What is the Problem?
What is Missing Middle Housing?
Where Do You Find Missing Middle Housing?
What are the Important Characteristics?
What Barriers Exist to Creating Diverse Housing Choices?
Who is Building Missing Middle Housing?
What is the Problem?

Why Is This So Important to Discuss?
Walkable Cities are Thriving Cities
60% favor neighborhoods with walkable mix of houses and stores

-National Association of Realtors
56% of millennials and 46% of boomers want to live in more walkable neighborhoods.

—American Planning Association
Office tenants prefer locations in walkable urban environments by 4:1 margin

-NAIOP Commercial Real Estate Dev’t Assoc.
City Living

Winston-Salem: Missing Middle Housing
Neighborhood Living
Across the nation there is a tremendous gap between diversity of...

Housing People Want

Versus

What is Being Provided
Shifting Demand for Walkable Living

**Baby Boomers (55-64)**
- Single Family: 71%
- Mobile Homes: 2%
- Multifamily: 7%
- Townhomes: 11%
- Condos: 9%

27% Looking for MMH

**Millennials (25-34)**
- Single Family: 39%
- Multifamily: 15%
- Condos: 10%
- Townhomes: 34%
- Mobile Homes: 2%

59% Looking for MMH
Only Three Choices, People Want More!

Detached Single-Family House

Townhouse

Apartment/Flat
Shrinking Household Size

Nearly 30% of households are single person

- U.S. Census Bureau

Do you think 30% of homes being built in your community are designed for single person households?
Family is being redefined.

It is very different from the nuclear family of the 1950s + 1960s...

but we are still building for this.

75-85% of households without children by 2025

- U.S. Census Bureau
We Have a Rapidly Aging Population

One in Three Americans is 50 or older....

Is your community a great place for people of all ages?

By 2030, one out of every five people in the US will be 65+

Will your community be ready?
Where to Retire

10,000

Baby Boomers Retire Every Day For Next 15 Years

Half

No retirement savings Avg. Social Security: $1,341/mo
Where to Retire

10,000

Baby Boomers Retire Every Day For Next 15 Years

Half

No retirement savings Avg. Social Security: $1,341/mo

Nowhere

in US to live on $1,341/mo

~Home.one
By 2025, nearly 15 million U.S. households will devote more than half of their income to rent.

~Joint Center for Housing Study
Harvard University
Location, Location, Location

20th Century
Location, Location, Location

20th Century

21st Century
What is Missing Middle Housing?

Getting it Right: It’s Not Just Medium-Density Housing
Missing Middle Housing

House-scale buildings with multiple units in walkable neighborhoods
The Types

Communicating with Your Community about allowing Housing Choices beyond Single-Family
Duplex: Side-by-Side

**Typical Lot Size** | **Density**
---|---
60’ x 125’ | 12 du/acre
50’ x 100’ | 17 du/acre
50’ x 85’ | 19 du/acre
## Bungalow/Cottage Court

<table>
<thead>
<tr>
<th>Typical Lot Size</th>
<th>Density (5 units / lot)</th>
<th>Density (6 units / lot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100’ x 125’</td>
<td>17 du/acre</td>
<td>21 du/acre</td>
</tr>
<tr>
<td>100’ x 100’</td>
<td>22 du/acre</td>
<td>26 du/acre</td>
</tr>
<tr>
<td>80’ x 100’</td>
<td>27 du/acre</td>
<td>33 du/acre</td>
</tr>
</tbody>
</table>
Bungalow/Cottage Court

Cottage Company:
Third Street Cottages - Whidbey Island, WA
**Triplex**

<table>
<thead>
<tr>
<th>Typical Lot Size</th>
<th>Density (3 units / lot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>75’ x 150’</td>
<td>17 du/acre</td>
</tr>
<tr>
<td>60’ x 100’</td>
<td>22 du/acre</td>
</tr>
</tbody>
</table>
Fourplex

Typical Lot Size Density
(4 units / lot)

<table>
<thead>
<tr>
<th>Lot Size</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>75’ x 150’</td>
<td>23 du/acre</td>
</tr>
<tr>
<td>60’ x 100’</td>
<td>29 du/acre</td>
</tr>
</tbody>
</table>

Winston-Salem: Missing Middle Housing
## Multiplex: Small

### Typical Lot Size Density

<table>
<thead>
<tr>
<th>Typical Lot Size</th>
<th>Density (5 units / lot)</th>
<th>Density (6 units / lot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100’ x 125’</td>
<td>17 du/acre</td>
<td>21 du/acre</td>
</tr>
<tr>
<td>100’ x 100’</td>
<td>22 du/acre</td>
<td>26 du/acre</td>
</tr>
<tr>
<td>80’ x 100’</td>
<td>27 du/acre</td>
<td>33 du/acre</td>
</tr>
</tbody>
</table>
Townhouse

Winston-Salem: Missing Middle Housing

<table>
<thead>
<tr>
<th>Typical Lot Size</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>25’ x 125’</td>
<td>14 du/acre</td>
</tr>
<tr>
<td>25’ x 100’</td>
<td>17 du/acre</td>
</tr>
<tr>
<td>20’ x 75’</td>
<td>29 du/acre</td>
</tr>
</tbody>
</table>
### Courtyard Apartment

<table>
<thead>
<tr>
<th>Typical Lot Size</th>
<th>Density (8 units / lot)</th>
<th>Density (12 units / lot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>125’ x 150’</td>
<td>18 du/acre</td>
<td>28 du/acre</td>
</tr>
<tr>
<td>100’ x 100’</td>
<td>34 du/acre</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Carriage House (ADU)
Where Do You Find Missing Middle Housing?
Missing Middle Housing: Winston-Salem, NC

- Multiplex: Small
- Duplex
- Fourplex
Missing Middle Housing: Tampa, FL

Multiplex: Small

Fourplex

Courtyard Apartment
Missing Middle Housing: Denver, CO

Townhouse

Fourplex

Duplex: Side-by-Side

Multiplex: Small
Missing Middle Housing: Salt Lake City, UT
Missing Middle Housing: Detroit, MI

- Townhouse
- Duplex: Side-by-Side
- Multiplex: Small
- Duplex: Stacked
Missing Middle Housing: Boise, ID

Multiplex: Medium

Carriage House

Bungalow Court

Multiplex: Small
Missing Middle Housing: New Orleans, LA

- Duplex: Side-by-Side
- Multiplex: Small
- Townhouse
- Small Lot Single Family
Distributed Throughout a Block with Single-Family Homes
End-Grain of a Single-Family Block
Transition from Single-Family to Higher-Density Housing
Transition from Single-Family Housing to a Mixed-Use Corridor
What are the Important Characteristics

Getting it Right: Missing Middle Housing is Not Just Medium-Density Housing
Characteristics of Missing Middle Housing

1. Located in Livable Communities (Walkable Context)
What Can I Walk To?

Many Buyers’ #1 question

Often takes public sector investment to catalyze.
Millennials and Boomers Want This!
Characteristics of Missing Middle Housing

1. Located in Livable Community (Walkable Context)

2. Compatible with Single Family Homes
3 Units, Looks Like a House

Triplex Achieves Average Densities of 16 du/acre
Characteristics of Missing Middle Housing

1. Located in a Walkable Context
2. Compatible with Single Family Homes
3. Provide Small, Well-Designed Units
Units Below 1,000 SF

Do Not All Need to Be This Small/Tiny House
Units Below 1,000 SF

Smaller Units Need More Design Consideration

How Many 1,000 SF or Smaller Units Are on Market Right Now?
Characteristics of Missing Middle Housing

1. Located in a Walkable Context

2. Compatible with Single Family Homes

3. Provide Small, Well-Designed Units

4. Provide Fewer Off-Street Parking Spaces
Many codes ask for 2 parking spaces per unit plus 1 guest parking space. This is more space for cars than people.

3 spaces = 1,050 SF

square feet for parking (average 350 sf per space including access drives)
## Cost Impacts of Parking on Housing

<table>
<thead>
<tr>
<th>Number of Parking Spaces Required</th>
<th>Average Monthly Rent Impact (Per Bedroom)</th>
<th>Income Required for Affordability</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 spaces</td>
<td>$1,404</td>
<td>$51,000</td>
</tr>
<tr>
<td>1.5 spaces</td>
<td>$1,195</td>
<td>$41,000</td>
</tr>
<tr>
<td>1 spaces</td>
<td>$993</td>
<td>$36,000</td>
</tr>
</tbody>
</table>

Winston-Salem: Missing Middle Housing
Provide Choices

We Have Done a Better Job Proving Spaces for Cars Than for People

1.5 Space/Unit Maximum, but Ideally Lower.
Characteristics of Missing Middle Housing

1. Located in a Walkable Context
2. Compatible with Single Family Homes
3. Provide Small, Well-Designed Units
4. Provide Fewer Off-Street Parking Spaces
5. Simple Construction/Affordability by Design
Simple Construction, Affordable by Design

The Barbell of Affordable Housing

Affordable by design
Smaller units
Lower land costs
Lower construction costs
Local incremental development
Workforce housing
Characteristics of Missing Middle Housing

1. Located in a Walkable Context
2. Compatible with Single Family Homes
3. Provide Small, Well-Designed Units
4. Provide Fewer Off-Street Parking Spaces
5. Simple Construction/Affordability by Design
6. Create a Strong Sense of Community
Within the Project or Larger Context

Winston-Salem: Missing Middle Housing
Not a Mono-Culture of One Type
Carefully regulate in-fill Townhouses
New developments should mix a diversity of housing choices
What Barriers Exist to Creating Diverse Housing Choices?

Communities that want to be more livable need to provide a more diverse set of housing choices.
Zoning is Just One Piece of the Puzzle
Where does your community fall on this spectrum with regards to Missing Middle Housing Types?
How can you help your community increase support?
Awareness/Knowledge

- Over the past 70 years the development community lost the knowledge of how to build these types
- General public does not know these types exist

How to Address:

Lead walking tours of neighborhoods that have a mix of housing types. Having people see these types integrated into neighborhoods is one of the best ways to increase knowledge and advocacy.
How many neighborhoods do you feel would be open to "increasing density" as a general concept?

Housing choices, and options as alternative.
Stop Using **Multifamily** as a Term

Brings up negative connotations/images to most people.

**Housing Choices**

and **Options** as alternative.
Stop Using **Upzoning** as a Term

Brings up negative connotations/images to most people.

**Housing Choices** and **Options** as alternative.
Financing

- Lack of “Comps” to get a loan you need comparable built results
- Some missing middle types trigger commercial loan terms.

How to Address:
- Work with local banks
- Over time “comps” will be built
- Recognize that owner occupied buildings with four or less units usually qualify for residential loan terms.
- Lack of “Comps” to get a loan you need comparable built results
- Some missing middle types trigger commercial loan terms.

How to Address:

Public/Private Partnerships
Affordable Housing Trusts and Builders
Many utilities or municipalities require separate water and sewer taps.

How to Address:
Work with local utilities to allow ADUs, cottage courts and other types with small units to share an existing water and/or sewer tap.
Policy and Regulations (continued)

- Comprehensive Plans and Zoning often limit development by restricting the number of dwelling units per acre

- Parking requirements are one size fits all

How to Address:

Change comprehensive plan to allow for diverse housing options

Change zoning to regulate the form of buildings not dwelling units per acre

Work on specific parking regulations for Missing Middle Housing types
Ineffective Regulations

Have Produced Incompatible Infill.

This is What Most People Visualize When They Hear the Terms Multi-Family or Apartments
Effective Regulations

Same Density better results
Conventional Planning and Zoning

Conventional Planning and Zoning is not Working to Deliver Housing Choices and Has Given “Density” a Bad Name
Integrating More Effective Zoning

Form-Based Approach to Zoning is Most Effective
Why Does This Matter?

Most Zoning Does Not See A Difference in These Two Buildings
Why Does This Matter?

Missing Middle Housing Is Not Easily Classifiable Based within Planning and Zoning Systems

Single Family

SF

Multi-Family

MF
Why is Form-Based Code Necessary?

Ensure House-Scale Buildings

This triplex extends most of the length of the lot. Current stands do not address building size.
50' x 150' lot
Allowed by Zoning: 35’ Tall Single-family House
Allowed by Zoning: 3-unit Multi-family
Not Allowed: More Compatible w/ More Units
Why is Form-Based Code Necessary?

Ensure House-Scale Buildings

House-scale building size; no large attached building masses extending for much of the property length.
Form-Based Coding Delivers Missing Middle Housing
Who is Building Missing Middle Housing
Small Developers

The Primary Builders of Missing Middle Generally
Production Builders Utilizing Missing Middle to Achieve Attainability

How Far Can We Push Them in Short Term to Address the Demand?
FINDING YOUR MIDDLE GROUND

MISSING MIDDLE HOUSING OFFERS THE CHANCE TO CONQUER MARKET CHALLENGES WITH CREATIVE NEW PRODUCT THAT'S ATTAINABLE

BY DANIEL PAROLEK
Message to Builders in Your Communities

They Perform!

Highest Per Square Foot Sales Prices of Any Attached Housing
Large Apartment Developers Providing The Choice of Walkability

Finding Efficiencies to Enable Them to Compete
Instead Create a Neighborhood:
600 Mixed Units, 40 Acres in Papillion, NE
Main Street at Its Core: Critical for Walkability
Six MM Building Types Composed from the Same Unit Plans
Careful Thought Goes Into Accessibility

- Ground floor of all residential buildings with four units or more are coverable, i.e. must meet FHA accessibility requirements
- 2% of all covered units must meet ANSI A accessibility requirements
- A minimum of 2% of the parking for covered units must be accessible
Questions?
“It’s time to rethink and evolve, reinvent and renew.”

What’s Next - Urban Land Institute
The Market is Waiting. How Will You Respond?