

4-Flats by Right: Building Chicago's Future

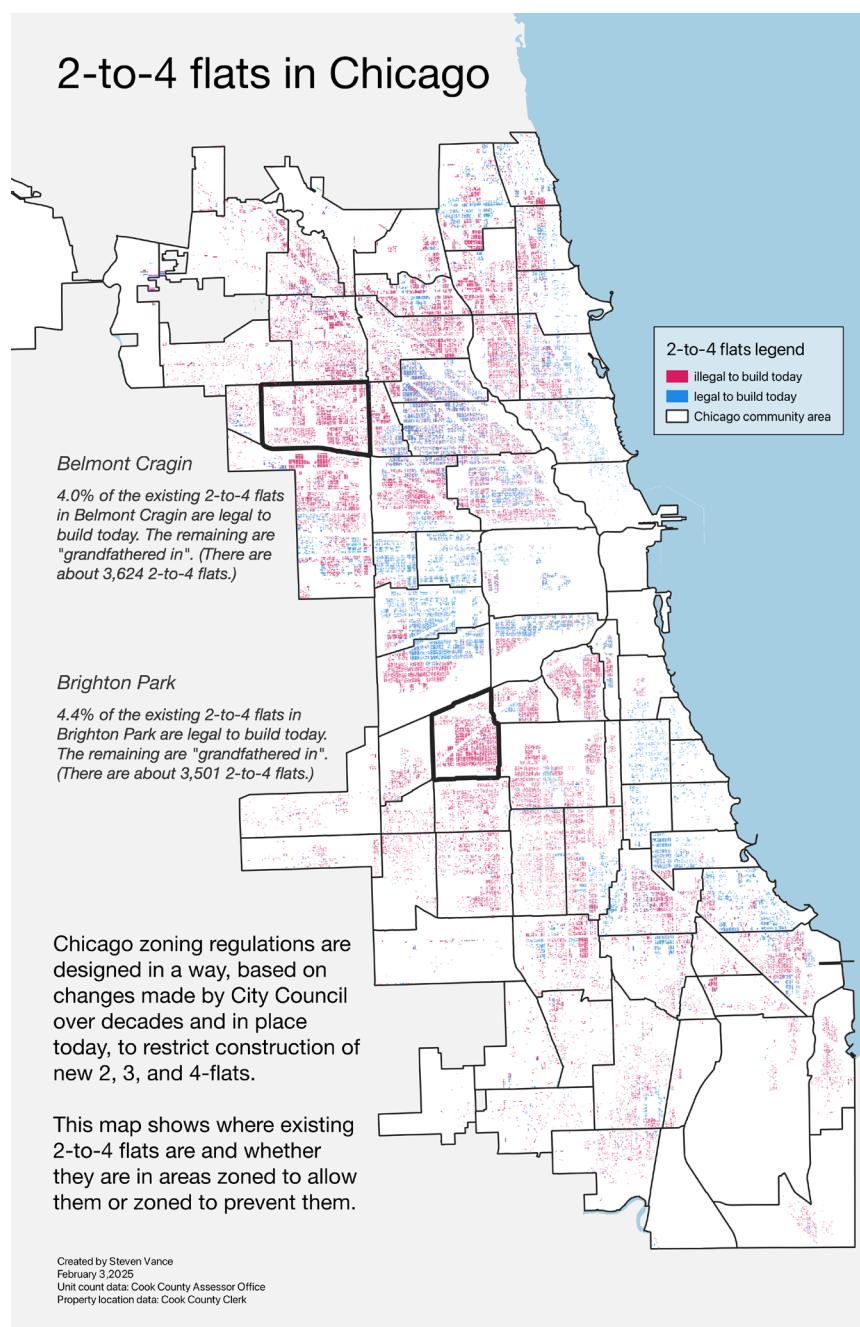


Re-legalize traditional Chicago housing, supporting dynamic neighborhoods with affordable options for all

A classic Chicago architectural icon, 2-, 3- and 4-flats have offered flexible, affordable housing for families and workers since the turn of the 20th century. Multi-unit residential such as 2,3 and 4-flats are only allowed to be built new in 21% of the city zoned for residential-only buildings. The rest of the city bans any kind of residential construction except for single-family homes.

It's time to re-legalize 2-, 3- and 4-flats across the city.

4-Flats are a part of Chicago's architectural DNA. Let's bring them back to solve today's housing challenges.



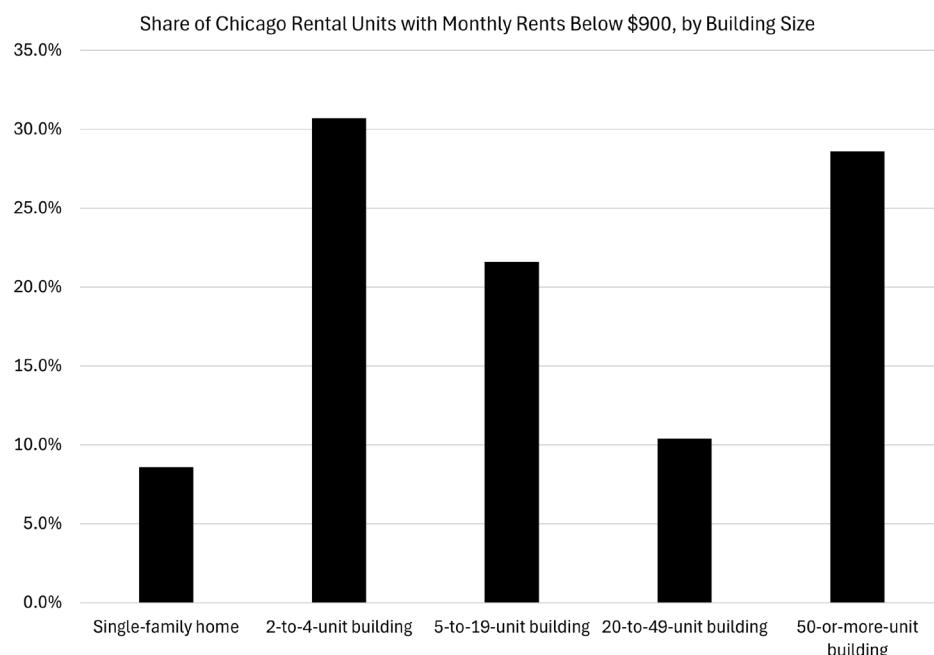
Benefits to the City and Residents

2- to 4-unit properties are the most likely to have lower rents and family-sized units, according to the Institute of Housing Studies. But Chicago's zoning laws severely restrict where they can be built. Changing the zoning laws to allow 2- to 4-flats by right makes it easier to increase the city's housing supply and grow the economy.

Four flats are:

Affordable

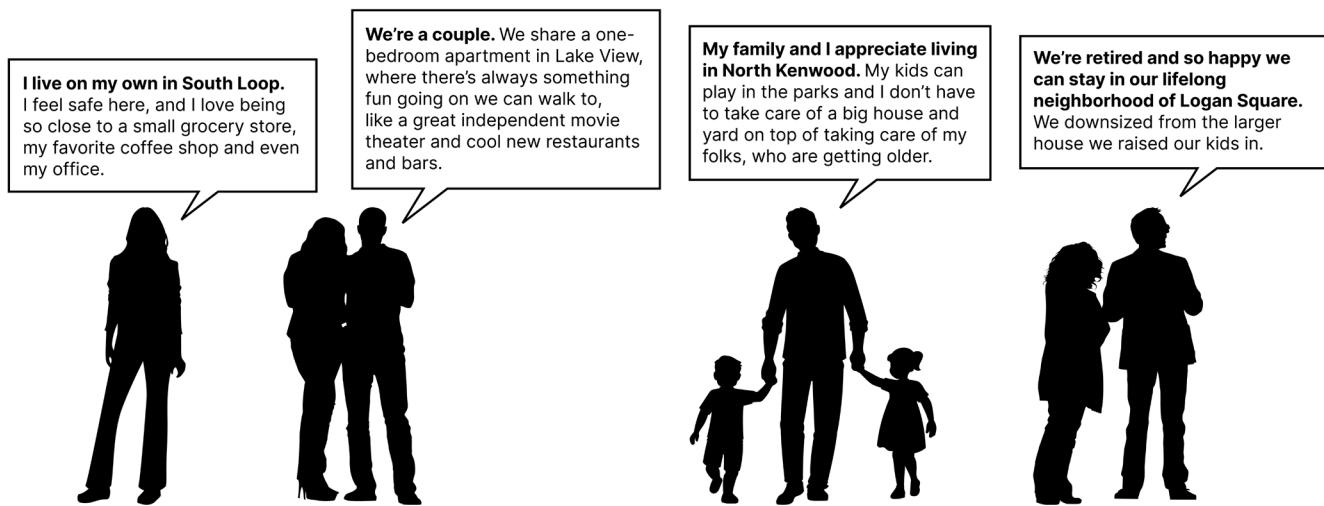
- Broaden opportunities for local investment by neighbors and reduce costs for small homebuilders. Houses up to 4 units can be financed with conventional residential mortgages—meaning that they can be owned by regular families and individuals, not just commercial and non-profit landlords.
- Provide convenient, car-free living for children and older adults near parks, transit and other amenities. According to Elevated Chicago, more housing options in transit-rich areas reduces the need to drive and related costs like gas and maintenance. This housing is particularly important for Black and Brown neighborhoods, which have seen less development despite their access to transit.
- Act as a source of supplemental income for homeowners. A unit can be rented out, or the entire building can be divided into condos with lower prices for families who want to own their homes and build equity.
- Keep rents flat or even decrease them. Building more housing helps stabilize rents. 2-4 unit buildings represent 30% of Chicago's available rental units with rent below \$900.



Data Source: American Community Survey, 2021. Graph inspired by Daniel Pang, Urban Institute, 2024.

Socially Equitable

- **Used to be legal in most of Chicago**, but city policies banned these traditional housing types in huge swaths of the city. These policies were exclusionary and aimed to "preserve" neighborhoods while keeping out immigrants, racial minorities, and other undesirable groups
- **Provide more housing options for seniors** who want to downsize to lower-maintenance homes while still being on quiet, residential streets.
- **Allow multi-generational households.** Extended families can live together while maintaining privacy, or rent out a unit as children move out for extra income.
- **Are in danger** due to teardowns and deconversions. Since 2013, Chicago has lost more than 4,800 2- to 4-unit buildings. That's 11,775 housing units, which is 4.2% of our housing stock.¹
- Constitute the bulk of affordable housing that **doesn't require subsidies**, also known as naturally occurring affordable housing (NOAH).
- **Create more amenities** across neighborhoods, since groceries, restaurants and other businesses rely on customer footfall. Proof of this can be found at the Cottage Grove and 47th stations on the Green Line, and Kedzie station on the Pink Line in North Lawndale².



Environmentally Friendly

- **Have lower energy costs** and a **smaller impact on the climate** as they allow economies of scale in connecting to heating and water infrastructure.
- **Allow more people to live near transit**, which means less driving overall, lower carbon emissions, and less air pollution.

Fiscally Responsible

- **Provide more tax revenue** and increase the city's tax base, so there are more of us to spread the costs of public resources.
- **Increase safety** by adding more people walking around ("eyes on the street"), taking transit, using parks and shopping in local businesses.
- **Speeds up building on vacant lots** by making it easier to get a building permit without requiring a zoning change for each lot.

1 <https://www.housingstudies.org/releases/patterns-lost-2-4-unit-buildings-chicago/>

2 <https://elevatedchicago.org/how-etod-benefits-black-and-brown-neighborhoods/>

Proven Models from Across the Country

The most efficient way to allow 2- to 4-flats everywhere is to update the Chicago zoning map to re-designate RS zoning districts as RT-4 districts, which allow up to 4 units by right.

Other cities have passed reforms to make it easier to build 2- to 4-unit housing. It's time for Chicago to join them.

Minneapolis (2018)

Eliminated single-family zoning, allowing duplexes and triplexes citywide. Since then, building permits have increased and more housing options have been built without disrupting neighborhoods.

Portland (2020)

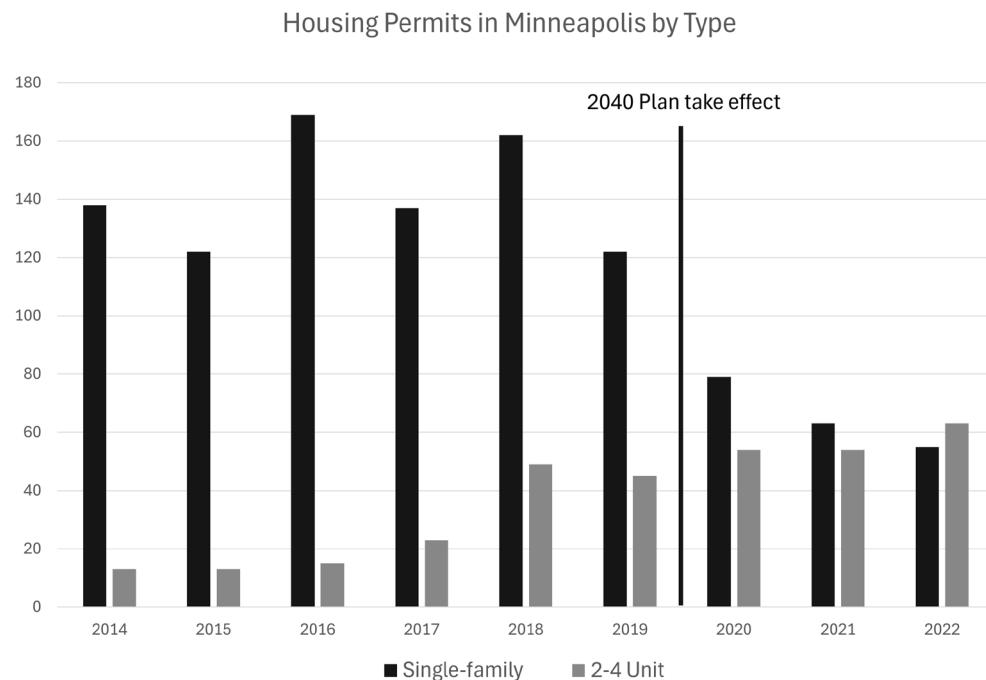
Residential Infill Project allows up to 4 units on residential lots and 6 units with affordability incentives. There have since been early signs of increased housing diversity.

Sacramento, California (2022)

Made significant changes to its zoning laws to allow for multi-unit housing in areas that were once restricted to single-family homes.

Austin (2024)

Allowed home builders to build duplexes and triplexes on almost any lot in the city where single-family homes are currently allowed.



Data source: Department of Housing and Urban Development, 2022. Graph inspired by Owen Minott, Bipartisan Policy Center, 2023.

Fact-Checking the Myths

Won't this lead to displacement?

Displacement is complex, and is often caused by a lack of housing, which drives up costs on the remaining available housing stock. Re-legalizing 4-flats gives locals the opportunity to organically benefit from increased demand by expanding their own property. Families can pool resources together, especially on vacant lots or underutilized properties, which minimizes displacement risk.

According to the Institute for Housing Studies at DePaul University, rental units in 2- to 4-unit buildings made up about 38% of Chicago's rental stock in 2012. By 2021, they had declined to about 32%, a ten-year low. This is an enormous loss because 2- to 4-unit buildings are the backbone of Chicago's unsubsidized affordable housing supply.

This could dramatically change my neighborhood. I'm concerned that new construction might ruin the historical character.

These buildings have been a historic part of Chicago's neighborhoods for well over a century. Re-legalizing 4-flats will help rebuild neighborhood character in areas with vacant lots or dilapidated single-family homes.

I'm concerned that allowing these taller houses will strain our infrastructure like water mains and sewer lines.

Most of Chicago's vacant lots used to have housing, which means the infrastructure is already in place or has been recently upgraded. Building back 2-, 3- and 4-flats would make better use of city infrastructure that is currently unused. And more residents means more revenue to continue to improve water and utility infrastructure.

Won't this strain our schools?

Chicago Public Schools have seen declining enrollment and many neighborhood schools have closed. Re-legalizing 2-, 3- and 4-flats would bring back more families to neighborhoods where schools are in danger of closing, increasing the local tax pool and enrolling more students for our public schools.

According to Chicago Public School's Annual Regional Analysis (ARA)³, "There is currently space to serve over 450,000 students across grades K-12 with more than 151,000 unfilled seats [for the 2023-2024] school year", and "At CPS elementary schools in the 2023-2024 school year, there were 305,000 seats available for 197,000 students, and this gap is projected to grow in the 2026-2027 school year."

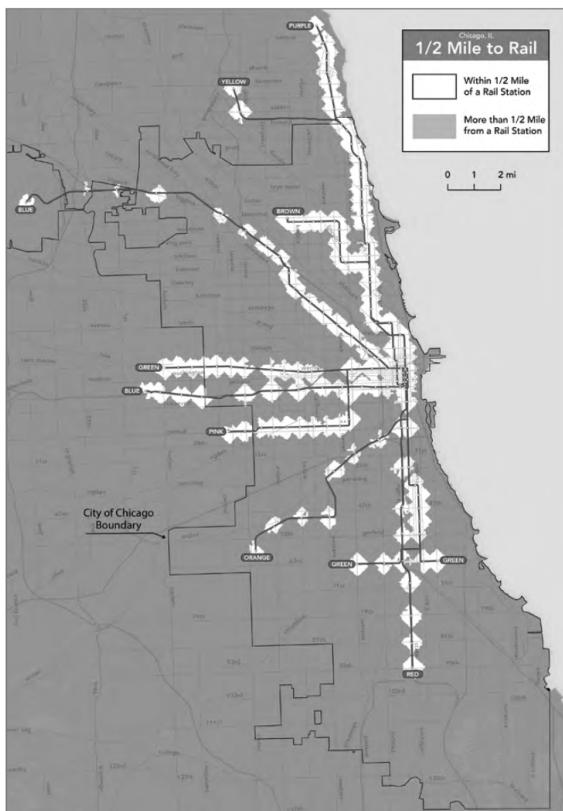
3 <https://www.cps.edu/sites/ara/district-overview/quantity/>

Won't more homes mean increased traffic in my neighborhood?

Chicago has a robust transit network of trains and buses that reaches all neighborhoods, providing options to get to school and work, or to run errands. Cities with much smaller transit networks than Chicago's have passed similar reforms and reaped the benefits of greater housing options without disruptive increases in traffic.

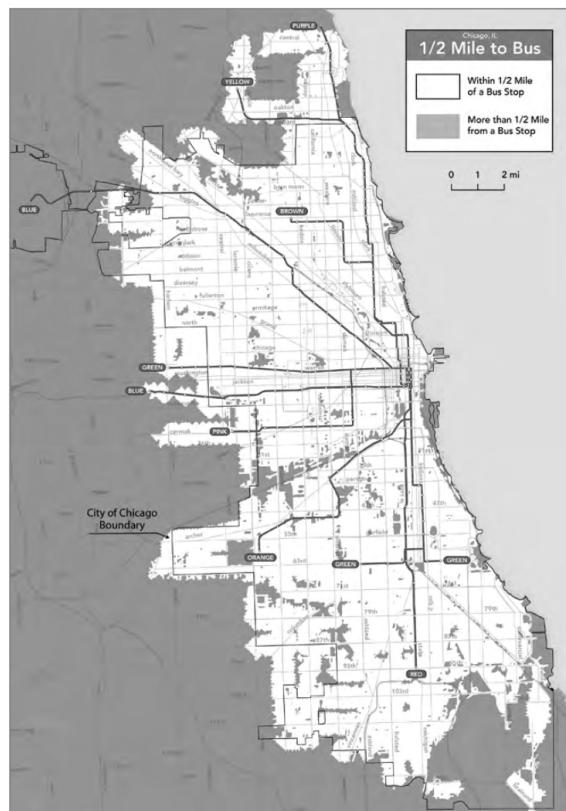
Areas near Rail

within a half-mile walk to an L station



Areas near Bus

within a half-mile walk to a bus stop with daytime service



https://ctabusvisionproject.com/wp-content/uploads/2024/06/Chicago-Framing-Report_Final_Dec2023_rev.pdf

Won't developers profit too much?

Buildings with 2 to 4 homes qualify for conventional mortgages, allowing families and small homebuilders – not just large developers – to invest in their communities.

Join Us in Re-Building a More Livable Chicago

Together, we can create a Chicago where everyone has a place to call home.



strongtownschicago.org



abundanthousingillinois.org