



# Model Zoning Technical Advisory Group Report

August 13, 2003



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## I. Introduction

A fair amount of attention and discussion has focused on the rising cost of housing development in Minnesota. Due to recent trends in home prices, rents, and income, the cost of housing has far outpaced workers' incomes in the last decade. For new development, the gap between housing costs and income is even wider than for existing housing. This relationship and the many factors that have converged to create this phenomenon, have been addressed by a number of authors and studies.<sup>1</sup>

At the same time, the number of households in the metropolitan area is projected to increase by 460,000 between 2000 and 2030.<sup>2</sup> Thus, the demand for housing is projected to continue growing, as is the variety of housing types needed to fulfill the needs and preferences of consumers, who are increasingly becoming older, and more economically diverse. Several studies have identified a "turnabout" in the desires of homebuyers, suggesting that, increasingly, more households are showing interest in alternatives to the traditional single family home, in communities that offer a "sense of place" and integrate employment, services and amenities within walking distance or provide access through well-planned, efficient, public transportation systems.<sup>3</sup>

Several approaches have been taken to address the incongruence between income and housing costs. Some approaches concentrate on supplementing income, by providing public subsidies that provide gap funding to help a particular family afford to purchase or rent a particular housing unit. Related approaches focus on the cost side of the equation, by using financing and/or construction techniques to reduce the cost of a particular home or apartment for an income-eligible family. While these approaches are working to address the affordability gap on a project-by-project basis throughout Minnesota, the amount of public subsidy for such units is limited and cannot address the issue on the wider scale necessary to accommodate current and future trends.

An approach that has received attention both nationally and locally focuses on how government regulation, particularly land use planning and zoning, impacts housing

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<sup>1</sup>See, e.g., The Minnesota State Office of the Legislative Auditor, *Affordable Housing Program Evaluation Report*, January 2001; The Minnesota Family Housing Fund, Maxfield Research, Inc., and GVA Marquette Advisors, *Workforce Housing: The Key to Ongoing Regional Prosperity – A Study of Housing's Economic Impact on the Twin Cities*, September 2001; Federal Reserve Bank of Minneapolis, *The Affordable Housing Shortage: Considering the Problem, Causes and Solutions*, August 2002; The Family Housing Fund, *Working Doesn't Always Pay for a Home*; June 2002.

<sup>2</sup>The Metropolitan Council, *Blueprint 2030*, November 2002, Appendix I.

<sup>3</sup> See, e.g., League of Minnesota Cities, *State of the Cities 2003*; Dowell Myers, and Elizabeth Gearing, *Current Preferences and Future Demand for Denser Residential Environments*, FANNIE MAE FOUNDATION 2001, Volume 12, Issue 4.

costs. Government regulation in land use planning and zoning promotes certain development and planning goals, however, these same regulations add to the cost of housing. Communities throughout the United States have found that it is possible to change or relax certain regulatory requirements without sacrificing health, safety, and welfare concerns. These communities have replaced or supplemented their comprehensive plan and development regulations to encourage more efficient, compact, mixed-use development that incorporates a variety of housing types as a matter of right, so long as other regulatory requirements are met.

The desire to learn more about how government regulation, particularly land use planning and zoning, impacts housing costs, provided the impetus for the formation of the Model Zoning Technical Advisory Group (MZTAG). The MZTAG is a multidisciplinary group of professionals whose purpose is to recommend ways that local government may simplify and reduce the cost of redevelopment in fully developed areas, and of mixed-use and compact new development. This report is the culmination of this effort.

The MZTAG began its work by identifying and analyzing elements of land use planning and zoning that can impede compact, mixed-use development and redevelopment. The MZTAG then conducted research on the subject matter, both from a national and local perspective, to determine how other jurisdictions have addressed such barriers. Based on this research and group deliberation, the MZTAG obtained consensus as to nine findings, which appear in section IV. of this report.

The MZTAG recognizes that the type of regulatory relief that would most effectively promote compact, mixed-use, development and redevelopment comes in a variety of forms, and is impacted by a number of forces, at many different levels. Many of these factors are within the control of local government. Because of this, the MZTAG spent its time and energy focusing on strategies that could be undertaken by state and local government.

During its research, the MZTAG identified approaches that other jurisdictions have taken to promote compact, mixed-use development and redevelopment. These approaches come in the form of:

- A. Changing comprehensive plan land use and zoning to guide compact or mixed-use development and redevelopment;
- B. Streamlining and simplifying the permit and approval process; and/or
- C. Allowing flexibility in development requirements.

It is our hope that these examples will prove to be useful.

## **II. Purpose and Duties of Model Zoning Technical Advisory Group**

In September 2002, the Construction Codes Advisory Council convened the Model Zoning Technical Advisory Group (MZTAG) to recommend ways that local government may simplify and reduce the cost of redevelopment in fully developed areas and of mixed-use and compact new development.

The MZTAG was comprised of stakeholders affected by zoning issues from the following disciplines, including:

- Local Planning Officials;
- A residential architect and design professional;
- A land planning professional;
- For-profit and non-profit developers and builders;
- A civil engineer;
- A local building official;
- Representatives of local units of government from the Twin Cities metro area;
- Representatives of local units of government from Greater Minnesota
- A representative of the Metropolitan Council;
- A representative of the Minnesota Housing Finance Agency; and
- Other interested persons

The MZTAG was directed to study issues related to the regulation of residential development and redevelopment and the impact regulation has on the cost of development and redevelopment. To complete this task, the MZTAG met four times between October 2002 and January 2003, and performed the following duties as required by the Construction Codes Advisory Council:

- 1) Research current laws, codes, rules and standards relating to redevelopment and mixed-use new development, including development codes implemented in other states;

- 2) Evaluate the feasibility of implementing mixed-use, compact development and redevelopment codes in Minnesota;
- 3) Draft model ordinances, guidelines, or overlays that reduce costs, simplify the process and promote mixed-use, compact development and redevelopment; and
- 4) Make recommendations about steps that state agencies may take to encourage adoption and implementation of the model ordinances, overlays, or guidelines.

In addition to these duties, the MZTAG was directed to compile examples of regulatory changes that have been implemented that promote compact and mixed-use development and redevelopment or that reduce or avoid costs.

Lastly, the MZTAG was directed to examine ways that state government can assist local units of government in simplifying and reducing the costs of development and redevelopment and make recommendations to the Construction Codes Advisory Council.

### III. The Model Zoning Technical Advisory Group

**Chair:**

Anne Hurlburt, City of Plymouth

**Members:**

Bill Barnhart, City of Minneapolis

Ann Beckman, Metropolitan Council

Rick Davidson, City of Hopkins

Mike Fisher, Tri-Cap

Tim Korby, LHB Engineers and Architects

Jan LeSuer, Golden Valley City Council

Tonja Orr, Minnesota Housing Finance Agency

Brad Potter, City of Mankato

Len Pratt, Pratt Homes

Terry Schneider - CCAC Liaison

Bruce Sylvester, City of Richfield

Gary J. Vogel, BKV Group

Phil Wheeler, Rochester City/Olmsted County

**Staff:**

Gina Green, Minnesota Housing Finance Agency

Eric Mattson, Minnesota Housing Finance Agency

#### IV. Findings of the MZTAG

The purpose of the MZTAG is to recommend ways that local government may simplify, and reduce the cost of, (1) redevelopment in fully developed areas, and (2) mixed-use and compact new development. In order to fulfill its duties, the MZTAG identified and analyzed elements of land use planning and zoning that can impede such development and redevelopment. For the purposes of our discussions and this report, the MZTAG defines these concepts as thus:

- **Redevelopment.** This term means reuse of property previously developed or underutilized land within areas that already have infrastructure, utilities, and public facilities.
- **Infill.** This term refers to development on vacant parcels in built-up areas that are surrounded with older development and already served by utilities such as sewer systems, roads, schools, and recreation.
- **Mixed-use and compact new development.** This term refers to development that contains a mixture of residential, commercial, civic, and open space uses; and/or a mix of housing types and sizes that accommodate a wide range of households; and incorporates higher than usual densities, supports transit, and is designed for the human scale.

These terms are not mutually exclusive, and often, a project involves a combination of such concepts.

The MZTAG also discussed and considered ways to remove impediments to these types of development and redevelopment, and identified alternatives that have been implemented locally and nationally. Based on this, the MZTAG was able to reach general consensus as to the following:

1. Mixed-use, compact development and redevelopment and infill, are viable alternatives to current patterns in some cases and areas, and could produce housing that is currently needed and desired in our market.
2. The development of more compact, walk able, mixed-use areas that incorporate a variety of housing types can reduce costs and still meet the goals of achieving quality design and construction, promoting the character of the community, and ensuring compatibility with surrounding areas.
3. Redevelopment and infill in fully developed areas can be an efficient use and reuse of resources. Such redevelopment and infill can revitalize vacant,

bypassed and underutilized land within areas that already have infrastructure, utilities, and public facilities.

4. Stakeholders, including public officials, community members, planning staff, developers, and others could benefit from education and exposure to the principles of mixed-use, compact development to increase understanding and decrease fear of the unknown. Such stakeholders would also benefit from education and exposure to innovative construction and development techniques. Section V contains examples of these concepts.
5. Cities can promote or encourage mixed-use, compact development and redevelopment through amendments to comprehensive plans and development regulations. Such requirements could designate areas appropriate for a mixture of residential and certain commercial uses, and provide a zoning classification that allows a mix of both as a permitted use. Also, these provisions could allow for a broader range of housing types within zoning districts, so long as standards such as density, are met.
6. Health, safety, and welfare concerns can still be met with narrower streets that use the minimum amount of land necessary, yet still facilitate emergency vehicle access, snow removal, parking, and pedestrian safety.
7. Health, safety, and welfare concerns can still be satisfied through comprehensive plan requirements and land regulations that reduce setback and dimension requirements, and allow for higher densities.
8. Water quality and wetland buffering requirements, while serving other policy goals, disproportionately impact higher-density mixed-use development and redevelopment by reducing the amount of usable land and increasing costs. Some strategies should be explored to address these barriers, including:
  - a. Develop alternatives for stormwater management that use advances in technology to make it possible to build closer to water, such as underground storage and water gardens; and explore landscaping techniques that filter water more proficiently, such as filter ponds;
  - b. Replace prescriptive design requirements with performance standards that set forth desired water quality, and require developers to create a plan that achieves such standards; and
  - c. Develop regional water quality and infrastructure measures (such as treatment basins) rather than requiring that each property accommodate them on a site-by-site basis.

9. Reviews and approvals by state, county, watershed, and municipal agencies pursuant to statutes, rules, and ordinances should be streamlined to allow projects to proceed more expeditiously, thereby reducing time and costs. To this end, several specific strategies should be explored:
  - a. Examine reviews and approvals currently required by state, county, and municipal agencies, and other special districts, and identify whether and how such processes could be combined or delegated where possible;
  - b. Because a fair amount of discretion exists as to whether these reviews are conducted sequentially, determine which reviews could be done concurrently;
  - c. Rules for environmental reviews should be reexamined:
    - o Current thresholds are biased against high-density urban development, as such developments may trigger environmental reviews while low-density, sprawling development (which may be more damaging to the environment) may not trigger reviews.
    - o More use should be made of the Alternative Urban Area-Wide Review (AUAR) process, as an alternative to project-by-project review.
    - o Revisions should be considered so that environmental review cannot be used as a delay tactic by opponents of a higher-density project.
  - d. Identify ways to eliminate delays in recording plats by County Surveyor and Recording offices because building permits usually cannot be issued until the final plat is recorded; and
  - e. Identify which cities have enacted “streamlined” development approval processes, such as timelines for submissions, staff reviews, and hearings. For example, municipalities can examine their ordinances and make a distinction between those changes that may be minor and could be approved administratively, as opposed to requiring the process of approval by the planning commission and city council.

## **V. Regulatory Changes that Promote Compact, Mixed-Use Development and Redevelopment**

The MZTAG identified barriers to compact, mixed-use development and redevelopment and discussed alternatives that have been implemented nationally, as well as at the local level. These initiatives promote compact, mixed-use development and redevelopment through mechanisms that fall into the following three categories:

- A. Changing comprehensive plan land use and zoning to guide compact or mixed-use development and redevelopment;
- B. Streamlining and simplifying the permit and approval process; and/or
- C. Allowing flexibility in development requirements.

These efforts are not mutually exclusive, and examples of such approaches are described below.

### **A. Changing Comprehensive Plan Land Use and Zoning to Guide Compact or Mixed-use Development and Redevelopment**

One way that communities at local and national levels encourage compact, mixed-use development and redevelopment is by allowing such development as a matter of right, as alternatives to customary ordinances and planned unit developments.<sup>4</sup> These communities have accomplished this by creating overlay districts for some specific sites, or by amending their existing development regulations to provide for such use and repealing any conflicting language in the existing regulations.

These initiatives were designed to achieve a variety of goals, many of which coalesce around several main themes:

- Encouragement of compact development that is transit - friendly, fosters pedestrian activity, and creates a sense of community;
- Provisions for mixed-use development and redevelopment, including residential, commercial, civic, and open space uses in close proximity to one another within the neighborhood;

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<sup>4</sup>See Reference Materials for additional jurisdictions with model ordinances that may be of interest.

- Provisions allowing a variety of housing styles that serve a range of incomes, household sizes, and age groups and include accessory apartments, apartments above shops and residential units adjacent to work places;
- Incorporation of a system of relatively narrow, interconnected streets with sidewalks, bikeways, and transit that offer multiple routes for motorists, pedestrians, and bicyclists and provide for the connections of those streets to existing and future developments; and
- Encouragement and facilitation of high quality design on vacant, bypassed and underutilized land within areas that already have infrastructure, utilities, and public facilities.

Ordinances that implement these concepts are commonly referred to as “Traditional Neighborhood Development,” ordinances. Traditional Neighborhood Development (“TND”) is a model of planning and development that is characterized by compact, mixed-use neighborhood where residential, commercial and civic buildings are within close proximity to each other.<sup>5</sup> Planners Andres Duany and Elizabeth Plater-Zyberk of the firm DPZ & Company, are well known at the national level as leaders in new urbanist concepts, and are co-founders of the Congress for the New Urbanism. Their firm has developed a number of projects using high-density mixed-use concepts.<sup>6</sup>

Traditional Neighborhood Development (TND) planning concepts share similarities with neo-traditional development, new urbanism, urban villages, hamlets, compact communities, transit-oriented development, pedestrian pockets, and the revitalization of existing traditional towns.<sup>7</sup> Often, reference is made to urban principles that were customary in the United States from the colonial period until the onset of automobile-focused land use planning and zoning, approximately the 1940s.

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<sup>5</sup>Wisconsin Statutes, section 66.1027 (2003).

<sup>6</sup>For more information on Andres Duany and Elizabeth Plater-Zyberk, see: <http://www.dpz.com/main.htm>, accessed August 11, 2003.

<sup>7</sup>Brian W. Ohm, James A. LaGro, Jr., and Chuck Strawser, *Model Ordinance for a Traditional Neighborhood Development*, April 2001, Page 2.

Communities that have implemented TND have taken different approaches to integrating these planning concepts into their comprehensive plan and/or development regulations, as follows:<sup>8</sup>

- The city creates an “overlay” zoning district, which is applied in addition to the regulations of an existing zoning district. The overlay may be applied to a specific part of the community by the city (for example, in a historic district.) Or, it can be available to developers on a case-by-case basis as an alternative to conventional suburban development. Using an overlay requires that the city anticipate conflicts between the overlay and the underlying zoning district and resolve them in favor of the overlay’s concepts.
- The city creates a new zoning district based on the principles of TND, and replaces existing zoning with the new regulations. As with an overlay zone, the new district may be applied in advance of development or at the request of a developer at the time a project is proposed.

The MZTAG recognizes that new neighborhoods in developing communities can learn important lessons from the more traditional design elements promoted by these ordinances. Many TND concepts, such as more integrated community planning and development, and incorporating higher densities, would work very well in many communities. The MZTAG also recognizes that in Minnesota, particularly in the Metropolitan area, the applicability of these approaches may vary to some extent based on the developmental stage of a particular community, and whether the community has any traditional neighborhoods that were fully developed prior to the 1940’s. This is because often the express purpose of TND ordinances is to replicate patterns that existed prior to the 1940’s, and some communities were still largely agricultural at that time.

Nevertheless, the MZTAG wishes to point out that communities can find these models useful in helping them to articulate a vision for their community that is implemented through planning and zoning. With this in mind, the MZTAG reviewed several model ordinances, and wishes to highlight the following efforts:

1. Guidelines developed by the state of Wisconsin;
2. City of River Falls, Wisconsin, Ordinance;

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<sup>8</sup> Atlanta Regional Commission, *Traditional Neighborhood Development Implementation*, [http://www.atlreg.com/qualitygrowth/TND\\_TOOL.pdf](http://www.atlreg.com/qualitygrowth/TND_TOOL.pdf); accessed August 7, 2003.

3. Guidelines developed by the state of Maryland;
4. City of Columbus, Ohio Ordinance; and
5. City of Mankato, Minnesota, Ordinance.

### **1. State of Wisconsin Guidelines**

<http://www.wisc.edu/urpl/people/ohm/projects/tndord.pdf>

The MZTAG reviewed the guide and model ordinance for TND that was developed by the state of Wisconsin to assist local communities in developing zoning regulations that encourage higher-density mixed-use development. Released in July of 2001, the guide provides an overview of the principles and objectives of TND, and then shows how to implement the concepts through ordinance language governing issues such as street design, parking, housing, and permissible uses.

Municipalities with a population over 12, 500 are required to have adopted the ordinance, or one that is similar, by January 1, 2002.<sup>9</sup> Of the fifty-seven communities in Wisconsin that met the population threshold, 25 communities had adopted the model as of October 2002, or made changes to their existing code to implement TNDs.<sup>10</sup>

Because adoption of these ordinances has occurred within the last six months, only preliminary information is available as to communities' and developers' experiences. However, the communities that have enacted ordinances may have information regarding political issues, such as how stakeholders worked together, and how particular issues were dealt with.

### **2. River Falls, Wisconsin**

<http://municipalcodes.lexisnexis.com/codes/riverfalls/>

The City of River Falls took the Wisconsin guidebook described on the previous page and adapted it for use in their community. River Falls enacted its TND ordinance May 14, 2002, and has also developed a more comprehensive handbook that explains the principles and objectives of TND, and incorporates color photos and illustrations that demonstrate what a community might look like if TND principles are followed.

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<sup>9</sup>Wisconsin Statutes, section 66.1027 (2003).

<sup>10</sup>1000 Friends of Wisconsin, *Wisconsin's Traditional Neighborhood Development Ordinances: Progress or Procrastination?* October 2002, <http://www.1000friendsofwisconsin.com/new/tnd/index.html>, accessed August 13, 2003.

Prior to developing the TND ordinance, the city developed a future land map that designated areas of the city where future growth would occur. The TND is applied as an overlay zone in these areas, and retains the existing approval process. Development is currently taking place under the TND code, with phase one expected to begin this summer.

The ordinance provides a good model for newer, developing communities as well as older, traditional communities, wishing to promote higher-density, mixed-use development. In particular, the ordinance provides a good example of how communities can encourage residential units over commercial development, in that one provision provides a “bonus” (up to 10%) on top of the allowed number of units where such development is proposed.

### **3. State of Maryland Guidebooks**

[http://www.mdp.state.md.us/order\\_publications.htm](http://www.mdp.state.md.us/order_publications.htm)

In 2001, Maryland created two sets of model ordinances and guidelines for “infill and smart neighborhood development” as one of many strategies for implementing its comprehensive Smart Growth Initiative, codified in 1997 with passage of the Neighborhood Conservation and Smart Growth Act (Smart Growth Act). The Smart Growth Act, among other things, created priority-funding areas and directs most state infrastructure funding and economic development, housing and other program funding to such areas.

The model ordinances and guidelines for “infill and smart neighborhood development” are voluntary for local jurisdictions to adopt, and address certain impediments to infill development and smart neighborhood development. Local jurisdictions that are designated as priority funding areas pursuant to the Smart Growth Act, also qualify for incentives created under the Smart Codes legislation, if such communities choose to adopt the model codes and guidelines.

The model that addresses “smart neighborhoods” focuses on self-contained new communities with a compact mix of residential, commercial, employment/office, and civic land uses and range of housing choices, with a design that fosters pedestrian and bicycle activity, public safety, environmental protection, long-term investment, efficient use of infrastructure, and efficient provision of public services.

The second model is entitled “Models and Guidelines for Infill Development”, and addresses new development within specified priority funding areas on vacant, bypassed, and underutilized land in fully developed areas.

Both guidelines recognize that the comprehensive plan provides the policy basis for any ordinance, and suggest that such plans should be the starting point. The guidelines also offer good suggestions on how individual communities can utilize administrative waivers to streamline certain types of approvals, for example, how existing undersized lots can be legalized administratively by city planning staff.<sup>11</sup>

#### **4. Columbus, Ohio**

<http://ordlink.com/codes/columbus/index.htm>

The Columbus City Council enacted their Traditional Neighborhood Code in May of 2001. It encourages mixed-use neighborhood design that co-locates housing, services, and other activities, within walking distance. The code does not replace existing provisions, rather, it is an option for developers to consider for future development projects.

Columbus' ordinance is extremely detailed, and contains very specific design standards, including mixed-use districts that allow residential and commercial uses as a matter of right. It provides a good example of how to structure uses to ensure a more urban, pedestrian friendly result, in that it prohibits big box, auto-oriented uses such as drive-through and car dealers, and allows on-street parking to be counted towards minimums.

The language creates a "point system" that is used to judge compliance with the ordinance, and could make the application of the ordinance more predictable and therefore prove to be helpful for developers and the city.

One drawback of this example is that it is extremely sophisticated, and drafting and implementing such an ordinance may require a level of sophistication that smaller cities may not have. For example, a city would need to have a very clear idea of the outcome desired, right down to the street furniture, in order to develop such detailed standards.

#### **5. Mankato, Minnesota**

<http://www.ci.mankato.mn.us/econdev/planning.php3>

Since 1972, Mankato has had a district in which single-family and multi-family housing, and professional offices, are allowed as a matter of right in the same zoning district. The development regulations allow development at higher densities, with higher lot coverage, and taller building heights. Such

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<sup>11</sup>Maryland Department of Planning, *Models and Guidelines for Infill Development*, October 2001, at 9.

development regulations enable the City of Mankato to make efficient use of the land.

The district is about 75% developed, and is located in an older part of Mankato that serves as a transition between commercial uses and residential uses. This district constitutes almost three percent of Mankato's overall area.

City staff encourage other communities that wish to establish similar districts to hold community meetings with stakeholders to educate them, in case there is resistance to such development.

### **B. Streamlining and Simplifying the Permit and Approval Process**

Day-to-day practices of local government, as well as other stakeholders in the development process, can lengthen the amount of time it takes to obtain all of the required permits and approvals for development. This can create even more of an impediment for higher-density, mixed-use development, because most likely such development requires special permits or variances from existing regulations.

To remedy this, some communities have implemented faster, more predictable systems for permitting and reviews. For example, the City of Mankato publishes schedules for conditional use permits, planned unit developments, and variances on an annual basis that set forth submission deadlines, hearing dates, and anticipated dates for council action. This helps to streamline the process as well as provide more predictability to the other stakeholders.

The City of Chaska also provides a good example of how the review and approval process was streamlined to facilitate the Clover Field development. It is a higher density, mixed-use project, located on a 255-acre greenfield site, and will provide 1,116 housing units, and 25,000 square feet of retail. The site also contains a number of civic and community spaces, including an elementary school built on land donated by the developer, which also fulfilled parkland dedication requirements.

Chaska was able to expedite the approval process because the city had laid the groundwork with the public, the planning commission and the city council prior to the development proposal. The development proposal was consistent with the city's comprehensive plan, which eliminated the need for an amendment. While the project required the completion of an Environmental Assessment Worksheet, the previous efforts improved the city council's approval process.

Chaska began with a vision for the Clover Field development that focused on desired outcomes, rather than zoning ordinances. The planning concepts that Chaska used are that neighborhoods should:

- Have an identifiable center and edge;
- Identify the most important and visible property for public use;
- Be limited in size by the distance from the edge to the center, generally a five to ten minute walk;
- Consist of an integrated network of walk-able streets; and
- Contain a diversity of land uses, building types, sizes and prices, and styles of ownership.

The development includes a wide variety of housing types and lot sizes. Single-family homes, town-homes, and accessory units are all permitted housing types and are being constructed using modular technology. The homes are built by Norse Homes in Ladysmith, Wisconsin, and are completed in a few days.<sup>12</sup>

### **C. Allowing Flexibility in Development Requirements**

Another way that communities promote compact, mixed-use development and redevelopment is by waiving certain development requirements, on a project-by-project basis. Two types of regulatory relief are increased density and decreased street widths, and examples are provided on the following page.

#### **Increased Density**

It is possible to reduce certain infrastructure and regulatory costs by increasing housing density. The Builder's Association of the Twin Cities conducted a study to examine how regulations, density, and costs, affected housing development in four high growth cities in the metropolitan area.<sup>13</sup> The study calculated the costs of development using different scenarios with different levels of housing density to quantify the impact of increased density. They found that private infrastructure costs could be reduced by \$9,800 per housing unit when comparing a development at 1.6 and 4.8 units per acre.<sup>14</sup>

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<sup>12</sup>For visual examples of Norse Homes products, see:

<http://www.norsehomes.com/photos.html>; accessed August 11, 2003.

<sup>13</sup>The Builders Association of the Twin Cities, and Center for Energy and Environment, *Fees, Infrastructure Costs, and Density: Their Impact Upon the Twin Cities Regional Growth Strategy*, 2001.

<http://www.batconline.org/batc/studies/index.po>; accessed August 11, 2003.

<sup>14</sup>Id at 7. Based on the actual zoning and subdivision regulations of several communities in the Twin Cities metropolitan area, the study created hypothetical development scenarios. Each scenario calculated the regulatory fees, such as plat

Also, the City of Minneapolis has recently amended their development regulations to provide a density bonus to developers of multifamily housing. The density bonus allows developers to increase the number of units by 20 percent in developments that have at least 5 units, so long as 20 percent of the housing units are affordable. For the purposes of the density bonus, “affordable” means that families earning 50% or less of the regional median income would be able to afford to live there.

### **Decreased Street Width**

At times, streets can prove to be the most costly element in neighborhood infrastructure. Narrower residential streets can reduce both the initial construction costs, as well as longer-term maintenance and repair costs. Several cities have discovered that such cost savings can be realized without sacrificing health, safety and welfare concerns.

The cities of Plymouth and Marshall, have quantified the extent to which narrower street widths have resulted in cost savings.

- In Plymouth, reducing street widths is estimated to have saved \$450,000 in construction costs for the Reserve, a development of 627 single family and town-home units constructed by Rottlund Homes. For this project, the city allowed the width for many local, low-volume streets to be reduced from 33 feet wide to 28 feet, and in addition to construction cost savings, the city expects that the reduced street widths will result in additional ongoing savings in maintenance costs. In the future, reduced street widths are expected to become Plymouth’s standard so that similar results can be achieved on a wider scale, rather than on a project-by-project basis.
- In the document – Building Better Neighborhoods - The Greater Minnesota Housing Fund (GMHF) has examined and written about the extent to which costs can also be reduced through more efficient street and infrastructure design, particularly in greater Minnesota. With more efficient street layout design that reduced the total length of streets and associated infrastructure, the Marshall project further reduced costs by

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fees, building fees, earthmoving and grading and the infrastructure costs of local streets, curbs, gutter, and storm water, for developments at different density levels.

\$100,000.<sup>15</sup> Collectively, these savings totaled \$126,400, or \$1,600 per house.<sup>16</sup>

## VI. Conclusion

In sum, there are ways that certain regulatory requirements can be relaxed or eliminated without sacrificing health, safety, and welfare concerns. Jurisdictions both locally and on the national level have implemented policies that promote more compact, mixed-use development and redevelopment, and can serve as examples for communities wishing to implement similar policies.

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<sup>15</sup>The Greater Minnesota Housing Fund, *Building Better Neighborhoods: Creating Affordable Homes and Livable Communities*, 2001, page 27.

<sup>16</sup> *Id* at 28.

### Reference Materials

*Austin, Texas - Traditional Neighborhood District*, effective 1997. Website address: <http://www.amlegal.com/austin> (Chapter 25-3); accessed August 11, 2003.

*Building Better Neighborhoods: Creating Affordable Homes and Livable Communities*, by Greater Minnesota Housing Fund, 2001.

*Columbus Ohio - Traditional Neighborhood Development Article*, adopted May 21, 2001.

*Gainesville, Florida - Traditional Neighborhood Development District*, adopted June 14, 1999. Website address: <http://user.gru.net/domz/tnd.htm>; accessed August 11, 2003.

*Dane County, Wisconsin - Model Traditional Neighborhood Development Ordinance*, August 2002.

*Infill Development Strategies*, Atlanta Regional Commission. Website address: [http://www.atlantaregional.com/qualitygrowth/planning/Toolkits/INFILL\\_%20DEVELOPMENT\\_TOOL.pdf](http://www.atlantaregional.com/qualitygrowth/planning/Toolkits/INFILL_%20DEVELOPMENT_TOOL.pdf); accessed August 11, 2003.

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