A Housing Revolution in Minneapolis

HOUSING AFFORDABILITY IS A THORNY challenge in most U.S. communities, as costs continue to grow faster than income. Nationally, housing affordability impacts those in the extremely low-income household bracket, or those earning 30 percent of the area median income, the most. In 2017, every state and large metropolitan area had a housing shortage for households earning 30 percent of the area median income. On the whole, the U.S. had a shortage of 7.2 million affordable rental homes in 2017 for this income bracket, according to the 2018 report The Gap: A Shortage of Affordable Homes.

The students also conducted a literature review that finds that local government policies are key to creating housing and keeping it affordable. The report, Rethinking Local Affordable Housing Strategies: Lessons from 70 Years of Policy and Practice, examines how zoning, among other local instruments, can hinder or lead to the development of more affordable housing.

According to the review, rezoning for higher densities, which amortize the cost of land over more dwelling units, is one way local governments can enable affordable housing development. Historically, this conclusion has only been the result of zoning practice at the neighborhood level. But further research opportunities will soon be available: Last December, Minneapolis became the first city in the U.S. to test this principle on a city-wide scale.

Theory in practice
In a 12–1 vote, the Minneapolis City Council proactively passed a comprehensive plan, Minneapolis 2040 (minneapolis2040.com), that promotes increased equity in housing by boosting density throughout the city, including elimination of single-family zoning (see “Minneapolis Evicts Single-Family Zoning,” March 2019: planning.org/planning/2019/mar/news). Triplex developments are enabled on all lots once reserved for single-family homes—effectively rezoning for a potential threefold increase in density. Minimum parking requirements are also eliminated.

The bold move began in April 2017 with a set of 2040 plan goals, including the need to address racial disparities, meet the housing needs of a rapidly growing population, and take steps to address climate change.

The motivation behind those goals is based on data clearly conveyed in the plan. Extensive research regarding the origins of racial and ethnic disparities in income and housing show persistent Minneapolis neighborhood inequalities, with disparities in median income, poverty, college attainment, home ownership, infant mortality, and premature death. Between 2000 and 2016, average income rose for most groups, but decreased about 40 percent for African American households. At the same time, the number of housing units affordable to those earning 50 percent of the area median income...
Planning (ISSN 0001–2610) is published by the American Planning Association, 205 N. Michigan Ave., Suite 1200, Chicago, IL 60601. APA’s membership includes 11 issues annually of Planning. From membership dues, $30 is the subscription fee for Planning. Nonmember subscribers pay $85 a year for 11 issues annually of Planning ($120 foreign). Periodicals postage paid at Chicago, Illinois, and at additional mailing offices. Planning is a registered trademark. Copyright 2019 by the American Planning Association. Reprint permission must be requested in writing from APA. Attn: Postmaster and subscribers please send change of address to: Planning, Subscription Department, American Planning Association, 205 N. Michigan Ave., Suite 1200, Chicago, IL 60601; 312–431–9100. Please supply both old and new addresses. Attn: Canadian Postmaster By Canadian agreement 40033287, Canadian return mail should be addressed to Station A, P.O. Box 54, Windsor, Ontario N9A 6J5.

Time will tell

The rezoning process is expected to take two years, according to Heather Worthington, the city’s director of long-range planning. Builders may apply for a conditional use permit, with a city planning commission public hearing, to take advantage of the new rules sooner, and the hot debate between NIMBY and YIMBY groups will likely continue with more legal rulings. Overall, neighborhood-level discussions and debates will determine the true scope of Minneapolis 2040.

The research resulting from upzoning single-family neighborhoods will be telling. We will want to know how many new duplex and triplex units are created, how they affect housing affordability citywide, and how political conflicts are dealt with and overcome. If the experiment in Minneapolis delivers results as expected, citywide upzoning could become a significant part of the affordable housing toolbox available to planners.

In the meantime, it’s already catching on elsewhere: In March, Seattle became the second city to take a comprehensive approach to upzoning by approving higher densities in 27 neighborhoods.

—Reid Ewing

Ewing is a distinguished professor of city and metropolitan planning at the University of Utah, an associate editor of the Journal of the American Planning Association, and an editorial board member of the Journal of Planning Education and Research, Landscape and Urban Planning, and Cities. This column was coauthored with University of Utah students Kathy Kittrell and Amanda Dillon. More than 60 past Research You Can Use columns are available at bit.ly/2E5tt85.

decreased by 15,000 units.

In Minneapolis 2040, citywide up zoning is cited as a tool “to increase opportunity through a greater diversity of housing types, especially in areas that lack housing options as a result of discriminatory housing policy.”

Forces at play

Since the city’s goals were first made public in 2017, two forces have impacted the plan’s passing: local NIMBY and YIMBY groups.

The city’s pro-housing YIMBY group Neighbors for More Neighbors supports simplified permitting of conversions from single family to duplex and triplex, smaller single-family buildings, mid-sized construction, and a greater diversity of housing types. Local NIMBY groups, on the other hand, recognize the need for new housing but oppose its construction in their neighborhood. Arguments against development include increased traffic, parking shortages, noise, crime, lost property value, visual blight due to larger buildings, and loss of a community’s small-town feel.

Minneapolis NIMBY legal action began last December, when several environmental groups and a new organization called Smart Growth Minneapolis began legal proceedings, using the Minnesota Environmental Rights Act as a legal rationale to stop Minneapolis 2040. They argued that the plan is “likely to cause the pollution, impairment, or destruction of the air, water, land, or other natural resources.” In response, Assistant City Attorney Ivan Ludmier argued in court that the plan is conceptual, and that future construction will undergo proper scrutiny. He further argued that the plaintiffs have shown only speculation, not causation, that upzoning will harm the environment. (At the time of publication, a decision on the case was expected by the end of April.)