



Council Worksession
September 26, 2023
5:00 pm

Present: Mayor Kari Niedfeldt-Thomas
Councilmember Abdullahi Abdulle
Councilmember Graeme Allen
Councilmember Pam Axberg
Councilmember Emily Dunsworth (arrived at 5:45 p.m.)

Absent:

Staff in Attendance: Devin Massopust, Ben Gozola

Guests in Attendance: Jenny Faulkner and Harry Davis, Bolton & Menk

ADU Ordinance Process

Massopust explained the City recently received grant funding (\$36,000) from the Met Council which allowed the City to go through the process to develop an ADU Ordinance. He stated representatives from Bolton & Menk were in attendance to review the ADU ordinance process in further detail with the Council.

Gozola thanked Jenny and Harry for their assistance with the grant writing process.

Jenny Faulkner, Bolton & Menk, introduced herself to the City Council and thanked staff for bringing her on for this project. She stated she understood the City of New Brighton wants to create standards (zoning and licensing) for accessory dwelling units to further affordable housing and diversity of housing stock in the city.

Harry Davis, Bolton & Menk, introduced himself to the Council and explained he has worked for Bolton & Menk for the past three years. He noted he previously worked for a community that allowed ADUs and stated he was very excited to be working with the City on this project.

Ms. Faulkner discussed the goal of the ADU Ordinance and reported it would take approximately four to six months to draft the Ordinance. She explained a recent housing study included five (5) production strategies, five (5) preservation strategies, and one (1) capacity building strategy. Amongst the eleven strategies to implement, the one that was selected as a good first candidate to explore was adoption of new regulations to govern and allow Accessory Dwelling Units (ADUs) within the City. Adoption of new ADU regulations would immediately allow development of new affordable housing units throughout the fully developed City of New Brighton. Well over half of the City's total land area and 70% of the City's parcels are guided and zoned for single family housing. Currently, the only pathway to create a second unit on these lots is to build a "servant's quarters," and only a handful of parcels in the City are able to meet the minimum standards to qualify for this option.

Mr. Davis explained certain ADU options can provide low-income families a pathway to ownership and wealth-building. Many low-income families are completely priced out of the housing market given today's land prices. Having the ability to offset the cost of ownership with monthly ADU rental income can overcome

this challenge (by either renting out the ADU, or by living in the ADU and renting out the primary property). Likewise, an ADU option can provide avenues for seniors to age in place. While they may own their home outright, a lack of income during retirement coupled with maintenance and medical costs results in many seniors exploring options to leave their life-long homes. An ADU option provides an income stream, as well as an opportunity to downsize on-site. ADUs provide a climate-friendly housing option. ADUs provide housing without creating new lots, and their size makes them energy efficient. ADUs provide options for multi-generational housing which is a highly-valued option for many cultures. He commented further on the community engagement that would occur throughout the drafting of this Ordinance.

Councilmember Axberg asked why it would take so long to draft the ADU Ordinance. Mr. Davis stated this was due to the amount of public engagement that would take place through this process.

Councilmember Axberg questioned what the pitfalls were that other cities have seen when going through this process. Ms. Faulkner stated the City would want to make sure there are options for size and the Council should consider ADUs were attached or detached. Mr. Davis commented once the City comes up with general direction for the size and look for ADUs the Council will have to work with the public to ensure they understand ADUs would be an accessory use to the primary use. Ms. Faulkner also encouraged the Council to consider the process that residents would have to go through in order to have an ADU, whether this includes a permit or license.

Councilmember Axberg stated the Council should consider its priorities when it comes to ADUs, what success looks like and what the unintended consequences of ADUs could be.

Councilmember Abdulle agreed the City should consider what success looks like. He believed success would look like providing more access to home ownership and that some members of the community have been excluded from home ownership, historically. He indicated ADUs may provide an opportunity to do something about this while also provide more affordable housing options in the community.

Councilmember Axberg anticipated not all ADUs would lead to home ownership.

Ms. Faulkner commented further on how ADUs could increase opportunities for diversity, equity, home ownership, rental/owner occupied, and more affordable rental options. She reported the City would not see a flood of ADUs but rather there would be an incremental number of ADUs throughout the community.

Mayor Niedfeldt-Thomas stated the Council should recognize the City currently has ADUs and they are not regulated as such. She reported servants quarters were allowed for certain sized properties. She wanted to see the Council aligning on the process that would be followed for ADUs, along with the specifics for ADUs. She appreciated the fact the Council was considering what success looked like and asked that the Council bring to staff how this looks from their point of view, noting she would like some alignment when it comes to this before the Council seeks input from the public. She stated she did not want private equity firms coming in and buying up properties in order to add ADUs because this would lead to more absent landlords. She suggested one of the ADU requirements ensure that property owners live onsite. Ms. Faulkner stated language could be written into the ADU Ordinance to address this concern.

Councilmember Abdulle stated he wanted to ensure possible homeownership was considered within the ADU Ordinance. He supported the City going to the public with a community survey prior to coming forward with a preliminary Ordinance.

Ms. Faulkner stated she could begin with an open-ended survey that was very broad and the information gathered from this could help craft the draft ADU Ordinance.

Mayor Niedfeldt-Thomas commented she would like the Council to review the survey before it was put out to the public to see what they do and don't want.

Councilmember Allen stated he liked the goals laid out by staff and supported spelling out the population that could be helped by ADUs. He recommended this information be included in the survey to inform the public as to why the Council was pursuing this. He asked if there were other cities that allowed for attached ADUs with a separate property line. Mr. Davis stated he has not seen this.

Councilmember Allen encouraged the Bolton & Menk to investigate this further because if one of the goals of the Council was to encourage home ownership and generational wealth, a separate property may be necessary in order to allow for separate home ownership.

Councilmember Axberg stated the Council may not be able to solve every affordable housing option through ADUs. But rather this type of housing would have a niche market in the community.

Mayor Niedfeldt-Thomas asked that staff consider how the parking study and the CAP plan would align with the ADU Ordinance. Gozola anticipated parking would be a concern from the public when considering ADUs.

Mayor Niedfeldt-Thomas recommended the DEI rubric be used when considering the ADU Ordinance. She encouraged staff to reach out to the mobile home community to urge them to participate in the ADU community survey.

Councilmember Allen stated it may be difficult to limit the use of an ADU.

Mayor Niedfeldt-Thomas commented on the tour she had of Yard Homes (which was a New Brighton company), which was an ADU company working with the disabled veteran community. Gozola explained Yard Homes provided ADUs on a subsidized basis and if the housing was provided to a disabled vet for 10 years, the property owner would then own the ADU outright.

Mayor Niedfeldt-Thomas suggested the Council tour this facility in order to view their ADUs.

Mr. Davis reviewed the next steps for this process with the Council noting he understood the Council would be providing feedback to staff in order to receive some sort of alignment. He commented a kick-off meeting would then be scheduled and a community survey would be formed.

Worksession adjourned at 5:55 pm

Respectfully submitted,



Terri Spangrud
City Clerk