these housing types.
- **Transit-Oriented Development:** The reforms encourage higher-density housing near bus routes, promoting sustainable, walkable neighborhoods.
- **Reduced Parking Requirements:** Ongoing efforts are focused on reducing parking minimums to lower development costs and promote alternative transportation options, thereby supporting the feasibility of duplex and triplex projects



Angela Major/WPR

Madison, Wisconsin: Supporting Infill Housing (2025)

- **Zoning Reform** – Allowed duplexes and triplexes in more residential areas
- **Reduced Parking Minimums** – Established a Transit-Oriented Development (TOD) Overlay District, eliminating parking requirements near transit corridors.
- **Small Cap TIF Program** – Created Tax Increment Financing (TIF) incentives to support small-scale infill housing projects.
- **Encouraging Multi-Unit Housing** – Streamlined approvals and lowered development costs.

Questions or Comments

