

TO: City Planning Commission

FROM: Andrea Taverna, Deputy Chief Operating Officer, Mayor's Office

RE: The "Let's Build More Housing" Text Amendment to the Zoning Ordinance, Chapter 50 of the 2019 Detroit City Code proposing policy changes to make it easier to build housing in Detroit, including, but not limited to, changes to the permissibility of uses, dimensional requirements, and parking lot requirements.

DATE: July 30, 2025

On July 31, 2025, the City Planning Commission (CPC) will hold a 5:15 PM public hearing on a proposed text amendment to make it easier to build housing in Detroit. Please see the attached copy of the public hearing notice showing the summary of the ordinance.

This report provides background information on the changes, the rationale and research behind them, and additional information on the questions posed by Commissioners during the July 17th informational briefing.

BACKGROUND

Like Many U.S. Cities, Detroit Faces a Pressing Need to Build More Housing

For decades, cities across the United States have seen housing costs rise faster than household incomes, making it increasingly challenging for their residents to afford housing.¹ Especially rapid price increases since the pandemic brought this challenge to a crescendo, with about one-third of Americans and nearly one-half of renters cost burdened by monthly housing costs.² These cost burdens contributed to an 18% rise in homelessness – the largest increase on record – from 2023 to 2024, with many American cities seeing homeless encampments become established in city centers and neighborhoods.³ Many policymakers see this as a housing crisis and in response have moved to make it easier to build housing in their cities and moderate price pressures.

Detroit similarly faces looming pressures on the housing market. Over recent years, Detroit has been able to draw on unique, one-time resources to grow the supply of housing – specifically 12,000 Land Bank homes that have been renovated and reoccupied since 2014⁴ and well over \$1 billion invested to create 4,600 affordable housing units, funded in part by a one-time influx of funding from the American Rescue Plan Act (ARPA).⁵ While effective, these options will not be available in the years to come. Today, the Land Bank has less than 2,000 homes remaining in its sales pipeline, and ARPA funds must be fully spent by next year.

¹ See, e.g., [CNBC](#) comparison of U.S. home values versus median household incomes

² [U.S. Census Bureau](#)

³ [Bipartisan Policy Center](#)

⁴ [City of Detroit press release](#)

⁵ [City of Detroit press release](#)

As we move ahead without these tools available, Detroit faces an increasingly urgent need to 1) build more housing to reduce upward pressure on housing prices – protecting long-time Detroiters who cannot afford steep price increases, and 2) to meet this goal by opening up more development opportunities to small, local developers and residents. Detroit has already seen rapid inflation in housing costs in the wake of the pandemic, with rent prices rising 22% from 2020 to 2023, nearly 7% per year, according to the U.S. Census Bureau. These price increases are not sustainable for long-time Detroiters.

The City's historic turnaround and population growth only deepens the need to build more housing. Detroit saw nearly 7,000 new residents in 2024, which requires between 2,700 to 3,500 housing units to absorb. Instead, Detroit produces an average of 1,600 housing units per year, a shortage of at least 1,100 housing units per year to absorb population growth.

This proposal responds to this challenge by making it easier to build housing, including expanding residential uses in R2 districts, adjusting dimensional standards to make it easier to redevelop vacant lots, allowing by-right building of multifamily dwellings in most business corridors, and promoting flexibility on parking lot sizes to increase space and capital available to build housing over time, as well as a potential further addition of permitting accessory dwelling units in R2 districts.

Zoning Updates Can Help Meet Housing Needs & Boost Small Local Developers

Zoning updates can play a key role in incentivizing more home building, moderating upward pressure on prices, and expanding opportunities for small, local developers who are disproportionately likely to develop in the neighborhoods or pursue infill housing projects.

Evidence from other cities that have completed similar zoning reforms to this proposal demonstrates the impact that these policies can have on increasing housing supply and reducing the rate of housing cost inflation. Since 2017, the United States saw a 3 percent increase in the number of homes available. In contrast, cities that reformed zoning saw increases from 7 percent to 23 percent.⁶ At the same time, the United States overall saw a 31 percent increase in rents, compared to 1 percent to 7 percent in comparison cities.⁷

But the goal of this package is not only to boost home building but also to level the playing field for small, local developers and have Detroit residents take the lead in meeting housing needs. Detroit's current 936-page zoning code is long, complex, and restrictive of building homes that resemble most of Detroit's existing housing. Larger developers can navigate this complexity by hiring attorneys and consultants to complete the City's lengthy process for variances, special land uses, or other discretionary exemptions. But smaller or new developers – most likely to be Detroit residents – have fewer resources to navigate these processes and face the delays that these processes entail. Simplifying the zoning code to make more projects feasible by-right will reduce time and administrative burden, which will disproportionately benefit small-scale or new developers seeking to help add housing to the neighborhoods.

⁶ [Pew Charitable Trusts](#)

⁷ Ibid.

PROPOSED ZONING UPDATES TO BUILD MORE HOUSING

The key changes proposed in this policy fall into four main categories:

1. **Broadening R2 permitted uses.** Expand permitted uses in R2 districts to allow for more diverse housing in-line with existing neighborhood conditions; specifically, allowing 3- and 4-unit properties and townhouses by-right and up to 12 units conditionally.
2. **Making it easier to redevelop vacant land.** Update dimensional standards to make it easier to build on vacant lots in a way that is congruent with earlier homes in the neighborhood.
3. **Making multifamily dwellings by-right in B2, B4, and B5 districts.** Further conversation between the Administration and CPC staff since the July 17th introduction identified this policy as an additional complementary approach to help build more housing. The sixth General Text Amendment recommended for approval by the Commission newly allowed mixed-use buildings by-right in business districts; this policy would extend by-right permissibility to multi-family buildings (i.e., no ground-floor commercial use) in B2, B4, and B5 districts.
4. **Flexibility on the size of parking lots.** Provide flexibility on the size of required parking lots in targeted cases, such as small buildings or near high-frequency transit corridors, allowing land and capital that would have been used for building parking lots to instead build housing.

In addition to these categories, further conversations with CPC staff have identified more opportunities for zoning updates that would further the policy goals of this package and could be added to it, specifically allowing accessory dwelling units in R2 districts; these policies are detailed further below.

PROPOSED CHANGE #1: RESIDENTIAL USES IN R2

Amends Chapter 50, *Zoning*, Article VIII, *Residential Zoning Districts*, Division 3, *R2 Two-Family Residential District* to:

- Add multiple-family dwellings no more than four units and townhouses (no more than eight in a group) to list of permitted by-right uses (Section 50-8-41, Section 50-8-44)
- Increase the multiple family dwelling conditional use from 8 units maximum to 12 units maximum (Section 50-8-50).

Other text changes are made throughout Article XII, *Use Regulations*, and Article XIII, *Intensity and Dimensional Standards*, for consistency purposes with the above changes.

These proposals make sense for Detroit because 1) these types of housing already exist in R2 neighborhoods, 2) community feedback via neighborhood framework plans supports allowing

these types of housing to be built by-right again, and 3) these housing types can help provide “missing middle” rent levels.

Currently there are 1,800 three- and four-unit buildings in Detroit, and 50% of them exist in R2 districts because they were built before modern zoning rules took effect (see Figure 1 below). Allowing these types of buildings by-right would allow new development in line with homes that already exist in R2 neighborhoods with less red tape and cost.

Because small, local, and new developers are more likely to work on small- to medium-scale projects in the neighborhoods, these changes should enhance development opportunities for these builders. Similarly, these changes would allow large residential buildings in need of rehabilitation to be converted into three- to four-unit buildings, spreading rehabilitation costs across a larger number of units and increasing the viability of some rehabilitation projects.

Figure 1. Number of Three- and Four-Unit Buildings in R2 Residential Districts.

Many 3- and 4-Unit Buildings Already Exist in R2 (Built Before Current Zoning Rules Took Effect)						
Zoning District	3-unit		4-unit		Total	
R1	38	6%	48	4%	86	5%
R2	325	50%	579	50%	904	50%
R3 - R6	261	40%	464	40%	725	40%
Other	25	4%	66	6%	91	5%
Total Citywide	649	100%	1149	100%	1,798	100%

Similarly, small apartment buildings already exist in many R2 neighborhoods, especially on corner lots. Increasing the number of units permitted conditionally in R2 from eight to twelve would allow more projects that align with existing neighborhoods. Because these projects would remain conditional, neighbors would still have an opportunity to weigh in on each project through a public hearing. Detroit’s parcel data shows that there are dozens of small apartment buildings of this size in R2 districts. Examples are shown in Figure 2.

Figure 2. Examples of Nine or More Unit Buildings in Existing R2 Districts.



Not only do these types of structures already exist in R2 districts, but residents in these neighborhoods have expressed a desire for more housing and diverse housing options via the neighborhood framework engagement process, with consistent feedback on this point over the course of many years. See Figure 3 for examples of community feedback presented in Neighborhood Framework Plans for areas with extensive R2 zoning:

Figure 3. Examples of Community Support for Diverse Housing Options.

Neighborhood Framework Plan	Year Completed	Notable R2 Neighborhoods	Key Quotes from Neighborhood Framework Plan
West Vernor	2018	Central Southwest (5,091 R2 parcels – 4 th most), Springwells (4,306 R2 parcels – 5 th most)	<p>“We need to build more housing to keep housing affordable; if we do nothing, housing costs will increase.”</p> <p>“There is steady demand for more multi-family housing.”</p> <p>“Increased residential density allowance, to enhance neighborhood vibrancy and development feasibility”</p>
Midwest Tireman	2023	Midwest (6,269 R2 parcels – 2 nd most)	<p>“Small, City-owned parcels represent opportunities for fourplexes and sixplexes with open space.”</p> <p>“Clusters of three, four, and five City-owned parcels represent opportunities for townhomes, duplexes, and mixed-use developments.”</p>

Islandview / Greater Villages	2018	East Village (3,255 R2 parcels – 9 th most), Islandview (2,358 – 17 th most)	“...rehabilitation and new construction of multi-family structures can restore neighborhood character, stabilize housing stock, strengthen neighborhood appeal, and diversify housing to the area.”
East Warren / Cadieux	2021	Morningside (3,082 R2 parcels – 10 th most), Cornerstone Village (290 R2 parcels)	“... the market exists for additional housing types and sizes along the corridor to complement commercial activity, including apartments, townhouses, condos, and other ‘missing middle’ housing. A diversity of housing choices increases the potential number of people who could move to the neighborhood and stay in the neighborhood.”

Another reason to include more medium-density housing options within R2 districts is because these properties offer rents that are lower than single-family housing on average. According to data from the 2021 U.S. Census American Community Survey, buildings in Detroit with 2-4 units or 5-19 units have approximately 20% lower rents than single family homes, on average.

PROPOSED CHANGE #2: REDEVELOPING VACANT LAND

Amends Chapter 50, *Zoning*, Article XIII, *Intensity and Dimensional Standards*, Division 1, *Tables of Intensity and Dimensional Standards*, Subdivisions B, *General Dimensional Standards for Residential Districts*, and I, *Intensity and Dimensional Standards for Specific Uses*; and Division 3, *Alternative Residential Development Options* to provide greater flexibility for lots below a minimum size or width, such as:

- Allow all types of housing permitted within a residential district to be built on lots below minimum size or width, not just single-family
- Allow smaller setbacks on lots below minimum size or width, in line with existing homes in neighborhoods
 - Decrease minimum front setback from 20 feet to 10 feet or in-line with neighboring homes, whichever is greater
 - Decrease minimum rear setback from 30 feet to 20 feet
 - Decrease minimum side setback from 10.5 to 14 feet combined (depending on lot size) to 10 feet combined
 - Increase maximum lot coverage from 35 to 45% (depending on lot size) to 60%

The primary rationale for these changes is to make it easier to rebuild housing on vacant lots; current rules make rebuilding on these lots highly complex and allow only narrow options for what housing can be rebuilt. Specifically, Detroit’s zoning code sets a minimum lot size of 5,000 square feet and minimum lot width of 50 feet to build any type of housing; however, a large majority of vacant lots are smaller than these minimums, as shown in Figure 4 below.

Figure 4. Lot Size for Vacant Parcels in R1-R6 Districts

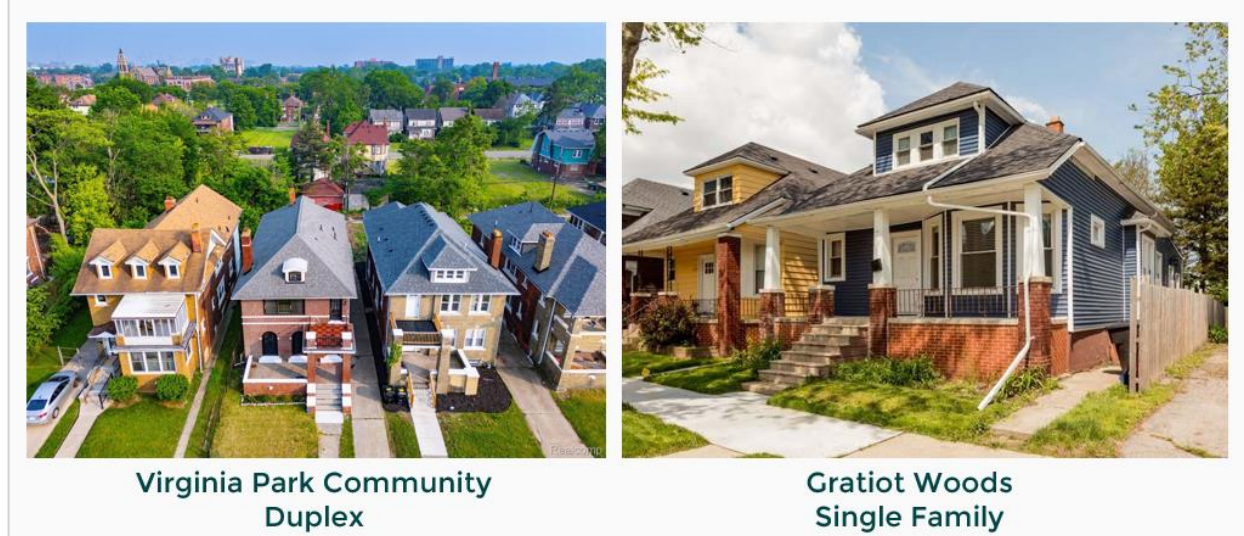
Lot Size (square feet)	R1 Vacant Res. Parcels	% of R1 Vacant Parcels	R2 Vacant Res. Parcels	% of R2 Vacant Res. Parcels	R3-R6 Vacant Res. Parcels	% of R3-R6 Vacant Res. Parcels	Total R1- R6 Vacant Res. Parcels	% of R1-R6 Vacant Res. Parcels
Under 3,000	2,609	6%	9,367	15%	931	13%	12,907	12%
3,000 – 3,999	14,228	34%	36,382	57%	2,537	36%	53,147	48%
4,000 – 4,999	15,627	38%	11,388	18%	1,676	24%	28,691	26%
5,000+	8,975	22%	6,230	10%	1,837	26%	17,042	15%
Total	41,439	100%	63,367	100%	8,848	100%	111,787	100%

Various provisions in the current code allow for building housing on lots below these minimum sizes; however, only single-family housing can be built, even in residential districts that allow other uses by-right, and dimensional requirements like setbacks significantly limit the housing that can be built. As one example, on 30-foot-wide lot, the largest allowable single-family house is 19.5 feet wide. Even to rebuild at that size, a project must combine several provisions in different sections of Detroit’s 936-page zoning code.

Unsurprisingly, few residents, community organizations, or smaller local developers know how to navigate these provisions or hire an attorney who can advise them on how to combine various provisions. As a result, rebuilding housing on vacant lots becomes very challenging and often requires either a Board of Zoning Appeals waiver of dimensional requirements or purchasing multiple lots to rebuild one home.

The proposed changes would make it easier to rebuild on vacant lots below the minimum size or width by allowing any type of housing permitted in the zoning district to be rebuilt and by offering moderately more flexibility on dimensional requirements like setbacks. Regarding setbacks, the proposed changes allow for housing to be built that resemble the sizing and spacing of existing homes in the neighborhood. While the current code only permits rebuilding small single-family homes on lots below the minimum size, allowing modestly larger houses to be built on lots would both match existing homes and offer more family-sized housing options. See Figure 5 for examples of homes in existing neighborhoods that meet the proposed standards.

Figure 5. Examples of Legacy Detroit Homes that Meet the Proposed Dimensional Standards



These changes would also significantly enhance opportunities for Detroit residents or small, local developers to complete infill housing projects and take a leading role in redeveloping the City. Over 26,000 side lots have been sold to Detroit residents from the Land Bank since 2014, and the proposed changes would make it easier to build new housing on these lots.⁸

Note that the proposed changes have the greatest impact in the R2 district and more dense residential districts for a few reasons. First, the largest impact of the proposal is allowing duplexes, triplexes, and other types of housing where permitted in the zoning district; this, of course, only affects R2 districts and more dense residential districts. While the dimensional changes provide modestly greater flexibility, the changes are less significant than the change in permitted housing types. Second, R2 parcels make up 54% of vacant residential lots – over 63,000 in total – far disproportionate to the R2 share of overall parcels and a major opportunity for rebuilding housing on these lots. See Figure 6 for more information on total and vacant residential parcels by zoning district.

Finally, for clarity, the Historic District Commission review will continue to apply in all designated historic districts and will review projects as applicable to determine if their proposed setbacks, dimensional standards, and other features of projects in those areas are appropriate, regardless of any changes made in this proposal.

⁸ In over 99% of cases, residents can build housing on side lots purchased from the Land Bank without any prior approval; in the highest demand neighborhoods – accounting for less than 1% of side lot sales – building requires Land Bank approval to reduce land speculation.

Figure 6. Total and Vacant Parcels by Zoning District

Zoning District	Total Parcels	% of Total Parcels	# Vacant Res. Parcels	Percent of Vacant Res. Parcels	Vacant Res. as % of Total District	Vacant Res. as % of Total Parcels
R1	187,572	50%	41,467	36%	22%	11%
R2	130,156	34%	63,396	54%	49%	17%
R3	10,762	3%	5,195	4%	48%	1%
R4	397	0%	139	0%	35%	0%
R5	3,981	1%	1,552	1%	39%	0%
R6	1,407	0%	100	0%	7%	0%
Other	44,090	12%	4,864	4%	11%	1%
Total	378,366	100%	116,712	100%	-	31%

PROPOSED CHANGE #3: MULTIFAMILY HOUSING ON COMMERCIAL CORRIDORS

Amends Chapter 50, *Zoning*, Article IX. *Business Zoning Districts*, to enable the by-right development of multi-family dwellings (i.e., residential apartments without first-floor commercial space) in B2, B4, and B5 zoning districts.

As noted above, further conversation between the Administration and CPC staff since the July 17th introduction identified this policy as an additional complementary approach to help build more housing. In the sixth General Text Amendment, the City Planning Commission recommended allowing mixed-use developments (i.e., a commercial first floor with residential above) by-right in B2, B4, and B5 districts, among others. Expanding this policy to allow multi-family dwellings (i.e., residential with no commercial first floor) by-right in B2, B4, and B5 districts could bolster housing development and provide more residential options along neighborhood commercial corridors, supporting a broader vision of mixed-use development on the corridors.

Allowing these uses by-right would cut red tape for housing developments that can add units, bring new customers to corridor small businesses, and generally support more thriving nodes of development on neighborhood commercial corridors. What's more, mandating mixed-use residential creates artificial constraints that the specific corridor may not need. Importantly, a developer may still choose to include first-floor commercial but would not be required to. This style of development is already prevalent in many business corridors, as evidenced by Figures 6 and 7 below.

Figure 6. Examples of Multi-Family Dwellings on Business Corridors



*B2: 2818 Benson, 16 units,
McDougall-Hunt*



*B4: 2525 W Grand Blvd,
61 units, LaSalle Gardens*

Figure 7. Number of Multi-Family Dwellings by Business Zoning District

Use Type	B2	B4	B5	Total
3-5 Family	6	45	-	51
Apartments (Flat / Walkup)	66	366	1	433
Apartments (Elevator Buildings)	-	29	69	98
Total	72	440	70	582

PROPOSED CHANGE #4: FLEXIBILITY ON PARKING LOT SIZE

Amends Chapter 50, *Zoning*, Article XIV, *Development Standards*, Division 1, *Off-street Parking, Loading, and Access*, Subdivision A, *In General*, and Subdivision F, *Waivers and Alternative Parking Plan*; and Article XVI, *Rules of Construction and Definition*, Division 2, *Words and Terms Defined*, to:

- Increase the existing exemption from the requirement to build a parking lot from structures of 3,000 square feet or below and erected before 1998 to structures of 6,000 square feet or below and built any year (Section 50-14-7)
- Removes the existing exemption for combined structures not exceeding 4,500 square feet in favor of the above exemption threshold (Section 50-14-7)
- Allows BSEED to grant a 30% or 20 space (whichever is less) parking reduction waiver
 - an increase from the currently-permitted waiver of 20% or 10 spaces (whichever is less)
 - for residential, public, civic and institutional, retail, and commercial uses (except for

vehicle repair and service) within 0.5 miles of high-frequency transit corridor (Section 50-14-153)

- Revises the Alternative Parking Plan review process so that BSEED can approve alternative parking plans without requiring a special land use hearing, along with other provisions that specify what must be included in the Alternative Parking Plan (Section 50-14-154)
- Adds DDOT Route 16 (Dexter) and Route 17 (Eight Mile) to list of high-frequency transit corridors, which are eligible for parking reductions pursuant to the items above (Section 50-16-242).
- Additional provision added since July 17th introductory briefing: expand the permissible distance from required parking spaces to retail, commercial, or service uses (except for auto-related uses) to 1,320 feet (one-quarter mile) to facilitate the use of district parking approaches in commercial corridors.

Zoning requirements around parking lot size are closely tied to the amount of land and funding that a project can use to build housing versus must what must be devoted to building the parking lot. By offering targeted flexibilities on parking lot size, this package would allow for greater investment in housing units and reduce development costs, with these savings anticipated to be passed on to Detroiters in the form of lower rents than would otherwise be charged.

The land and funding required to build parking lots is significant. For example, two parking spaces and the aisle to navigate them are roughly the size of a one-bedroom housing unit, meaning that high requirements for parking lot size directly trade off against the number of housing units that can be built. Similarly, in recent City-financed projects, each surface parking space cost an average of \$8,000 to build, with higher costs for other parking types. Research estimates that this adds \$400 per year to the cost of rent for an apartment,⁹ a financial challenge for low-income Detroiters, and especially the one in three Detroit families without a car.¹⁰

Current zoning requires 1.25 spaces per unit for multifamily dwellings or 0.75 spaces per unit in areas near frequent transit; many projects report that these levels are higher than needed to serve their residents, especially for affordable housing projects or those in neighborhoods well-served by transit and alternative transportation modes. Many projects ultimately seek a variance on these requirements, which requires a lengthy process at the Board of Zoning Appeals and often hiring consultants or attorneys, which can be out of reach for smaller, newer local developers. Parking lot issues are the second most common variance request, after dimensional issues.

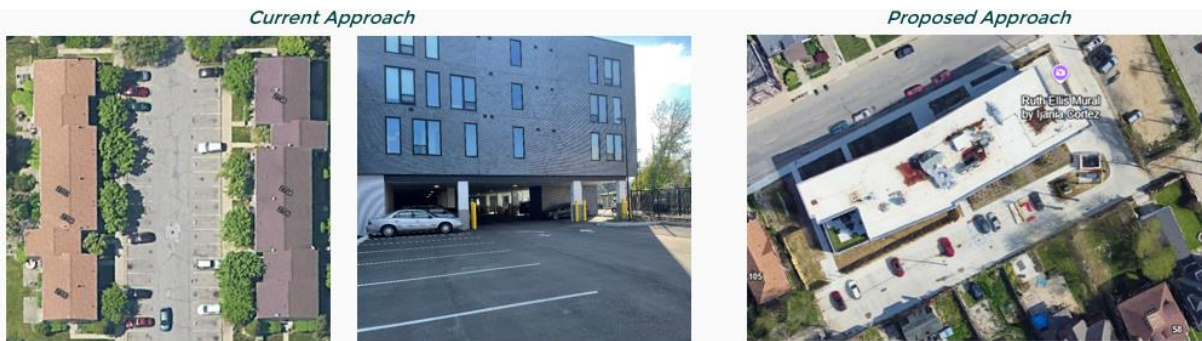
Given these findings, this proposal would allow more flexibility to take a market-driven approach to parking that builds only the parking spaces necessary to serve the clientele. Specifically, the proposal would offer an administrative waiver on the size of the parking lot that

⁹ [Academic research](#) estimates that a parking garage spot adds \$1,700 per year to the cost of rent; estimate scaled down to reflect the relative cost of building a surface parking spot rather than garage spot.

¹⁰ [University of Michigan Poverty Solutions](#)

is 10% or 10 spaces, whichever is less, greater than currently permitted for projects near frequent transit. The proposal would also allow BSEED to approve “alternative parking plans” through building permit review, giving projects an opportunity to propose alternative means of meeting transportation needs based on the residents and/or clientele they will serve. While the Administration anticipates these policies would have the greatest impact for housing projects, they apply to residential, public/civic, and commercial uses except for auto-related uses. See Figure 8 below for an illustration of current requirements versus the proposal.

Figure 8. Current Approach to Parking Lots versus Proposed Approach



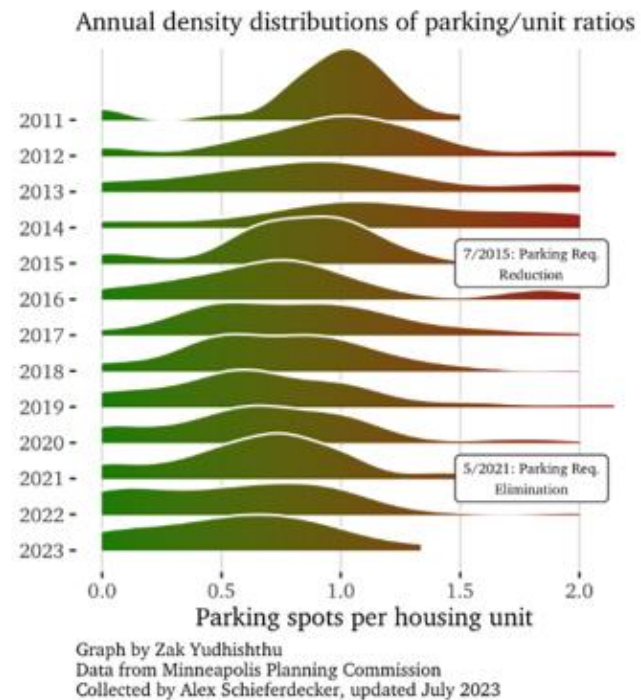
Additionally, the proposal would increase the size of structures exempted from parking lot requirements from 3,000 square feet or below and built before 1998 to 6,000 square feet or below and built any year. While this change would impact, for example, small residential buildings, the largest number of buildings affected would be smaller commercial spaces. For the same reasons described above, small commercial spaces often struggle to identify the land and funding to provide the large size of parking lot required by the zoning code.

Finally, further conversations between the Administration and CPC staff identified that technical changes around the permissible distance of parking lots from the building could support more efficient means of meeting parking lot requirements. Specifically, while most land uses must provide parking lots within 100 feet of the building (essentially immediately adjacent), the current zoning code allows retail, commercial, and service uses, except auto-related uses, to expand the distance to 1,320 feet (one-quarter mile, five-minute walk) in Traditional Main Street Overlay Areas and land zoned SD1 or SD2. This allows businesses along denser and walkable commercial corridors to offer parking lots nearby, ensuring parking lot availability while more readily allowing shared parking options serving multiple buildings or district parking approaches. The policy currently applies in much of Midtown as well as many prominent commercial corridors like East Warren, Central Southwest, Grand River near Grandmont-Rosedale, and the Avenue of Fashion.

Offering this flexibility has successfully supported the revitalization of the commercial corridors where it applies. The Administration and CPC staff have identified that expanding this option citywide could support economic growth along additional corridors, especially corridors in the neighborhoods. This would also put neighborhood commercial corridors on the same footing as corridors where greater zoning flexibility is already available.

These changes also reflect evidence from many other cities that have moved to a market-based approach to parking lot size. Over the past decade, other car-dominant cities such as Buffalo, Minneapolis, Seattle, Cincinnati, and Champaign, IL, have removed or significantly reduced parking lot requirements. In these cities, the vast majority of new developments continue to include parking, but with greater flexibility determining the appropriate number of spaces based on the specific needs of their constituents. This flexibility often results in fewer parking spaces being built than previously mandated, with cities like Champaign reporting that 84% of projects opted for fewer spaces.¹¹ On average, projects build about 50% of the previous requirements (46% in Champaign, 53% in Buffalo, 40% in Seattle).¹² In Minneapolis, after initially reducing parking minimums in 2015 and fully eliminating them in 2021, the city saw a gradual decline in the average number of parking spaces per multifamily unit and more variation in parking lot sizes in response to neighborhood-specific differences. As seen on the graphic to the right, once parking requirements were reduced or eliminated, some projects still opted for parking at or above the original minimum, while the average landed somewhere around 0.6 per unit (see citation at right). These policy changes have a considerable financial impact: for example, in Seattle it is estimated that \$500 million was saved in parking costs in a five-year window, allowing more land and funding to go towards housing.

Parking Spots per Unit in Minneapolis Over Time



ADDITIONAL OPPORTUNITY: ACCESSORY DWELLING UNITS IN R2

In addition to these categories, conversations between the Administration and CPC staff have identified an additional opportunity to support more housing development by smaller developers and Detroit residents, specifically by allowing accessory dwelling units by-right in R2 districts. Currently, the zoning code permits accessory structures to residential uses but restricts their use as dwellings in R1 and R2 districts. Removing this restriction for R2 districts could expand housing production, support greater density, offer new, lower-priced, and more diverse housing options (as accessory units tend to be smaller units, while offering flexibility for arrangements like in-law suites), and give R2 residents more opportunity to develop income-generating properties with a relatively low barrier to entry. Adding an accessory dwelling unit could allow R2 residents in growing neighborhoods to benefit from greater housing demand, while continuing to own and reside in the neighborhood. The Administration will continue working with CPC staff during August to assess and potentially add this policy into the proposal.

¹¹ [Champaign IL](#) academic research

¹² Academic research for [Champaign IL](#), [Seattle](#), [Buffalo](#)

COMMUNITY ENGAGEMENT

As noted in the July 17th introductory briefing, the proposed changes draw on feedback consistently received from the community over many years, including engagement during the Zone Detroit process beginning in 2018 and during the development of 21 Neighborhood Framework Plans beginning in 2016. As this Commission knows, each of those processes included numerous opportunities for community meetings and feedback, with the results ultimately codified in published documents.

The Administration and CPC staff have also organized community engagement meetings seeking feedback on the specific proposals in this package; so far, the team has presented at six engagement meetings reaching roughly 100 Detroit residents and will present at a seventh meeting on July 30th. Community engagement meetings have been held in neighborhood locations and tailored to each City Council district, with a focus on districts with extensive R2 zoning.

We anticipate holding additional community engagement meetings in August to continue discussing the proposal with residents, including holding a second meeting in District 6.

While it's difficult to summarize the diversity of voices, interests, and questions throughout many hours of discussion, several themes emerged from those conversations. Residents generally expressed support for making it easier to build housing in Detroit, especially redeveloping housing on vacant land and redeveloping housing in line with how Detroit homes and neighborhoods were originally built. Residents also expressed strong support for helping Detroit residents and small local developers have more opportunities to build, especially through access to vacant land. Some residents shared strong interest in allowing denser housing types like quadraplexes, mixed-use development, and facilitating more walkable neighborhoods. While community members generally offered less commentary on providing flexibility on parking lot sizes, residents that spoke to these provisions understood and echoed back the trade-off between using land and funds for parking lots versus housing and expressed interest in neighborhoods that facilitated walking or using public transit for those who desire.

Key questions generally focused on the City's programmatic efforts around housing and land use, for example, the City's overall strategy to help residents take a leading role in efforts to build more housing and the mechanisms available for residents and/or neighborhood associations to provide input on housing projects. Some residents shared concerns around vacant land or structures sold to non-residents, around the City's prioritization of blight enforcement, or around developers sufficiently considering resident feedback. City staff shared information on programmatic efforts in these areas. Some residents sought further opportunities for engagement, which will occur in August.

ADDITIONAL INFORMATION FOLLOWING JULY 17TH INTRODUCTORY BRIEFING

In consideration of the comments and questions by Commissioners during the introductory briefing on July 17th, the final section of this report provides responses on the key questions that emerged from that discussion.

How Does the Proposal Benefit Long-Time Detroit Residents?

The proposal provides two main benefits for long-time Detroit residents. First, the proposal is intended to expand housing production in Detroit, increasing supply of habitable housing units and reducing upward pressure on housing costs. If Detroit does not build enough housing units, a high rate of growth in housing costs would lead to rising cost burdens and potentially displacement of long-time residents.

Second, the proposal is designed to maximize the development opportunities available to Detroit residents and small, local, and newer developers in the neighborhoods, promoting Detroiters' ability to capture the economic benefits of a growing city. Detroit's complex and restrictive zoning rules create significant advantages for large, sophisticated developers, who can hire consultants and attorneys to navigate lengthy special approval processes. In parallel, these rules create large barriers to entry for smaller developers without the resources to do the same; this includes residents seeking to build their own homes or to begin developing housing units for others. Advantaging large and sophisticated developers over small, local, and new developers is antithetical to the type of economic growth the City of Detroit seeks to promote.

In addition to overall simplification, many of the changes in this proposal expand development opportunities that smaller local developers are most likely to pursue. For example, making it easier to build infill housing in the neighborhoods – which can be completed at a small scale – and expanding the options for how to rehabilitate homes in R2 districts – allowing conversion into triplexes or quadraplexes in addition to rehabilitation as a single-family home – expand options for the types of projects that many newer local developers begin with.

As noted above, Detroiters have purchased over 26,000 side lots from the Land Bank since 2014; making it easier to build infill housing on these lots would give many Detroit residents a low-barrier-to-entry option to participate in housing development and/or create income-generating opportunities on their properties. As detailed below, the Administration intends to develop pre-approved building plans that would offer an optional template known to comply with all permitting requirements for developers seeking to build infill housing. These pre-approved building plans – combined with the proposed zoning reforms – could substantially boost Detroiters' ability to build infill housing on vacant land.

The Administration and CPC staff are also discussing the potential addition to the proposal of allowing accessory dwelling units in R2 districts; this change would similarly significantly expand development opportunities available to Detroit residents by allowing them to place a second unit – either as an income-generating rental housing unit or for their family members – on their property.

What Other Steps is the City Taking to Make Building Easier for Small, Local Developers?

The Administration is pursuing an extensive strategy to improve the development process, particularly to increase access for Detroit residents and small Detroit-based developers. For example, the Buildings, Safety Engineering, and Environmental Department (BSEED) began offering a free Preliminary Plan Review process, where City experts from across many departments will review an initial project concept, identify the development process that would be required and substantive issues that may arise, and give advice on how to pursue the project most effectively. BSEED also began offering a new type of permit for single-family and two-family housing projects, allowing them to move through an expedited permitting review pipeline.

To build on these steps, the Administration is developing pre-approved building plan templates; these will offer several options for infill housing types that are designed and already reviewed by the City for compliance with all local permitting and building code requirements. These give developers, but especially smaller and newer developers, off-the-shelf plans that they can use to build, reducing design and architectural costs, reducing the time and expense of revisions during permitting review, and providing more certainty in the development process.

The Administration also recently undertook a comprehensive review of the development process map and the technology systems that customers must use throughout the process. This identified many opportunities to adjust processes and systems to streamline reviews and make the process easier for customers to complete; the Administration is in the process of implementing these changes throughout summer and early fall 2025.

These improvements will also entail publishing process maps of the development process to help customers understand and navigate the process. In addition, the City is revamping BSEED's permitting website using human-centered design to present information in an accessible, easy-to-use format that matches how customers interact with City resources.

How Do These Changes Complement the City's Overall Housing Strategy?

Detroit has a robust, citywide strategy to meet the housing needs of residents, including preserving existing affordable housing, building more affordable housing, helping more Detroiters become homeowners, helping Detroiters stay in their homes through home repairs, and enhancing the safety and quality of rental housing.

Over the last six years, nearly \$1.5 billion in public and private funding has been committed to expand and preserve affordable housing across the city. From this, a \$203 million seven-point affordable housing plan was launched in 2022 to further ensure access for long-time residents and those struggling with housing costs. This strategy deploys funds across a range of initiatives:

1. Establishing a Detroit Housing Services Office and hotline
2. Rehabbing Detroit Housing Commission apartment buildings
3. Selling DLBA homes to community organizations for deeply affordable rental and ownership opportunities
4. Constructing 1,600 new affordable units with expedited approval process
5. Funding a \$25,000 down-payment assistance grant

6. Supporting landlord compliance and property management training
7. Investing in job training through Detroit at Work to help residents afford housing.

Central to Detroit's recent efforts is the new Fast-Track PILOT (Payment in Lieu of Taxes) program, approved in October 2024 to further accelerate the city's next \$1 billion invested in affordable housing development. Under the PILOT system, projects that reserve units below specified AMI thresholds pay a service fee based on rental income, but at a significantly reduced rate, instead of full property taxes. Eligible developments serve households from under 60% up to 120% of AMI (allowing support for workforce housing) and receive tax relief for terms up to 15 years with renewal options.

The proposed zoning changes serve as a complement to these investments and strategies. Like many housing projects in the City, affordable housing projects receiving City financial assistance face complexities, delays, and costs driven by our restrictive zoning code. This incrementally adds to the cost and difficulty of building, which would be reduced by the proposed changes. The proposed zoning changes also complement larger-scale affordable housing projects by fostering a more robust and grassroots ecosystem of small, local, and new developers typically working on smaller-scale projects. Importantly, this type of strategy does not require new financial or administrative investment from the City to support the same goal of building more housing for Detroiters.

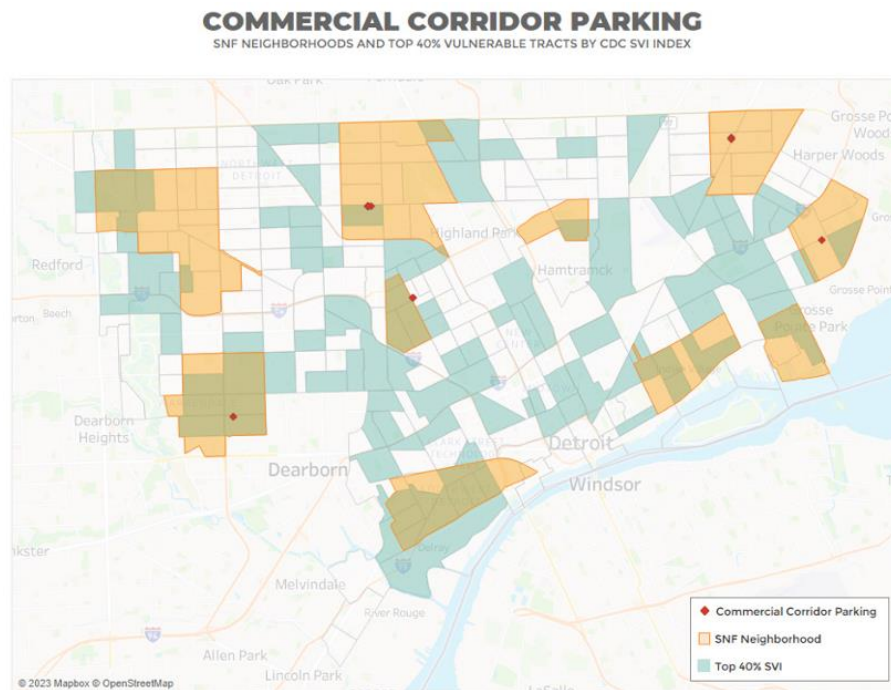
What Is the City's Broader Strategy to Ensure Accessible Parking While Offering New Options?

On July 17th, Commissioners asked about other steps that the City has taken to ensure accessible, affordable parking along growing commercial corridors while offering more flexibility on parking lot sizes for individual buildings.

The City's broader parking strategy includes expanding free municipal parking lots serving neighborhood commercial corridors, offering more shared parking options along commercial corridors, using technology to help Detroiters find available on-street spaces, and regularly monitoring the availability of handicap-accessible street parking.

First, Detroit invested \$10 million of ARPA funds to build six free municipal parking lots serving many growing commercial corridors, including the Avenue of Fashion and W. McNichols, East Warren, West Warren, Dexter-Linwood, and Gratiot near Seven Mile. These lots expand parking availability, offer low-cost options, and promote use of shared parking lots in denser and walkable areas. See Figure 9 below. The Administration and CPC staff have also added provisions into this package to help small businesses more easily pursue shared parking options citywide, building on existing efforts along the corridors.

Figure 9. Municipal Parking Lots on Commercial Corridors



In addition to off-street municipal lots, the City has also worked to thoughtfully steward on-street spaces. For example, Detroit’s Residential Parking Area Permit Program allows a block to request that on-street parking be made residential-only. This allows neighborhoods seeing busy on-street parking, or spillover from nearby mixed-use or commercial corridor areas, to limit on-street parking use to residents only, if their neighbors also support that course of action. Additionally, new features in the Park Detroit technology application (used to pay for on-street spaces) allow users to see red, yellow, and green shading along streets, indicating the likelihood of finding a space on the street based on current usage. This feature will help spread out parking demand, directing Detroiters to available on-street spaces with less circling.

The City also regularly monitors the availability of handicap-accessible parking spaces on the street, complementing the requirements for minimum numbers of accessible spaces in parking lots. Based on City staff observations and community feedback, the Department of Public Works can designate on-street parking spaces as accessible-only on an as-needed basis.

Finally, the Administration has prioritized offering better public transit alternatives for all Detroiters, including Detroiters with disabilities. Over the last two years, the Detroit Department of Transportation (DDOT) has hired over 140 new bus operators – an increase of 31 percent – to increase service. To build on this progress, the Mayor and City Council increased DDOT’s budget by \$20 million in FY26 to continue increasing service and reliability, the largest investment in any City department.

DDOT has also recently launched same-day paratransit service, moving from a system where Detroiters with disabilities needed to book paratransit rides at least 24 hours in advance to a

system that offers flexible same-day service. This represents a major step forward in promoting transportation accessibility for Detroiters with disabilities.

How Do These Changes Compare with the Approaches in Peer Cities?

As noted in the introductory presentation, cities nationwide have increasingly reformed zoning codes to make it easier to build housing, offer more housing options, and maximize the amount of land and funding available to build housing rather than parking lots. The approaches in the proposed package track best practices from cities nationwide and expert organizations in planning, public policy, and other subject areas.¹³

While myriad cities have enacted these changes, this section focuses on Minneapolis, considered a national model for zoning updates, and other cities in Michigan.

- Minneapolis has enacted several packages of zoning reforms over the last decade, including the most significant package in 2020, to promote housing production and moderate upward pressure on housing costs.¹⁴ These changes included:
 - *Reducing and eventually eliminating parking lot requirements.* In 2015, Minneapolis eliminated parking lot requirements for buildings of 3 to 50 units near transit and reduced them 50% for buildings over 50 units near transit. In 2021, the city eliminated parking lot requirements citywide.
 - *Encouraging denser apartment creation along transit corridors.* Along most of the city's transit routes, buildings of three to six stories are permitted, while lots adjacent to light rail stations or bus rapid transit allow 10-to-30-story buildings. The city also established minimum height requirements throughout downtown and near major transit lines to ensure denser development.
 - *Allowing more housing options in all residential areas.* Allowing duplexes and triplexes on all residential lots and allowing accessory dwelling units on all residential lots with single-family or two-family homes.

In the years following these changes, Minneapolis saw greater housing production, slower rent growth, and reductions in homelessness – in contrast with outcomes in other areas of Minnesota during that time (see Figure 9 below).¹⁵

¹³ See, for example, recommendations from the [American Planning Association](#), the [Bipartisan Policy Center](#), the [Center for American Progress](#), the [Brookings Institution](#), the [Urban Institute](#), the [National League of Cities](#), [Harvard Law Review](#), the [Michigan Municipal League](#), and the [National Association of Realtors](#).

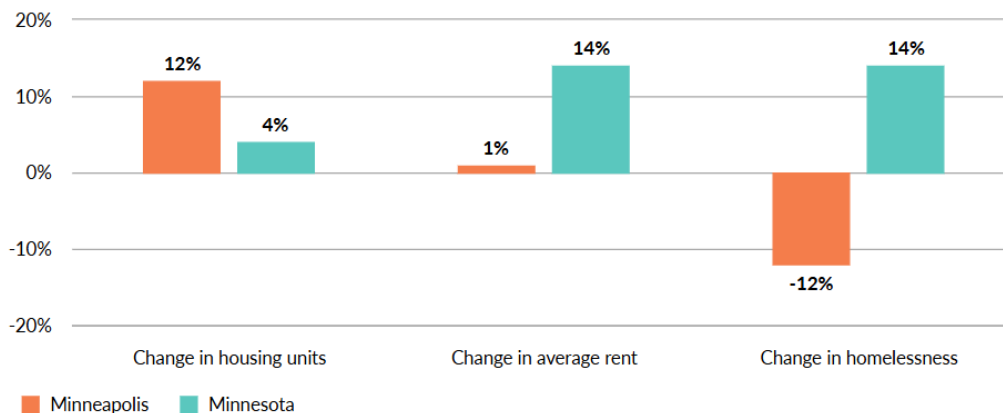
¹⁴ See, e.g., [Pew Charitable Trusts](#) and [Bipartisan Policy Center](#)

¹⁵ Ibid, Pew Charitable Trusts.

Figure 9. Minneapolis Housing Outcomes After Zoning Updates

Minneapolis' Rent Growth Was Much Lower Than Minnesota's

Percentage change in housing stock, average rent, and homelessness, 2017-22



- Grand Rapids was an early adopter of zoning changes: in 2008, Grand Rapids identified complex and restrictive zoning as limiting its development and moved to significantly simplify the code, while allowing denser housing in line with the types of homes that had been built historically.¹⁶ Most notably, Grand Rapids allowed duplexes and small apartment buildings in every residential district either by-right or with special land use approval. The 2008 changes also reduced parking minimums for residential buildings.

While the years immediately after these reforms were overshadowed by the financial crisis and housing crash, during the recovery, Grand Rapids began to see significant growth in apartment buildings and in downtown population. According to city staff, streamlining approvals for new housing encouraged developers, including of affordable housing, to build in Grand Rapids compared to cities nearby.

Grand Rapids implemented further zoning changes in 2018 and 2024,¹⁷ reducing minimum lot size and width requirements for small multi-family homes of two to six units (including to make it easier to convert existing homes into small multi-family), expanding permissibility of accessory dwelling units and adjusting dimensional requirements to make them more feasible, and further reducing and/or eliminating parking requirements in targeted areas.

- Finally, note that Ecorse, River Rouge, and Mt. Pleasant are among the U.S. cities that have eliminated parking lot requirements citywide.

ATTACHMENTS: Letters of Support for Proposed Changes

¹⁶ [Bipartisan Policy Center](#)

¹⁷ [City of Grand Rapids](#)