

Single Room Occupancy (SRO)/Co-Living Study

City Council Study Item

Item #5.2 | 07/15/2024

Agenda

- 1) Background
- 2) Examples of SRO and Co-Living
- 3) Why SROs or Co-Living
- 4) Existing Regulations
- 5) Policy Questions and Actions
- 6) Next Steps



Background

What is a SRO or Co-Living?



- Bedrooms are rented as individual units
- SROs are inherently more affordable than typical multi-family
- Reuse or conversion opportunities
- Newer SRO and co-living developments can have greater amenities
- Housing types are more common in most expensive housing markets in the United States
- Scale or size of co-living can vary greatly
- Study focuses on housing **without** services

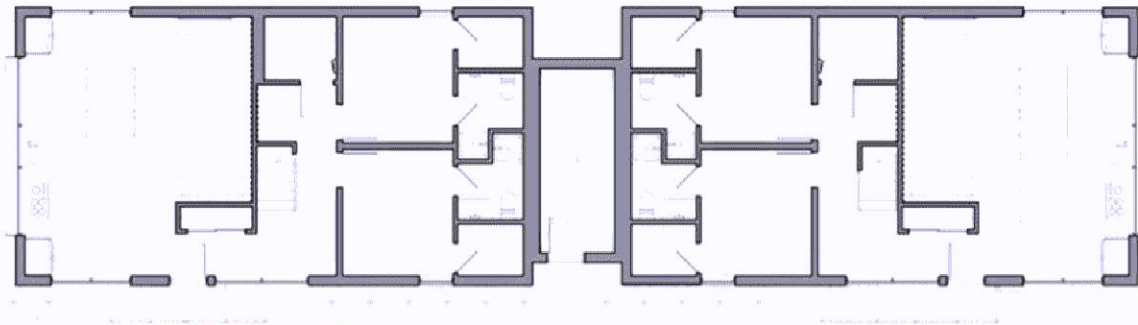
Local Examples

Little Mod

St. Paul, MN

12 bedrooms in 2 dwellings

Construction to begin in August



Local Examples

Ratio Apartments

Columbia Heights, MN
40 bedrooms in 10 dwellings
Rents in \$700-\$1,000 range
Mixed w/typical multi-family
Opened in 2022



Why SROs or Co-Living in Bloomington?



- Demographic changes
- Reuse or conversion opportunities
- Greater affordability and combating homelessness
- Student housing
- Proximity to MSP International Airport
- 2021 Hennepin County Task Force Report

Why SROs or Co-Living in Bloomington?

Affordability

Table 1: Affordable Unit Production 2021-2024

Affordable Unit Development Status	Unit Production and Affordability Level				
	30% AMI	50% AMI	60% AMI	70-80% AMI	Total Affordable
Opened	32	157	348	50	537
Under Construction	-	9	-	-	9
Approved	8	104	35	-	147
Unit Sub-Totals	40	270	383	50	693
Met Council 2030 Goals	445	246	151		842

Existing Regulations – Uses and Definitions

Existing relevant uses and definitions include...

Congregate living facility. A type of housing in which occupants share a common dining room, recreational room, food service or other facilities, including but not limited to boarding houses, lodging houses, assisted living facilities, shelters and convents. A CONGREGATE LIVING FACILITY does not include bed and breakfasts, resorts, vacation homes, crash pads, hostels, multiple-family dwellings, temporary pandemic response housing or other uses separately defined.

Dormitory. A building providing sleeping and residential quarters for individuals or groups associated with a college, university, institution, or boarding school.

Existing Regulations Zoning District Allowances Use Standards

- Congregate living facility is Conditional in R-4, RM-12, RM-24, RM-50, RM-100, TI, and FD-2 (no commercial districts)
- Dormitory is Conditional in R-1 only
- Use standards
 - Congregate living facility – 21.302.24
 - Institutional uses – 21.302.06

Existing Regulations

Residential Occupancy

- Each dwelling may be occupied by a maximum of one family
- Family definition (19.03):

FAMILY. One or more persons related by blood, marriage or adoption, including foster children and domestic partners and civil unions recognized under Minnesota law, or a group of not more than four persons (excluding personal care attendants, in accordance with Minnesota Rules Rule 9505.0335), occupying a dwelling unit. This definition of family includes a functional household as defined in § 14.568 of the city code, as well as those persons renting rooms. (See BOARDING HOUSE.) (Note: a definition of a functional family no longer exists in Chapter 14 Rental Housing Code)

Policy Questions and Actions

First question...

Does the City want to support or enable more and larger SRO or co-living developments?

If yes...there are multiple actions that can be taken.



Policy Questions and Actions

Actions – Potential Code Amendments

- 1) Clarify SRO/co-living status within existing residential uses (single-family, two-family, townhomes, multi-family, etc.)
- 2) Increase occupancy limitations
- 3) Create SRO/Co-Living use in Zoning Code
- 4) Allow SRO/co-living in commercial zoning districts, thereby allowing easier use conversion
- 5) Create use standards for larger SRO/co-living developments (15 bedrooms or more for example)
- 6) Add SRO/co-living development to OHO Incentives

Next Steps

- 1) Ordinance Drafting
- 2) Additional Study Sessions (September or later 2024)
- 3) PC Public Hearing (Late fall 2024)
- 4) CC Public Hearing (Late fall/early winter 2024)