



## Legislation Details (With Text)

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**Title:** Review Proposed Changes to N2 Zone District Allowing Tiny Houses and Small Lot Development  
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**Date:** January 18, 2018

**To:** Members of the Planning Commission

**From:** Scott Tempel, City Planner

Review Proposed Changes to N2 Zone District Allowing Tiny Houses and Small Lot Development

### Action Requested:

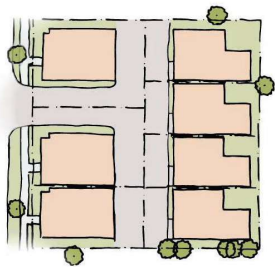
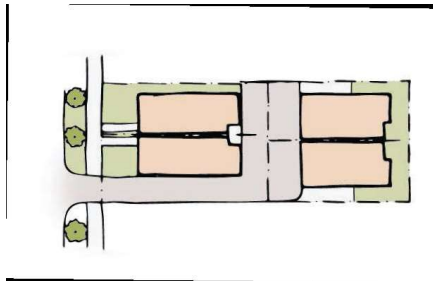
The Planning Commission is requested to review proposed changes to regulation of Tiny Houses and provide direction to staff.

### Summary Report:

The application of Tiny Houses in Northfield could take at least four different forms; Accessory Dwelling Units (ADUs), Recreational Vehicle Park, Manufactured Home/Tiny House Park, or traditional development in N2 zone. At the request of the Planning Commission, draft Land Development Code (LDC) amendment language has been developed to accommodate and maximize the potential of Tiny Houses in the N2 zone district.

The draft amendment language addresses only one of the options discussed at the December meeting related to traditional development in the Neighborhood General (N2) zoning district. The suggestion was to add a column for Tiny Houses to LDC Table 3.2 2: Site Development Standards for N2 District establishing development standards for this use to reduce lot sizes, allow multiple structures on a parcel, address common facilities, and setbacks.

The draft language (attached) provides an approach for the Planning Commission to consider. The key features are to minimize setbacks and to allow multiple dwellings on a single lot. This approach would accommodate both single-ownership properties and a cluster of tiny houses under a condominium plat. To go a step further, staff is proposing to allow lots to be subdivided with lot frontage allowed on private drives. This would facilitate individual ownership of lots in the village setting. Two examples of this development type are provided here:



It should be noted that this draft language has been shared with the Engineering Department, however a complete review had not been completed. Staff will be meeting to discuss during an upcoming Development Review Committee meeting. The draft language will also be forwarded to the City Attorney to review compliance with City Charter and State Statute. Planning Commission input is desired to assist with the staff review of the proposal.

### **Background:**

The following section is an abbreviated summary of the information on Tiny Houses provided at the last Planning Commission meeting.

### Need for Action:

Tiny Houses have gained in popularity and notoriety in recent years. A Tiny House is simply a very, very small home; usually 200-400 square feet. However, not all Tiny Houses are the same. There are several different construction methods and multiple means to utilize them.

Affordable Housing is one of the Strategic Priorities in the City of Northfield Strategic Plan with the desired outcome of growing and maintaining affordable housing in the city. The approaches called for include removal of regulatory barriers through the creation of new policies and regulations. In addition, after approving the ordinance for Temporary Health Care Dwelling Units on January 17, 2017, the City Council directed staff to come up with suggested approaches for other forms of Tiny Houses.

### Construction Methods:

One important consideration for regulation of Tiny Houses is the method of construction. All Tiny Houses are not alike and their method of construction determines how they are handled by the Building Code.

The typical image of a Tiny House is a small cabin or cottage looking dwelling built on a chassis with wheels. These units, called recreational park trailers or park models, are usually designed for temporary, seasonal use. They are certified as RVs with the Recreational Vehicle Industry Association and are labeled as such. Park trailers intended for permanent occupation in Minnesota must be installed in accordance with the Minnesota

Residential Code, which would normally require additional modification. Some custom park trailer Tiny Houses are designed as a permanent residence.

Manufactured homes could be considered the predecessor to the Tiny House. Formerly known as trailer houses or mobile homes, manufactured homes are also built on a permanent chassis and can be used with or without a permanent foundation. These units are built to federal Housing and Urban Development (HUD) standards and labeled as such.

Tiny Houses could also be built as Prefabricated or Modular buildings. Prefabricated homes are built off site and installed on a permanent foundation. Modular homes are normally built in pieces off-site and assembled on a permanent foundation. Modular dwellings are built to Industrialized Modular Buildings Commission (IMBC) and have that label.

Finally, a Tiny House could be “stick built” like a standard single-family dwelling. Under current laws, a Tiny House could be used as a principal dwelling on any lot in Northfield as long as it could meet current building codes. This would not capitalize on the potential for increasing density that can be realized with Tiny Houses, as a typical Northfield lot could accommodate multiple Tiny Houses, but this is not currently allowable.

No matter the construction method, the Minnesota Residential Code applies to the buildings and sets minimum requirements for light, ventilation, heating, minimum room sizes, ceiling heights, sanitation, toilet, bath and shower spaces, emergency escape and rescue openings, means of egress, smoke alarms and carbon monoxide alarms. All Tiny Houses must be approved by the Building Official.

#### Use and Clientele:

The other major consideration for addressing Tiny Houses is the intended use of the building or the clientele served. Tiny Houses have been used around the country for emergency shelter, transitional housing, permanent supportive housing, cooperative housing, workforce housing, and senior housing. They have served the homeless, low-income workers, seniors and those seeking an alternative to large, expensive housing.

Use of Tiny Houses for emergency shelter or transitional housing requires participation by local governments to make the projects work. This support comes in the form of provision of land, financial support and services. Usually a non-profit is also involved as the project operator. The temporary nature of these uses and the presence of community facilities means units can be as small as 100 to 150 square feet. Residents usually have limited financial contributions.

Projects providing permanent supportive housing or cooperative housing have typically been developed by non-profit organizations. Having more permanent residents translates into larger unit sizes and more substantial foundations. Oftentimes the local government will assist the project in limited ways. Residents tend to pay higher rents in these developments, but usually much lower than market rate rentals.

Moving away from supportive housing, one finds the use of Tiny Houses for a lifestyle choice as seen on TV. Here we see the Tiny House being used as an individual accessory dwelling unit on private property, or in market rate communities and cooperative housing. The developments are private and oftentimes for profit. They can be targeted at specific demographics like seniors or ecologically minded families.

So, the format of a Tiny House development is dependent on both the construction method of the units used and the population served. The continuum moves from very temporary in nature to permanent. Given these factors, the application of Tiny Houses in Northfield could take at least four different forms; Accessory Dwelling Units (ADUs), Recreational Vehicle Park, Manufactured Home/Tiny House Park, or traditional

development in N2 zone.

#### Accessory Dwelling Units:

Accessory Dwelling Units (ADU's) are currently allowed in Northfield residential zones. They must be part of a detached garage and be compatible in design with the principal building, according to the Use Specific Standards in the LDC. They are also limited to 864 sq. ft. in size, which is the same allotment given to detached garages. The intent is to create a carriage house design that harkens to the historic character of Northfield. These stipulations create a dwelling that is not ideal for senior living as it is on the second floor.

Tiny Houses could be allowed as ADUs on residential lots. This could provide additional affordable housing and increase density in the city. However, many blocks in the city cannot have any additional units due to the rental housing ordinance. Additionally, the minimal design of many Tiny Houses would not fit the Northfield aesthetic. This type of application would require carefully crafted design and placement standards to prevent any old travel trailer from becoming a Tiny House.

Northfield staff are currently investigating changes to the rental ordinance as part of the strategic plan objectives on affordable housing. The current feeling is that instead of introducing Tiny Houses into the mix, Northfield might be better served by modifying the existing ADU standards to allow ground level development as part of a garage or as a free standing unit. We are also evaluating the impact of the rental ordinance on the Northfield housing market.

#### RV Park:

Recreational Vehicle Parks are currently allowed in Northfield by Conditional Use Permit (CUP) in the C2 Highway Commercial zone. Tiny Houses would be permissible in RV parks under current regulations. The Conditional Use process would allow for things like expansion of rental duration, provision of common facilities, neighborhood compatibility standards, and environmental protection. There are several parcels in town near the river that could be potential sites and others may be eligible for rezoning. However, only parcels adjacent to the existing C2 zone or along the highway could be considered. This development model could be employed immediately without any action or financial commitment from the City. The nature of such a facility would be seasonal unless stipulated in the CUP.

#### Manufactured Home/Tiny House Park:

Manufactured Home Parks are currently allowed in Northfield in the R4 zone district. According to the LDC, a manufactured home is defined as a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when attached to the required utilities. A Tiny House meets this definition. Manufactured Homes also have [Use Specific Standards <https://library.municode.com/mn/northfield/codes/code\\_of\\_ordinances?nodeId=PTIINOCO\\_CH34LADECO\\_ART2ZODIUSRE\\_2.9UECST>](https://library.municode.com/mn/northfield/codes/code_of_ordinances?nodeId=PTIINOCO_CH34LADECO_ART2ZODIUSRE_2.9UECST) in Section 2.9.13 that set criteria for streets, common areas, lot configuration, construction of stands, and park management. Tiny Houses could meet the current standards, or the standards could be amended to include criteria specifically for Tiny Houses. Under current regulations, a suitable parcel of land could be rezoned to R4 to create a Tiny House Park as long as all of the standards are met. These regulations could also be modified to specifically address a Tiny House park if desired.

#### Traditional Development in the N2 zone:

The intent of the LDC is that most new residential development will follow the N2 Neighborhood General zoning. This district is intended to create developments with strong neighborhood qualities, such as a grid-like street pattern, consistent block size, compact development, a range of housing types and architectural styles, street connectivity, sidewalks, and homes located in close relationship to the street. As previously stated, a Tiny

House could be built on any existing N2 lot.

Tiny Homes could also be part of a new subdivision in the N2 zoning district by utilizing the 40' minimum lot width that was incorporated to accommodate developments with alleys. This will help to achieve the desired density of 4 to 6 units per acre. Additional language and specific regulations allowing Tiny Houses or small lot development could also be added.

**Tentative Timelines:**

Modifying the N2 zone with specific standards for Tiny Houses requires a Planning Commission public hearing and approval of an Ordinance by City Council. Once the Planning Commission holds a public hearing and forwards a recommendation to City Council, the proposed ordinance goes through first and second reading at the Council at two separate meetings. If approved, the ordinance would be effective 30-days after publication in the Northfield News.