



FAMILY HOUSING  
FUND

August 14, 2018

Office of the City Council  
310 City Hall  
15 Kellogg Blvd. West  
Saint Paul, MN 55102

Via e-mail to [Contact-Council@ci.stpaul.mn.us](mailto:Contact-Council@ci.stpaul.mn.us)

Re: Recommended Zoning Code amendments pertaining to Accessory Dwelling Units

Dear Saint Paul City Council:

**The Family Housing Fund (FHFund) supports the proposed zoning code amendments that would expand accessory dwelling units (ADUs) as a housing choice available citywide in Saint Paul.** The FHFund commends the City of Saint Paul's proposed ordinance for incorporating many best practices, including allowing development of ADUs by right; allowing different types of attached, interior, and detached units; and requiring no additional parking spaces.<sup>1</sup>

As a non-profit organization building on a 35-year legacy of helping communities meet their affordable housing needs, FHFund views ADUs as one way to increase homeowners' and renters' housing choices throughout Twin Cities neighborhoods. ADUs provide an efficient way to increase the number of housing units and reduce the cost of construction for new units. ADUs also allow housing stock to adapt to suit changing demographics and benefit homeowners by meeting their individual housing needs as they change over time. By design, ADUs have a limited impact on the character of established neighborhoods and are a "gentle" strategy for increasing population and housing options within neighborhoods of choice. ADUs are also relatively affordable housing options: the Turner Center at the University of California has found that 58 percent of ADU owners rent their units below market rate.<sup>2</sup> The results of our own survey of ADUs permitted in Minneapolis indicate that the average 1-bedroom ADU there is affordable to a household of two earning less than 45,000 per year (60% of area median income).<sup>3</sup>

While the proposed ordinance is strong, there are additional elements that the City of Saint Paul may want to consider to further **strengthen** its policy to encourage more ADU development:

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<sup>1</sup> A 2014 study found that ADU residents in Portland were less likely than average to own cars, and that ADUs had a negligible impact on parking citywide. <https://www.oregon.gov/deq/FilterDocs/ADU-surveyinterpret.pdf>

<sup>2</sup> [http://turnercenter.berkeley.edu/uploads/ADU\\_Update\\_Brief\\_December\\_2017.pdf](http://turnercenter.berkeley.edu/uploads/ADU_Update_Brief_December_2017.pdf)

<sup>3</sup> Of 8 reported rents for 1-bedroom ADUs in Minneapolis, in a FHFund survey conducted in June and July 2018, the average rent is \$983, including some/all utilities. While the sample size is small, this result indicates that ADUs are often more affordable than typical units in the market. Per Marquette Advisors, the average 1-bedroom rent in Minneapolis was \$1,178 in 4<sup>th</sup> quarter 2017.

- Eliminating the requirement that the principal dwelling unit and ADU occupants must meet the City's definition of a single housekeeping unit. This definition limits the flexibility of ADUs as a housing solution.
- Eliminating owner-occupancy requirements.<sup>4</sup> These requirements are not otherwise imposed on owners of single-family homes or duplexes, and they prevent flexibility in living arrangements for homeowners who may choose to temporarily live elsewhere for an extended period of time without selling their home.<sup>5</sup>

FHFund is developing a guidebook and set of tools for homeowners throughout the Twin Cities who are interested in adding an ADU to their property. We anticipate that the guidebook will be available later in 2018, and look forward to offering it as a resource to Saint Paul homeowners interested in ADU development.

Thank you for your consideration. With any questions, please contact Sarah Berke, Program Officer (612.274.7690, [sarah@fhfund.org](mailto:sarah@fhfund.org)).

Sincerely,



Ellen Sahli  
President

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<sup>4</sup> FHFund research conducted in July 2018 found that most cities with ADU policies do not require owner occupancy in peer regions defined by Greater MSP including Austin, Charlotte, Portland, and San Francisco. In Minnesota, the cities of Crystal, Stillwater, and Northfield do not require owner occupancy in ADU policies.

<sup>5</sup> Even if owner-occupancy requirements remain, the City could reduce the administrative burden and cost of this requirement by waiving the annual affidavit and fee to verify owner-occupancy. This requirement unnecessarily duplicates the requirement to file a declaration of land use with the county recorder.