



Council Worksession
February 14, 2023
5:00 pm

Present: Mayor Kari Niedfeldt-Thomas
Councilmember Abdullahi Abdulle
Councilmember Graeme Allen
Councilmember Pam Axberg (arrived at 5:11 p.m.)
Councilmember Emily Dunsworth

Absent:

Staff in Attendance: Devin Massopust, Craig Schlichting, Ben Gozola (attending remotely)

Guests in Attendance: Tom Leighton, Stantec

Housing Study Strategies

Massopust stated Tom Leighton from Stantec will present to the Council an update on New Brighton's Housing Study. This will include recommendations for prioritization on production, preservation and capacity building housing strategies.

Tom Leighton, Stantec, stated he has enjoyed working with staff on the housing study. He discussed how housing availability was a pressing issue for many people because housing costs were more than people can afford. He commented on how New Brighton was an advantageous location within the metro area and noted there were important businesses in the community that employed many people. He discussed the health and vintage of the City's housing stock, along with median household income for the community. He reviewed a map of the City noting the location of senior housing, single family and multifamily developments. He commented on the number of naturally occurring affordable housing units in the New Brighton.

Councilmember Axberg asked if the age of the City's apartments was a problem. Mr. Leighton stated he did not see the age as a concern, but rather saw concerns when owners or managers were not properly upkeeping the buildings. He discussed how important it was for managers to maintain these buildings in order to keep them affordable.

Mr. Leighton provided the Council with further comment on the insights he received from local developers. He then discussed the housing needs and priorities for the City.

Councilmember Abdulle stated he was concerned with the lack of affordable units for those needing 30% AMI or 40% AMI housing. Mr. Leighton commented on how important it was for those living within 30% AMI and 40% AMI housing to have other services in place to assist with covering or meeting their needs.

Councilmember Allen discussed how the seniors were not very well represented within this information because their median income was much lower than the working class in New Brighton.

Schlichting commented on how the newly built affordable housing units were not included in the NOAH numbers within the presentation.

Mr. Leighton reviewed the production, preservation and capacity building strategies for maintaining affordable housing in New Brighton.

Mayor Niedfeldt-Thomas believed the Council had to more closely consider or define what impact the City wanted to have on its affordable housing. She stated she was concerned with how the City could support folks if additional 30% AMI and 40% AMI affordable housing were built in the community.

Councilmember Axberg anticipated the State was working to address affordable housing issues as well.

Mr. Leighton reviewed the production strategy for affordable housing units in new market rate apartment developments. He stated cities can incentivize affordable housing units in market rate developments through requirements, by offering TIF, and adopting an inclusionary zoning provision that requires affordable units. The objective for having requirements would be to assist with increasing the number of affordable housing units in New Brighton to lower income homeowners.

Councilmember Abdulle commented on how the City may be eligible for additional State funding if the City were to put inclusionary zoning provisions in place.

Further discussion ensued regarding how these types of provisions would impact the City and future affordable housing projects.

Mr. Leighton commented on the challenges of attracting market rate apartment developments. He then reviewed the growing popularity of accessory dwelling units in the metro area. He discussed the preservation strategy for senior cooperative developments and naturally occurring affordable housing. He commented on the preservation strategies for manufactured home parks, which included a transition strategy into cooperative ownership.

Mayor Niedfeldt-Thomas discussed how selling to a land trust does not help individuals with increasing their wealth. However, NOAH housing options were better at assisting with increasing or growing wealth. Potential rental licensing strategies the City could consider were reviewed.

Councilmember Abdulle believed it made sense to reward the property owners that were properly maintaining their building and to have more frequent inspections for those property owners that were not.

Councilmember Axberg commented on how important it was for the City to have a mix of housing types at varying housing values. Mr. Leighton stated he believed New Brighton had a better mix of housing than most communities.

Councilmember Allen explained the Lakeside manufactured park was in somewhat good condition, but the Oak Grove manufactured park was not. He feared that the lack of maintenance at the Oak Grove mobile home park would require the property to be sold if investments were not made in the infrastructure.

Mr. Leighton ended his presentation by providing ideas on how to preserve the City's housing stock. Financial resources available to assist with housing projects and improvements were discussed.

Councilmember Allen thanked Mr. Leighton for his presentation. He stated the City of New Brighton may benefit by having a housing authority in place. Mr. Leighton discussed how an HRA can benefit communities and noted this would be a big decision.

Mayor Niedfeldt-Thomas reported it was her understanding the City's EDA could serve as an HRA. Massopust stated this was the case noting one difference was that an HRA would have taxing authority.

Mayor Niedfeldt-Thomas suggested all future comments or questions from the Council regarding the housing study be forwarded individually to staff.

Worksession adjourned at 6:28 pm

Respectfully submitted,

A handwritten signature in cursive script that reads "Terri Spangrud".

Terri Spangrud
City Clerk