

Accessory Dwelling Units Regulation Amendment

Second Reading
City Council
February 12, 2019



Status Update

- On January 8th the City Council approved Ordinance 1000 on first reading.
- Council asked for clarification of some language and requested some new language.
- The ordinance can be approved on second reading with changes from the first reading.
- Requested changes and clarifications have been made.
- Alternative actions have been provided.

What Are Accessory Dwelling Units?

An accessory dwelling unit (ADU) is a habitable living unit added to, created within, or detached from a single-family dwelling that provides basic requirements for living, sleeping, eating, cooking, and sanitation.

(Proposed Definition)



Why are we doing this?

ADUs can:

- Provide affordable housing
- Provide safe senior living options
- Increase density within walking distance of downtown
- Provide lower impact living
- Provide needed income for homeowners



Why are we doing this?

Strategic Plan (2018-2020)

Affordable Housing

A Community Where Everyone Can Afford to Live

- Review Best Practices for items such as opportunities for alternative housing types and styles, including mixed-use neighborhoods, accessory or mother-in-law apartments, modular homes, manufactured home parks and other innovative approaches to housing



Why are we doing this?

City Guiding Document References:

- *Comprehensive Plan:*
 - *HS1 Housing will strengthen the unique physical character of the community.*
 - *HS1.2 - Revise zoning and subdivision ordinances to ensure opportunities for development of alternative housing types and styles, including mixed-use neighborhoods, accessory or mother-in-law apartments, modular homes, manufactured home parks and other innovative approaches to housing.*
 - *HS1.6 -Establish standards for compact residential development and intensified land uses.*
 - *HS3 The City should assist in providing affordable housing.*



Why are we doing this?

City Guiding Document References:

- *Comprehensive Plan:*
 - *LU4 Facilitate the creation of residential areas with strong neighborhood qualities.*
 - *LU4.6 - Permit accessory structures as residential housing units (granny flats or mother-in-law apartments) within existing neighborhoods, especially near downtown.*



What are we doing?

The Planning Commission has authority to advise Council on the Land Development Code (LDC). Ordinance 1000 amends the land use regulations for Accessory Dwelling Units contained in Section 2 of the LDC.

The current proposed amended ordinance from Planning Commission deviate some from the licensing requirements in Chap 14 Rental Housing.



What are we doing?

ADUs are subject to rental licensing requirements in Chapter 14.

Ordinance 1000 could amend the existing exemptions from Chap 14 by proposing to allow the ACCESSORY use to be rented.

The primary residence would still be owner-occupied **under the staff recommended option**, except for existing rental properties that might add a unit.

Option C would exempt this particular accessory use from the 20% rule.



What are the current barriers?

Currently, an accessory dwelling unit must be located as part of a detached garage.

- Not senior friendly – usually upstairs
- Not all properties have detached garage in rear
- Building Area Ratio limit
- Not as useful if unable to rent
- Does not address Tiny Houses
- Have seen increased interest in ADUs
- Current code does not allow free-standing cottage design



Issues

Not senior friendly – usually upstairs

- Stairs not senior friendly, preference is single-level living
- Seniors could live in ADU and rent out a house that is too large for them now.
- Age Friendly Northfield endorses the ADU ordinance related to aging in place/family support provisions



Issues

Not all properties have detached garage in rear

- Newer homes built with attached garages
- Older small lots may not have garage at all
- Some newer developments allow no access to rear yard



Issues

Building Area Ratio (BAR) limit

- Older small lots may not have an existing garage and addition of detached garage prohibited by BAR
- Properties at the BAR limit cannot add attached ADU either
- BAR by its nature limits density



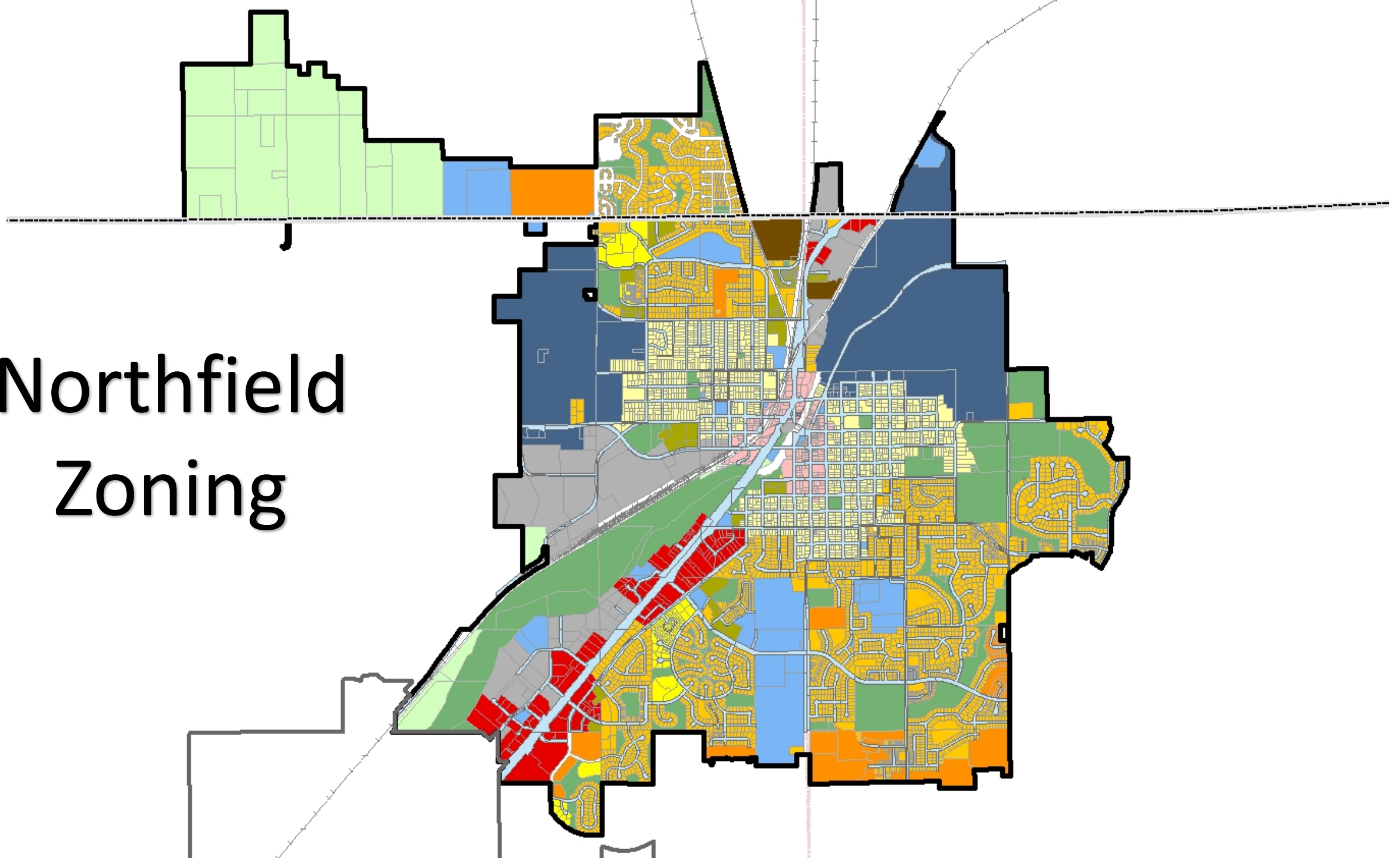
Issues

Not useful if unable to rent

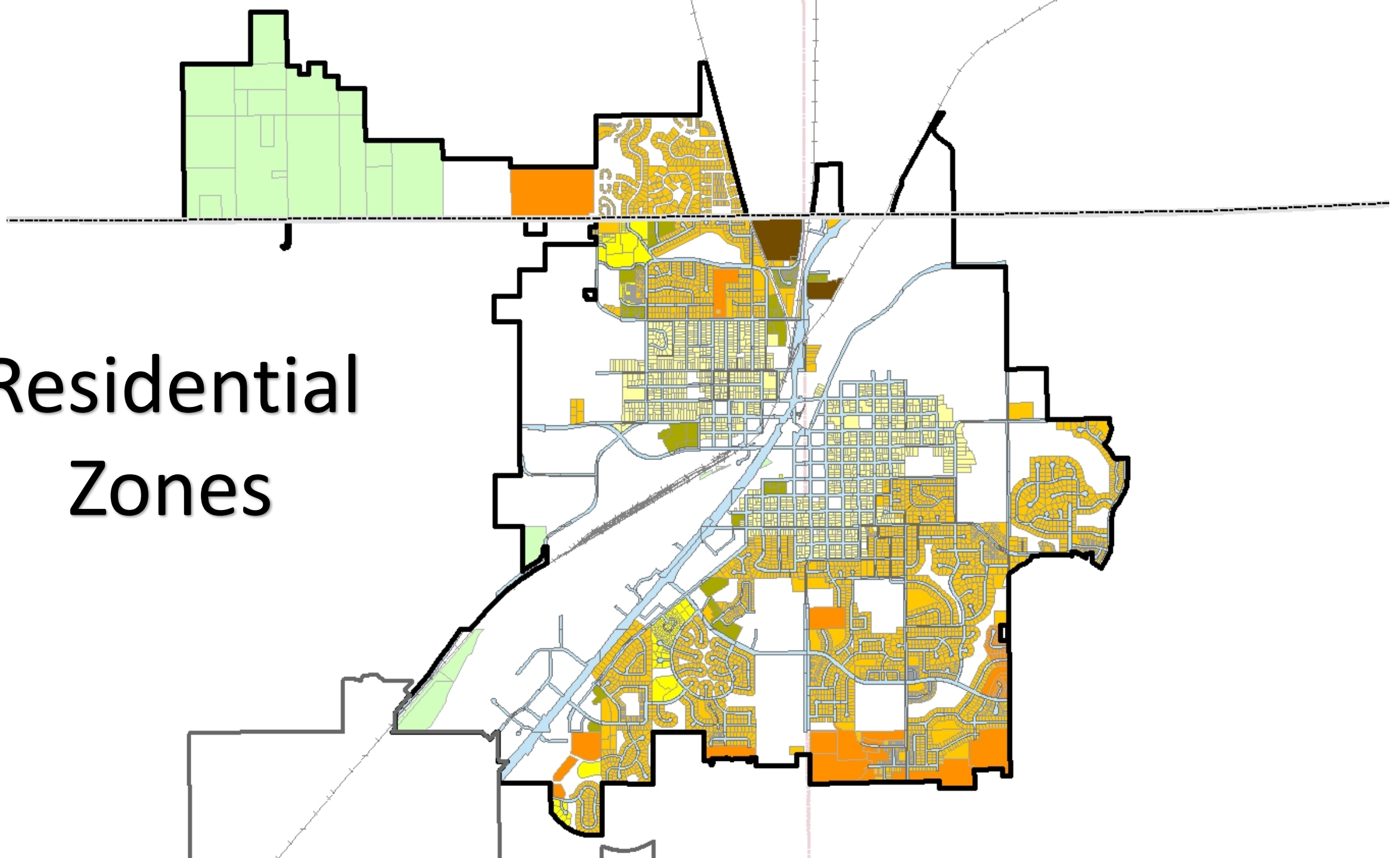
- Not all ADUs are intended for family member
- Great need for affordable rentals
- Rental income creates a better return on investment
- Rental income can be a very important source of income for seniors, allowing them to continue to live on property



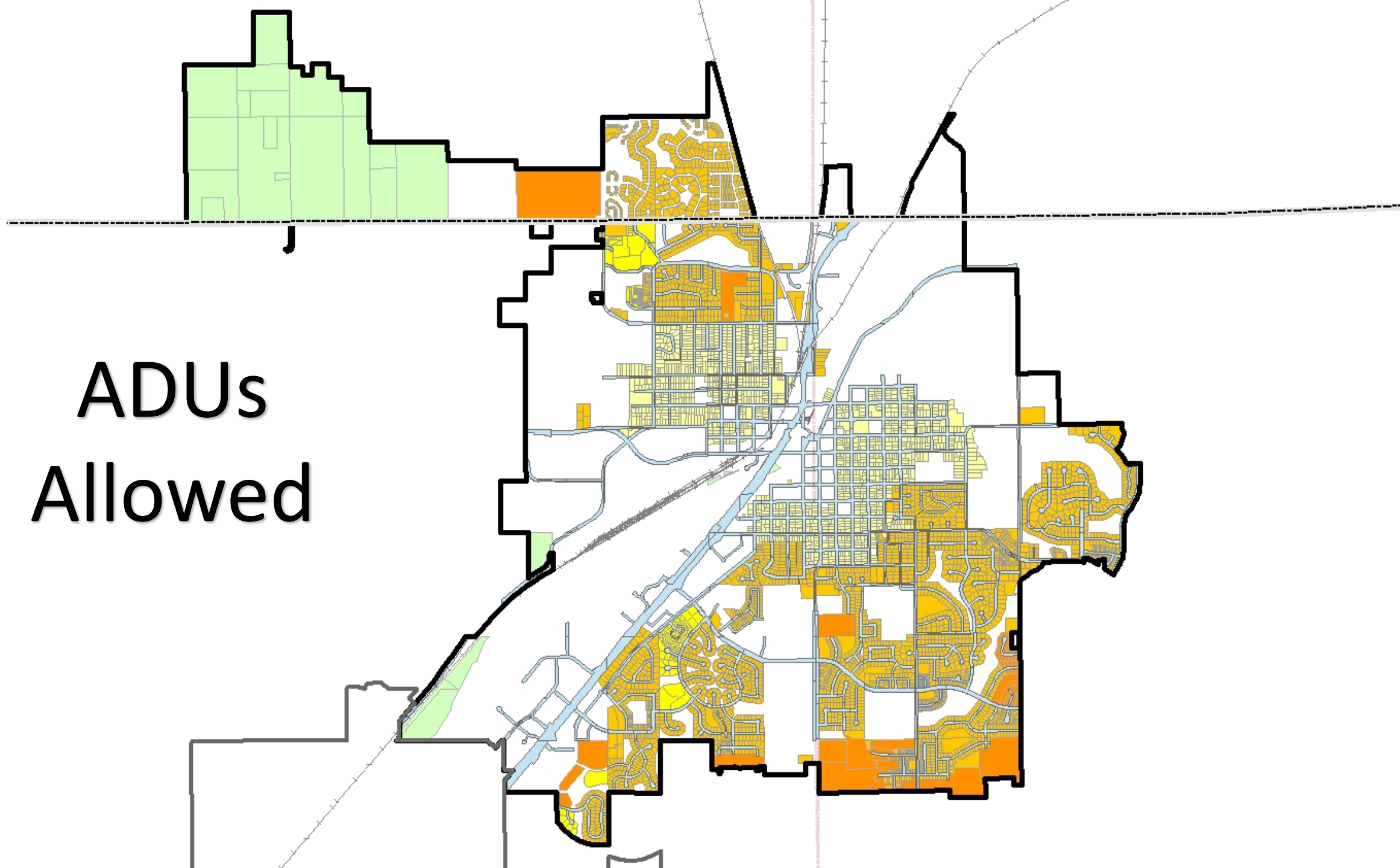
Northfield Zoning



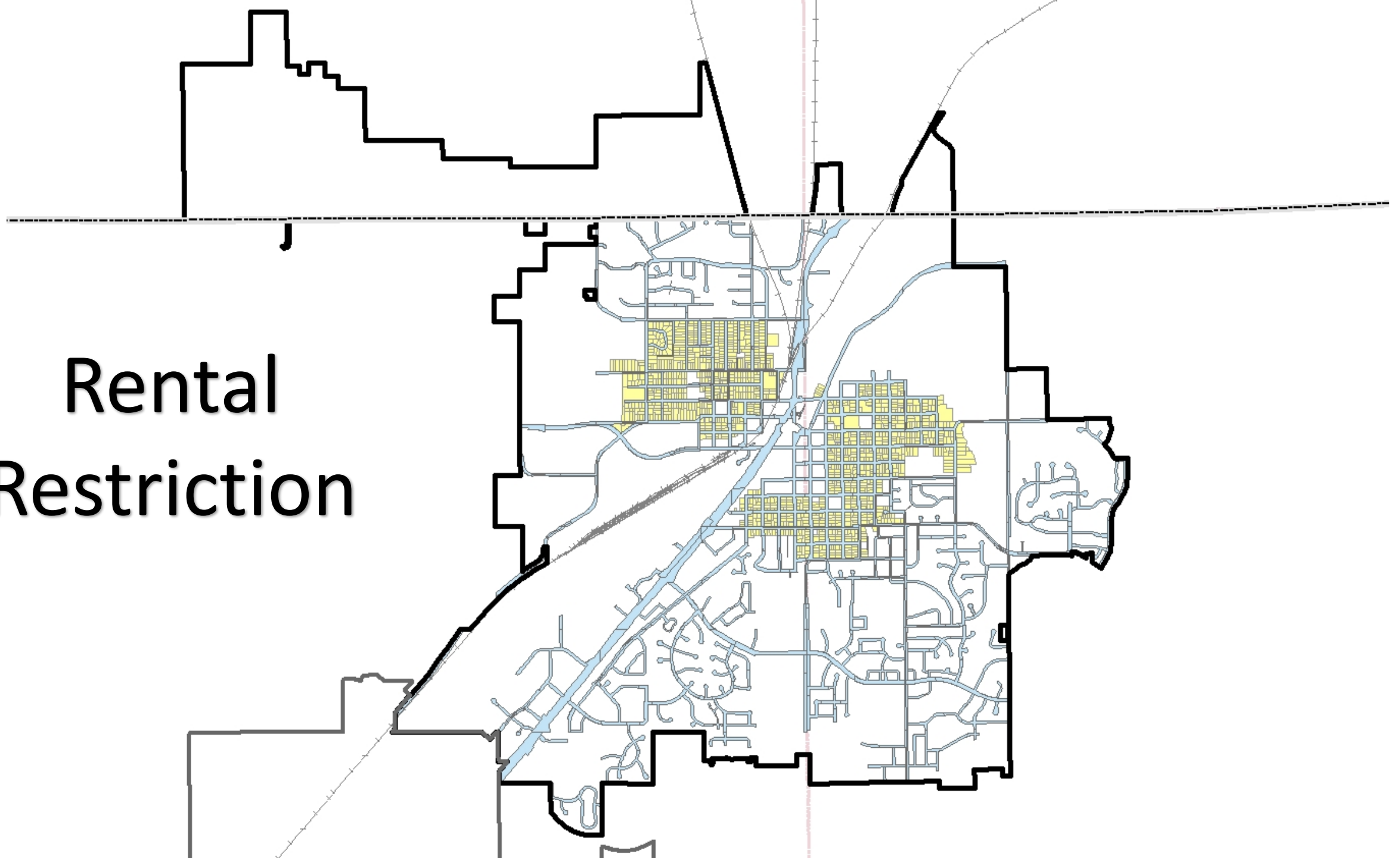
Residential Zones

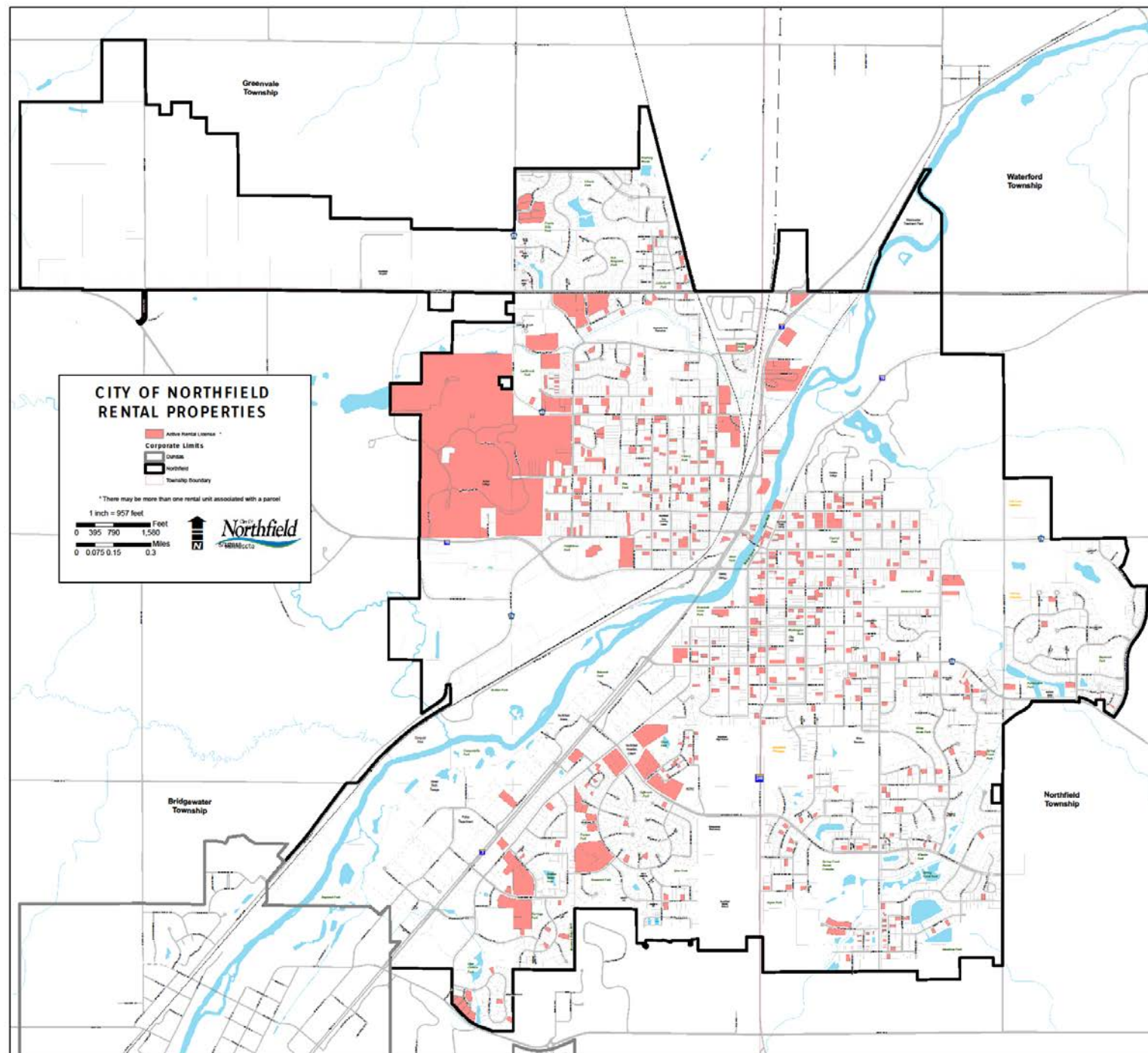


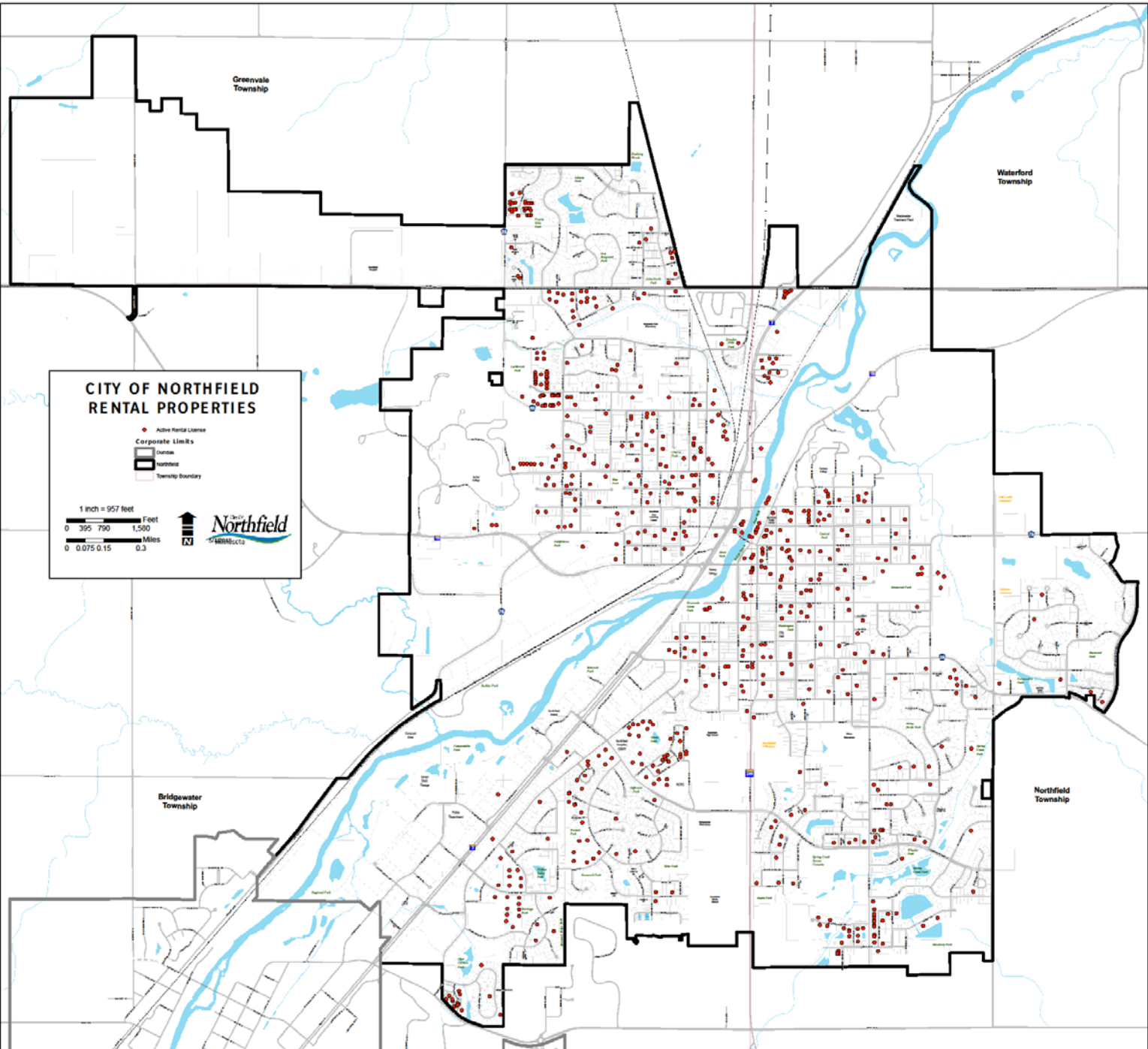
ADUs
Allowed

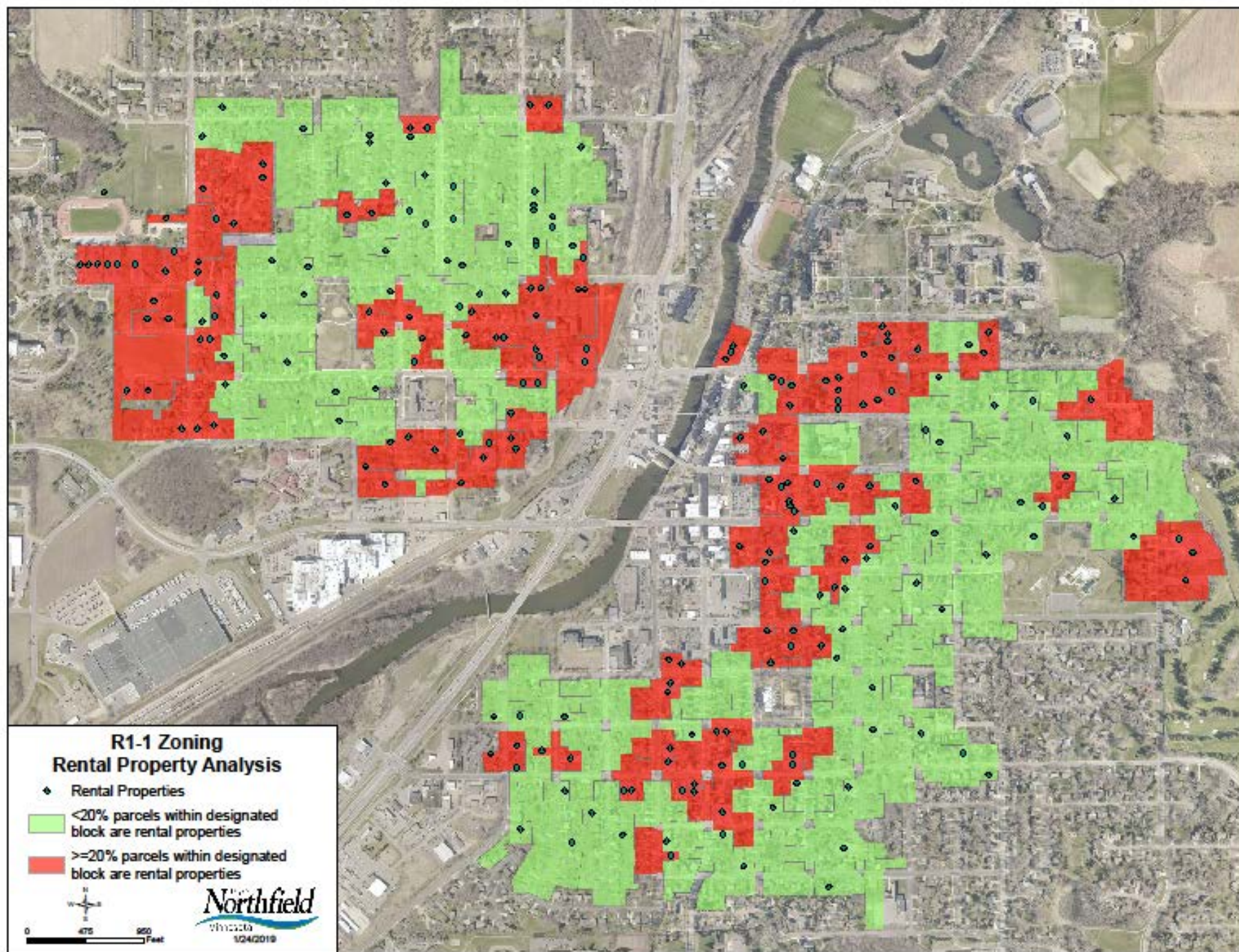


Rental Restriction









What are the proposed changes?

1. Remove requirement to be part of detached garage
2. Increase unit footprint and remove lot size limit
3. Exempt ADU from Building Area Ratio
4. Remove requirement to look like principal dwelling
5. Allow Tiny Houses on foundations
6. Allow churches to have an ADU
7. No additional parking required for ADU
8. Allow units to be rented.


** See next slide for some variation options for consideration.*



Alternative Ordinance Options

- A. Staff Recommended: Does not exempt ADUs from the 20% rental restriction, or the owner occupied requirement. Staff will work on a more broad review of the rental ordinance related to these issues for future consideration.
- B. Alternate Staff Recommended: Does not exempt ADUs from the 20% rental restriction, but **does remove** the provision for owner occupied requirement. Staff will work on a more broad review of the rental ordinance related to these issues for future consideration.
- C. Planning Commission Recommended: Exempts ADUs from the 20% rental restriction and the rental parking requirement, and allows rental properties to add an ADU.
- D. Original First Reading Adopted: **Not recommended for adoption** due to necessary clarifications.
- E. Councilor Grabau Option: Similar to “C” as it Exempts ADUs from the 20% rental restriction and the rental parking requirement. Is different in that the rental is subject to the primary unit being owner occupied.

** Postpone to April 15th Council Worksession is recommended on B, C, E or other alternate. Staff also supports postponement for A as well if interested by Council.*



Particular Areas of Note for Alternative Options

- The provisions in all of the Alternate Options (A, B, C, E) are substantial changes that will advance City Goals noted earlier in the presentation.
- Staff feels that Options A and B would be preferred to allow a more comprehensive review of the rental code prior to considering removing the provision of exempting the 20% rule for ADUs as well as planning for intentional public engagement and awareness around this particular provision. Additionally, although staff does provide an Option B that removes owner occupancy for the primary unit there are reservations to consider this without first a broader review in the context of the rental ordinance.
- Staff is supportive of additional considerations of council and discussion.
- There is still no immediate urgency of action so if additional time is needed to explore information there could be another “postpone” opportunity for further analysis.



Timeline

- ✓ First Reading of Ordinance - City Council meeting January 8, 2019
- Second Reading of Ordinance – City Council meeting February 5, 2019
- Ordinance becomes effective 30 days after publication

