It’s not how dense you make it. It’s how you make it dense.

- Julie Campoli

Supporting higher density development and mixed income housing

Colleen Carey
President
The Cornerstone Group
ULI Trustee & ULI MN Governance Chair
Discussion Topics

- Housing Summit Recap: Density Quiz
- Why is density important?
- What are the benefits of density?
- Why is mixed income housing so hard?
- What are the barriers to success?
- What can we (RCM/Cities) do?
Density Quiz - How Dense Can You Be?

Which block has the greatest density?
Density Quiz - How Dense Can You Be?

A: 14 units/acre
B: 22 units/acre
C: 21 units/acre
Density Quiz - How Dense Can You Be?

Which block has the greatest density?
Density Quiz - How Dense Can You Be?

A

1.9 units/acre

B

3.2 units/acre
At what density level does convenient bus service (every 15 mins.) become feasible?

A. 4 units / acre
B. 7 units / acre
C. 15 units / acre
Density Quiz - How Dense Can You Be?

At what density level does convenient bus service (every 15 mins.) become feasible?

A. 4 units / acre

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Density Quiz - How Dense Can You Be?

What is the minimum number of households needed to support a full service supermarket?

A. 1000
B. 5000
C. 10,000
D. 20,000
What is the minimum number of households needed to support a full service supermarket?

A. 1000
B. 5000
C. 10,000
D. 20,000
Why is Density Important?

- Changing Demographics
  - Growth to Gen Y, Boomers & New Americans

- Changing Market Preferences
  - Smaller units, Connected spaces, Amenities
US Generational Distribution - 2010

- **Silent Gen.**
  - Born 1932-1946
  - 35 million

- **Boomers**
  - Born 1947-1965
  - 73 million

- **Gen. X**
  - Born 1966-1978
  - 55 million

- **Gen. Y**
  - Born 1979-1995
  - 72 million
Why is Density Important?

What do we value in our neighborhoods?

54% of all adults surveyed chose three or more compact development attributes.

<table>
<thead>
<tr>
<th>Percentage Indicating a Preference for These Community Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shorter commute but smaller home</td>
</tr>
<tr>
<td>Close to shops, restaurants, and offices</td>
</tr>
<tr>
<td>Mix of incomes</td>
</tr>
<tr>
<td>Available public transportation</td>
</tr>
<tr>
<td>Mix of homes</td>
</tr>
</tbody>
</table>
Why is Density Important?

What do we value in our neighborhoods?

42% of all adults surveyed plan to move in the next five years.

62% prefer to settle in mixed-use communities.

- Many want communities that include a mix of homes and have access to public transportation.
What are the Benefits of Density?

- More open space
- Consumer savings
- Lower infrastructure costs
- Social cohesion
- Better health
- Less driving
Important Elements for Consideration

- Mix of Uses
- Connections
- Parking
- Open Space
- Public Amenities
Density Doesn’t Have To Mean Crowding

Density vs. Crowding

Density:
The number of people in a given space

Crowding:
The subjective perception that that number is too high

- Julie Campoli
Density Gone Wrong

Density Done Right

Lake Oswego, OR
Density Gone Wrong

Density Done Right

Boulder, CO
Density Gone Wrong

Density Done Right

Italian Village, San Diego
What Does Density Looks Like?

11.7 units per acre

Photos: Alex S. MacLean
Typical urban blocks shown at the same scale

- Portland: 0.9 acres
- San Diego: 2 acres
- Vancouver: 2.7 acres
- Albuquerque: 2.2 acres
- Denver: 2.4 acres
- Salt Lake City: 14 acres
If destination is within a mile, how many will people walk?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopping</td>
<td>40%</td>
</tr>
<tr>
<td>Work</td>
<td>35%</td>
</tr>
<tr>
<td>School or Church</td>
<td>46%</td>
</tr>
<tr>
<td>Recreation</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source: USDOT Federal Highway Administration, 2009 National Household Travel Survey
Attached single-family (duplex) 6-12 units/acre

Granny flat 6-12 units/acre

6 units/acre — corner store

7-8 units/acre — Bus service without heavy subsidies
Local Examples

Location: St. Louis Park, near proposed Wooddale Station
Completion: 2013
Size: 115 senior units
Mixed Use: 26,000 SF commercial space
Density: 65 units per acre
Local Examples

Location: Hopkins, near propose Downtown Station & “The Artery”
Completion: 2013
Size: 163 units – market rate units – 2 building, shared parking
Density: 82 units per acres
Higher Density isn’t always affordable

Percentage of Income Needed for Housing
In the Twin Cities Metropolitan Area

<table>
<thead>
<tr>
<th>Workplace Position</th>
<th>Median Yearly Salary for Full-Time Worker</th>
<th>Monthly Amount Can Afford for Housing</th>
<th>Percentage of Income Required to Rent 2-Bedroom Apt.</th>
<th>Percentage of Income Required to Own a House</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assembly Worker</td>
<td>$31,054</td>
<td>$776</td>
<td>42%</td>
<td>50%</td>
</tr>
<tr>
<td>Cashier</td>
<td>$19,635</td>
<td>$491</td>
<td>66%</td>
<td>79%</td>
</tr>
<tr>
<td>Child Care Worker</td>
<td>$22,152</td>
<td>$554</td>
<td>59%</td>
<td>70%</td>
</tr>
<tr>
<td>Counter &amp; Rental Clerk</td>
<td>$20,696</td>
<td>$517</td>
<td>63%</td>
<td>75%</td>
</tr>
<tr>
<td>Dry Cleaner</td>
<td>$26,582</td>
<td>$665</td>
<td>49%</td>
<td>59%</td>
</tr>
<tr>
<td>File Clerk</td>
<td>$29,037</td>
<td>$726</td>
<td>45%</td>
<td>54%</td>
</tr>
<tr>
<td>Home Health Aide</td>
<td>$23,816</td>
<td>$595</td>
<td>55%</td>
<td>66%</td>
</tr>
</tbody>
</table>

Av. Rent = < $1,000
Av. Mo. Mortgage Pmts= $1,300
Supporting Subsidized Housing Projects
Does Not Impact Surrounding Property Values

Higher Density/Affordability – Doesn’t Reduce Property Values

Affordable Rental Housing Does Not Reduce Property Values: Evidence from the Twin Cities

In short, Maxfield Research found little to no evidence to suggest that the construction of affordable rental housing hurt the performance of home sales. In the areas studied, home sales displayed similar or stronger performance in the period after affordable rental housing was built compared to a control group.
### Mixed Income Housing Examples – It Can Work

<table>
<thead>
<tr>
<th>Building</th>
<th>Location</th>
<th>Completion</th>
<th>Size</th>
<th>Affordable Units</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bluffs at Nine Mile Creek</strong></td>
<td>Eden Prairie</td>
<td>2004</td>
<td>188 units</td>
<td>63 units</td>
<td>30 units per acre</td>
</tr>
<tr>
<td><strong>Stone Creek at Medicine Lake</strong></td>
<td>Plymouth</td>
<td>2004</td>
<td>132 units</td>
<td>34 units</td>
<td>20 units per acre</td>
</tr>
</tbody>
</table>

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It Can Work
Why is Mixed Income Housing (and Higher Density) so Hard?

- High Cost of Parking.
- High Land Costs.
- Market Constraints.
  - prices & available amenities
- Lack of Adequate Tools to Address Financing Challenges.
What Can We (RCM) Do?

✓ **Communicate:**
  shared values and benefits. Use the Density Quiz; show pictures

✓ **Prioritize:**
  overall community benefits vs. existing perceived negative impact

✓ **Identify:**
  areas that support higher density & have the best chance for long term success

✓ **Support:**
  regulatory & financial tools – need new stronger, flexible tools!
Leadership: possible RCM Actions

Set the Table:
- Create Shared Vision and Values

Support Density:
- Allow Flexibility in Parking Requirements
- Invest in Great Streets, Open Space & Public Infrastructure
What Can We Do?

✓ Leadership:

possible RCM Actions

Support Mixed Income Housing:

✓ Adopt Mixed Income Policies & Ordinances
  – Work with MN Challenge to get it right

✓ Encourage: Creation of Funds to support Mixed Income Housing
  - public/private partnership – needs advocates
  - Be champions; Voice support to MN Housing, Met Council, Corporations, Foundations, Legislature
RCM Discussion

Visualizing Density Quiz
http://www.lincolninst.edu/subcenters/visualizing-density/quiz/index.aspx

Family Housing Fund Resources – fhfund.org
ULI MN – minnesota.uli.org

Special thanks to Julie Campoli for many of the images and resources in this presentation. Visit at juliecampoli.com