COUNCIL CONFERENCE MEETING

October 25, 2021

5:30 PM

Fridley City Hall, 7071 University Avenue N.E.

AGENDA

1. Accessory Dwelling Units

2. Coronavirus State and Local Fiscal Recovery Fund Allocation Plan for the City of Fridley

The City of Fridley will not discriminate against or harass anyone in the admission or access to, or treatment, or employment in its services, program, or activities because of race, color, creed, religion, national origin, sex, disability, age, marital status, sexual orientation or status with regard to public assistance. Upon request, accommodation will be provided to allow individuals with disabilities to participate in any of Fridley's services, programs, and activities. Hearing impaired persons who need any interpreter or other persons with disabilities who require auxiliary aids should contact Roberta Collins at (763) 572-3500. (TTD/763-572-3534).

AGENDA REPORT

Meeting Date: October 25, 2021 **Meeting Type:** City Council Conference Meeting

Submitted By: Scott Hickok, Community Development Director
Stacy Stromberg, Planning Manager
Nancy S. Abts, Associate Planner

Title

Accessory Dwelling Units

Background

Accessory Dwelling Units (ADUs), also known as "Mother-in-Law Suites", "Granny Flats", "Carriage Houses", "Garden Apartments", and the like, are a growing topic of interest in the Twin Cities metro and nationwide. (Attachments 2 and 3 were produced for a Twin Cities audience by the Minneapolis-based Family Housing Fund.)

Allowing ADUs may be one way to address the need for additional housing in Fridley. Advocates of aging in place see ADUs as a way for older adults to remain in their communities (see Attachment 1, *ABCs of ADUs*, produced by the American Association of Retired Persons [AARP]). Most ADUs are also rented at rates affordable to households earning 80 percent of Area Median Income (AMI) or less. However, these new dwelling units may also impact neighborhood character. Communities considering allowing Accessory Dwelling Units must balance considerations of housing production and neighborhood preservation.

Financial Impact

The impact of ADUs on residential housing valuation depends largely on the type of construction (e.g., converting an existing basement into an ADU would be less impactful than building a new freestanding structure). Individual property owners may balance increased property values with other benefits an ADU provides, including potential rental income.

Discussion

The City Council is invited to discuss this topic.

Focus on Fridley Strategic Alignment

x Vibrant Neighborhoods & Places
____ Community Identity & Relationship Building
____ Financial Stability & Commercial Prosperity
____ Public Safety & Environmental Stewardship
____ Organizational Excellence

Attachments and Other Resources

1. *ABCs of ADUs: A guide to Accessory Dwelling Units* (AARP, 2019)
2. *Home + home: Twin Cities ADU Guidebook for Homeowners* (Family Housing Fund, 2019)
3. Cities in the Twin Cities Metro Area with an ADU Policy (Family Housing Fund, 2019)

The ABCs of ADUs

A guide to **Accessory Dwelling Units** and how they expand housing options for people of all ages

BASEMENT ADU

DETACHED ADU

GARAGE-CONVERSION ADU

ATTACHED ADU

SECOND-STORY ADU

AARP®
Real Possibilities

AARP Real Possibilities

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering people 50 or older to choose how they live as they age. With nearly 38 million members and offices in every state, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, AARP strengthens communities and advocates for what matters most to families: health security, financial stability and personal fulfillment. The AARP Livable Communities initiative works nationwide to support the efforts by neighborhoods, towns, cities, counties, rural areas and entire states to be livable for people of all ages.

Websites: *AARP.org* and *AARP.org/Livable*
Email: *Livable@AARP.org*
Facebook: /AARPLivableCommunities
Twitter: @AARPLivable
Free Newsletter: *AARP.org/Livable-Subscribe*

Orange Splot LLC

Orange Splot LLC is a development, general contracting and consulting company with a mission to pioneer new models of community-oriented, affordable green housing developments. Orange Splot projects have been featured in the *New York Times*, *Sunset Magazine* and on NBC's *Today* show. (The detached ADUs on page 3 and the back cover are by Orange Splot.) Company founder Eli Spevak has managed the financing and construction of more than 250 units of affordable housing, was awarded a Loeb Fellowship by the Harvard University Graduate School of Design, cofounded the website *AccessoryDwellings.org* and serves as a vice chair of Portland, Oregon's Planning and Sustainability Commission.

Website: *OrangeSplot.net*
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The ABCs of ADUs

A guide to Accessory Dwelling Units and how they expand housing options for people of all ages

Visit *AARP.org/ADU* to download or order this free guide and find more resources about accessory dwelling units.

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Back: Kol Peterson, *BuildingAnADU.com* | Eli Spevak, Orange Splot LLC | Schuyler Smith, Polyphon Architecture & Design, LLC

A NOTE TO READERS: Many of the photographs and project examples in this publication are from Portland, Oregon, one of the first municipalities in the nation to encourage the creation of accessory dwelling units.

Welcome! Come On In

AARP surveys consistently show that the vast majority of people age 50 or over want to remain in their homes and communities as they age rather than relocate

We know from surveys by AARP and others that a majority of Americans prefer to live in walkable neighborhoods that offer a mix of housing and transportation options and are close to jobs, schools, shopping, entertainment and parks.

These preferences — coupled with the rapid aging of the United States' population overall and decrease in households with children — will continue to boost the demand for smaller homes in more compact neighborhoods.

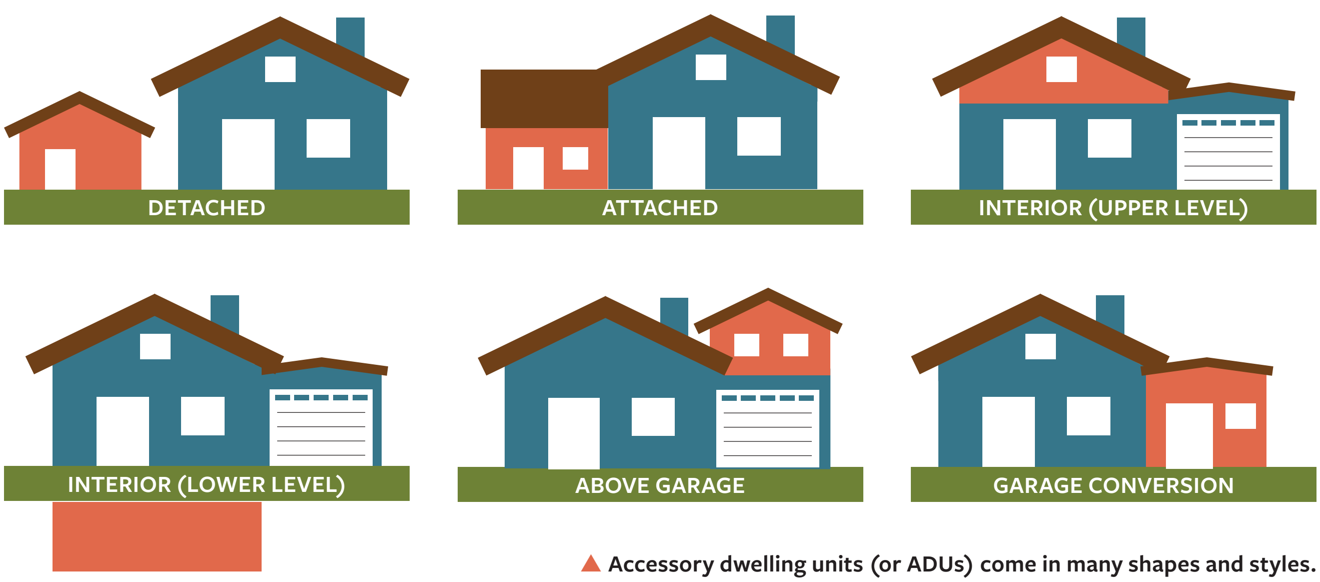
As small houses or apartments that exist on the same property lot as a single-family residence, accessory dwelling units — or ADUs — play a major role in serving a national housing need.

This traditional home type is reemerging as an affordable and flexible housing option that meets the needs of older adults and young families alike.

In fact, in the 2018 AARP Home and Community Preferences Survey, people age 50-plus who would consider creating an ADU said they'd do so in order to:

- provide a home for a loved one in need of care (84%)
- provide housing for relatives or friends (83%)
- feel safer by having someone living nearby (64%)
- have a space for guests (69%)
- increase the value of their home (67%)
- create a place for a caregiver to stay (60%)
- earn extra income from renting to a tenant (53%)

Since ADUs make use of the existing infrastructure and housing stock, they're also environmentally friendly and respectful of a neighborhood's pace and style. An increasing number of towns, cities, counties and even states have been adapting their zoning or housing laws to make it easier for homeowners to create ADUs.



▲ **Accessory dwelling units (or ADUs) come in many shapes and styles.**

The ABCs of ADUs is a primer for elected officials, policymakers, local leaders, homeowners, consumers and others to learn what accessory dwelling units are and how and why they are built. The guide also suggests best practices for how towns, cities, counties and states can include ADUs in their mix of housing options.

ADUs Come in Many Shapes and Styles

ADUs are a family-friendly, community-creating type of housing the nation needs more of

Although many people have never heard the term, accessory dwelling units have been around for centuries (see page 6) and are identified by many different names. To be clear about what's being discussed:

- An ADU is a small residence that shares a single-family lot with a larger, primary dwelling
- As an independent living space, an ADU is self-contained, with its own kitchen or kitchenette, bathroom and sleeping area
- An ADU can be located within, attached to or detached from the main residence
- An ADU can be converted from an existing structure (such as a garage) or built anew
- ADUs can be found in cities, in suburbs and in rural areas, yet are often invisible from view because they're positioned behind or are indistinct from the main house
- Because ADUs are built on single-family lots as a secondary dwelling, they typically cannot be partitioned off to be sold separately
- An ADU can provide rental income to homeowners and an affordable way for renters to live in single-family neighborhoods
- An ADU can enable family members to live on the same property while having their own living spaces — or provide housing for a hired caregiver
- Unlike tiny houses (see page 17), ADUs are compact but not teeny, so they're a more practical option for individuals, couples and families seeking small, affordable housing
- For homeowners looking to downsize, an ADU can be a more appealing option than moving into an apartment or, if older, an age-restricted community
- ADUs can help older residents remain in their community and "age in place"

CREATIVE COMMONS

▲ **Accessory dwelling units show up in neighborhoods throughout the country — and even in pop culture. One example: In the sitcom *Happy Days*, Fonzie (right) rented an above-garage ADU from the Cunningham family in 1950s-era Milwaukee, Wisconsin.**

ADUs are also known as ...

Although most local governments, zoning codes and planners in the United States use the term *accessory dwelling unit* or *ADU*, these small homes and apartments are known by dozens of other names. The different terms conjure up different images. (Who wouldn't rather live in a "carriage house" than in an accessory or "ancillary" unit?) Even if you've never heard of accessory dwelling units or ADUs, you have likely heard of — and perhaps know the locations of — some of the home types noted at right.

▲ **Renting out this 350-square-foot garage-conversion ADU in Portland, Oregon, helps the property owner, who lives in the lot's primary residence, pay her home mortgage.**

- accessory apartment
- alley flat
- back house
- backyard bungalow
- basement apartment
- carriage house
- coach house
- garage apartment
- granny flat
- guest house or cottage
- in-law suite
- laneway house
- mother-daughter house
- multigenerational house
- ohana unit
- secondary dwelling unit
- sidekick

PHOTO AND LIST FROM *ACCESSORYDWELLINGS.ORG*

Since ADUs can be created in many different shapes and styles, they're able to fit discreetly into all sorts of communities, including suburban subdivisions, row-house streets (either with or without back-alleys), walkable town or urban neighborhoods — and, of course, large lots and rural regions.

A **DETACHED ADU** (aka DADU) is a stand-alone home on the same lot as a larger, primary dwelling. Examples include backyard bungalows and converted outbuildings.

Location: Portland, Oregon | Photo by David Todd

An **ATTACHED ADU** connects to an existing house, typically through the construction of an addition along the home's side or rear. Such units can have a separate or shared entrance.

Location: Davidsonville, Maryland | Photo by Melissa Stanton, AARP

A **GARAGE ADU** makes use of an attached or detached garage by converting the space into a residence. Other options involve adding a second-story ADU above a garage or building a new structure for both people and cars.

Location: Portland, Oregon | Photo by Radcliffe Dacanay

An **INTERNAL ADU** is created when a portion of an existing home — an entire floor, part of a floor, or an attic or basement — is partitioned off and renovated to become a separate residence.

Access to an **UPPER-LEVEL ADU** can be provided through a stairway inside the main home or directly from an exterior staircase. This 500-square-foot ADU sits atop a 1,900-square-foot primary dwelling.

Location: Portland, Oregon | Photo by Eli Spevak, Orange Splot LLC

A **LOWER-LEVEL ADU** is typically created through the conversion of a home's existing basement (provided that height and safety conditions can be met), during construction of the house, or (see page 7) as part of a foundation replacement and house lift.

Location: Portland, Oregon | Photo by Derin Williams

ADUs Are Good for People and Places

Communities that understand the benefits of ADUs allow homeowners to create them

ADUs are an affordable housing option

- ADUs can generate rental income to help homeowners cover mortgage payments or simply make ends meet. The income provided by an ADU tenant can be especially important for older people on fixed incomes.
- Since the land on which an ADU is built already belongs to the homeowner, the expense to build a secondary residence is for the new structure only. The lot is, in a sense, free.
- ADUs are typically owned and managed by homeowners who live on the premises. Such landlords are less likely to raise the rent once a valued tenant has moved in. Many ADUs are created for family members to reside in for free or at a discounted rate.
- Although market rate rents for ADUs tend to be slightly more than for similarly sized apartments, they often represent the *only* affordable rental choices in single-family neighborhoods, which typically contain no studio or one-bedroom housing options at all.
- Some municipalities are boosting ADUs as part of affordable housing and anti-displacement strategies. Santa Cruz, California (see opposite), is among the cities with programs to help lower-income households build ADUs or reside in them at reliably affordable rents.

ADUs are able to house people of all ages

- An individual's housing needs change over time, and an ADU's use can be adapted for different household types, income levels, employment situations and stages of life.
- ADUs offer young people entry-level housing choices.
- ADUs enable families to expand beyond their primary home.
- ADUs provide empty nesters and others with the option of moving into a smaller space while renting out their larger house or letting an adult child and his or her family reside in it.

ADUs are just the right size

- Generally measuring between 600 and 1,000 square feet, ADUs work well for the one- and two-bedroom homes needed by today's smaller, childless households, which now account for nearly two-thirds of all households in the United States.

ADUs are good for the environment

- ADUs require fewer resources to build and maintain than full-sized homes.
- ADUs use significantly less energy for heating and cooling. (Of all the ADU types, internal ones tend to have the lowest building and operating costs.)

ADUs are community-compatible

- ADUs offer a way to include smaller, relatively affordable homes in established neighborhoods with minimal visual impact and without adding to an area's sprawl.
- ADUs provide a more dispersed and incremental way of adding homes to a neighborhood than other options, such as multistory apartment buildings. As a result, it's often easier to get community support for ADUs than for other housing types.

Big houses are being built, small houses are needed

Do we really need more than three times as much living space per person as we did in 1950? Can we afford to buy or rent, heat, cool and care for such large homes?

YEAR	1950	2017
Average square footage of new single-family homes	983	2,571
Number of people per household	3.8	2.5
Square feet of living space per person	292	1,012

Fact: ADUs house more people per square foot of living area than single-family homes do.

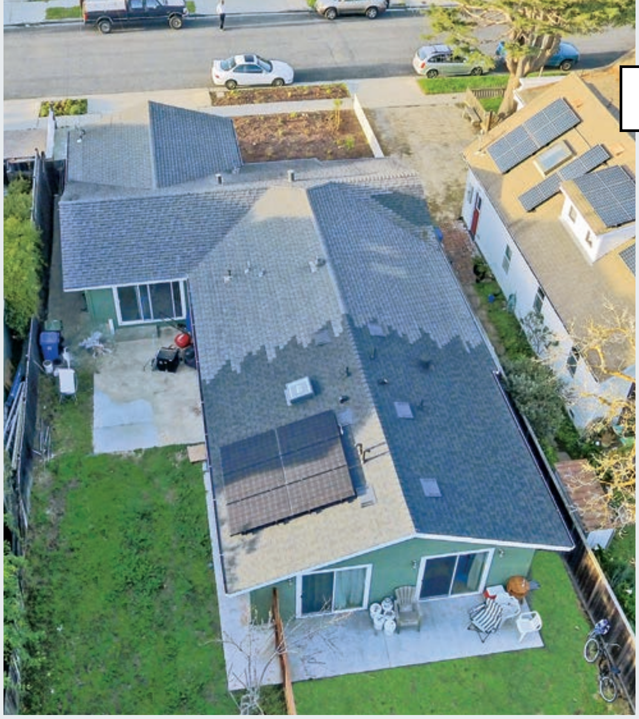
SOURCE: NATIONAL ASSOCIATION OF HOME BUILDERS (AVERAGE HOME SIZES), U.S. CENSUS BUREAU (AVERAGE HOUSEHOLD SIZES)

HOME VISIT #1

Attached ADU Addition

Santa Cruz, California
Size: 500 square feet

AARP



▲ **The area with the darker roof shingles is the ADU that was added onto the home of Carrie and Sterling Whitley.**

◀ ▼ **The Whitleys' ADU (that's Carrie showing off the front yard's new paths and plantings) has its own entrance on the side of the home and is being rented to the couple's daughter so she can help her elderly parents when needed.**

When Carrie and Sterling Whitley bought their house in 1971, they paid less than $15,000. Nearly 50 years later, similar homes on their street have sold for more than $1 million.

THE PROBLEM: The Whitleys, who are in their 80s, own the house outright and don't want to move. But the financial and physical demands involved in maintaining the house are a challenge.

A SOLUTION: To help low-income homeowners age 62 or older live independently and keep their homes, the Monterey Bay affiliate of Habitat for Humanity and the City of Santa Cruz launched My House My Home: A Partnership for Aging-in-Place. The pilot program builds accessory dwelling units so older homeowners can downsize into a new, aging-friendlier home and earn rental income from their original house. Or such homeowners can remain in their house and rent out the new, smaller residence. Participating homeowners are required to charge an affordable rental rate.

REALITY CHECK: When the Whitleys' project broke ground in April 2017, they were the first homeowners to receive an ADU through the program, which worked with them to design the ADU as an addition to their existing home. Since the dwelling was built with accessibility features, Carrie and Sterling know they can downsize into it if they ever need to. Until then, their daughter, Brenda, resides in the addition.

REAL LIFE: "I'm right next door to my parents in case they need me or need any help," Brenda says.

Design: Historic Sheds | Builder: Historic Sheds | Cost to build: $158,000 in 2017 (not including volunteer labor) | Photos by Michael Daniel | Article adapted from Where We Live: Communities for All Ages *(AARP 2018)*

ADU ADVICE: With an attached ADU, privacy between the two residences can be achieved by locating the ADU bedroom(s) and bathroom(s) as far as possible from the main house. Providing the ADU with its own yard or outdoor space is helpful too.

ADUs Are an American Tradition

While today's interest in ADUs may be new, the housing type is centuries old

Early settlers often built a small home to live in while constructing their larger, primary house nearby.

When farming was a source of survival for most of the nation's households, families routinely constructed additional homes on their land when needed.

People with wealth and acreage regularly populated their lands with secondary mansions and ancillary buildings independent of the main estate house.

In fact, until the 20th century, people with land built as many homes as they wished. There were few or no zoning rules, municipal services or infrastructure (utilities, roads, schools, trash collection, first-responders) to consider.

A historic precedent for the modern day accessory dwelling unit is the "carriage house," or "coach house." Originally built for horse-drawn carriages, the structures associated with grander homes were frequently large enough to double as living quarters for workers and stable hands.

Decades later, in response to housing shortages and economic needs, many surviving carriage houses were converted into rental homes. By becoming landlords, the owners gained income from their otherwise unused outbuildings.

▼ This carriage house containing a one-bedroom, one-bath ADU above a two-car garage sits behind a six-level, Gilded Age, Hoboken, New Jersey, townhome that was built in 1883. The dual residence property was on the market in 2018 for $5 million.

PHOTO BY MIMI PARK, DESIGN PARK, INC.

Automobile garages have a similar history. Some were originally built with a housing unit upstairs. Over time, many garages were converted (often illegally or under zoning codes no longer applicable today) into small homes when the spaces became more valuable for housing people than vehicles.

With the rise of suburban single-family home developments following World War II, ADUs practically ceased to be built legally in the United States. Then as now, residential zoning codes typically allowed only one home per lot, regardless of the acreage and with no exceptions. Attached and detached garages occupied yard space that might otherwise have been available for ADUs.

Some cities, including Chicago, grandfathered in pre-existing ADUs — but only if the residences remained consistently occupied. In Houston's historic and trendy Heights neighborhood, old and new garage apartments are common and desired.

But elsewhere, even in rural areas with ample land, property owners are often prohibited from creating secondary dwellings. Many communities today don't allow new ADUs, even if they did in the past — and even if ADUs currently exist there. (Countless units in single-family homes or yards are technically illegal or are allowed simply because they were created when such residences had been legal.)

ADUs began making a comeback in the 1980s as cities explored ways to support smaller and more affordable housing options within single-dwelling neighborhoods. In 2000, in response to a growing demand for ADU-supportive guidelines, AARP and the American Planning Association partnered to release an influential model state act and local code for ADUs.

More recently, there's been renewed interest at the state and local levels (see page 8) in legalizing and encouraging the creation of ADUs, driven by the increasingly high cost of housing and, in some places, the belief that homeowners with suitable space shouldn't be so restricted in the use of their property.

HOME VISIT #2

Garage Apartment ADU

Denver, Colorado
Size: 360 square feet

▲ **The apartment above the garage can be reached from inside the garage or from an exterior side entrance accessed from the yard it shares with the primary residence.**

"I see our ADU as something very similar to a student loan," says Mara Owen. "It's something you invest in the future with. It was cheaper than buying a house for Mom, and it lets her have independence. It's great knowing we can check in on her whenever."

AH-HA MOMENT: Owen, her partner, Andrew, and their three dogs were sharing a one-bedroom, one-bath house with her mother, Diane. When Owen learned that ADUs were allowed in the city, she decided the best way to get more space for her small home's many residents would be to remove their "leaky and defunct" garage and build a new two-car garage with an apartment above it.

WISE ADVICE: "Get a really great builder and architect," says Owen. "Interviewing architects was similar to a first date. It's not just who you feel connected with. That's important, but get to the values. It's a niche market, so see if you can find someone who has built ADUs before, because ADUs are a little different."

FUTURE PLANS: The stairs to Diane's apartment are wide enough for a stair lift, if it's ever needed. The roof was built at the correct slope for the eventual installation of solar panels.

Design: Hive Architecture | Builder: Hive Architecture | Cost to build: $167,000 in 2016 | Photo by Mara Owen | Article adapted from "ADU Case Studies" by Lina Menard on AccessoryDwellings.org. *Visit the website to read about and see photographs of more ADU projects.*

HOME VISIT #3

Basement ADU

Portland, Oregon
Size: 796 square feet

The transformation of this colorful Victorian was both a preservation and expansion project.

TEACHING MOMENT: "Here's a very welcome breath of fresh air, especially in the face of so much gentrification that is going on in Portland!" declared Mark Lakeman, principal of Communitecture, an architectural, planning and design firm, about the pictured remodel. Writing on his company's website, he says the project provides a lesson in how to "adapt and reuse our precious historic houses so they can accommodate more people while also providing more income to support the existing home."

HOW'D THEY DO IT? To add a basement rental unit, engineers lifted the house. The resulting ADU is roughly four feet underground and four feet above.

▲ **By lifting the house and digging beneath it, designers, engineers and builders turned a two-story, single-family home into a three-story, multifamily residence.**

THE ACHIEVEMENT: Adds Lakeman: "Unlike the seemingly pervasive method of simply tearing down existing buildings so that new, giant ones can be built, this approach achieves upgrades in energy efficient living places and adds density while retaining the continuity of our beloved historical urban environment."

Design: Communitecture | Home Lift: Emmert International | Builder: Tom Champion | Cost to build: $125,000 in 2015 | Photos by Communitecture (before) and Chris Nascimento (after)

The Time Is Now

Rules for ADUs continue to evolve and frequently differ from one town to the next

Some communities allow almost any home to be set up with an ADU — so long as size limits, property line setbacks and placement caveats in relation to the primary dwelling are met.

Other communities start with those basic standards and then layer on extra requirements (see page 14) that can make it challenging to create an ADU.

Municipalities nationwide have been relaxing their restrictions against ADUs, and some states have been encouraging their creation by requiring communities to allow them.

- In 2017, California required all of its cities and counties to allow ADUs so long as the property owner secured a building permit. In Los Angeles, Mayor Eric Garcetti has said ADUs could provide the city with a needed 10,000 housing units. He's touted ADUs as a "way for homeowners to play a big part in expanding our city's housing stock and make some extra money while they're at it."
- That same year, a New Hampshire law established that local zoning codes had to allow ADUs nearly everywhere single-family housing was permitted. The change stemmed in large part from the frustration of builders who couldn't construct the type of amenities, such as backyard cottages and garage apartments, that their clients desired.
- Oregon requires cities and counties of certain sizes within urban growth boundaries to allow ADUs in all single-family neighborhoods.
- As of 2019, major cities that allow ADUs include Anchorage, Alaska; Atlanta, Georgia; Austin, Texas; Denver, Colorado; Honolulu, Hawaii; Houston, Texas; Philadelphia, Pennsylvania; Phoenix, Arizona; Seattle, Washington; and Washington, D.C. Communities in Massachusetts, Kentucky, Illinois, Indiana and Oregon have sought advice from AARP and Orange Splot about revising their zoning codes to allow ADUs.

To Encourage ADUs

LOCAL OFFICIALS can ...

- allow all ADU types (detached, attached, interior)
- simplify the building permit process for ADUs
- waive or reduce permit and impact fees
- let garages be converted into ADUs without requiring replacement off-street parking
- allow a second ADU if one of the homes on the property meets accessibility standards

COMMUNITY PLANNERS can ...

- adopt simple, flexible but nondiscretionary ADU rules about setbacks, square footage and design compatibility with the primary dwelling

LENDERS can ...

- work with homeowners to finance the construction of ADUs by using renovation loans

ADVOCATES can ...

- organize tours of completed ADUs in order to inform and inspire the community
- educate homeowners, real estate agents, architects and builders about local zoning regulations and the permit process

REAL ESTATE AGENTS can ...

- educate themselves and their clients about rules for the construction of ADUs

LOCAL MEDIA can ...

- report on how and why homeowners build ADUs

PHOTO BY MELISSA STANTON, AARP

▶ The unique floor plan of this single-family Maryland farmhouse allows for a first floor residence (accessed through the door on the right) and an upper-level ADU that can be reached through the entrance at left.

Item 1.

HOME VISIT #4

Internal ADU (Main Level)

Portland, Oregon
Size: 220 square feet

Even small homes can have enough space for an ADU. An underused main floor bedroom in this 1.5-story, 1,500-square-foot bungalow was transformed into a studio apartment.

AH-HA MOMENT: According to Joan Grimm, who owns the home with Rita Haberman: "What we were looking for in terms of a community and aging in place was right under our noses. Remove a fence and create a shared open space. Build a wall and create a second dwelling unit. It doesn't have to be complicated."

REAL LIFE: "Creatively carving out an ADU from the main floor of our house saved on design and construction costs," Grimm adds. "It provides an opportunity for rental income, with no significant compromise to the livability of our home."

▲ **The steps and side entrance (top) lead to the studio apartment ADU, which was crafted out of an existing space. The covered porch to the right leads to the primary residence. The ADU contains a kitchen, small dining and living area, sleeping area, bathroom and laundry area.**

Design: Rita Haberman | Builder: RS Wallace Construction | Cost to build: $55,000 in 2015 (with some work done by the homeowners)
Photos courtesy Billy Ulmer | Article adapted from "ADU Case Studies" by Lina Menard on AccessoryDwellings.org

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HOME VISIT #5

Internal ADU (Lower Level)

Portland, Oregon
Size: 795 square feet

"We were looking for a way to live in our house for the rest of our lives and to generate at least some income in the process," Robert Mercer and Jim Heuer wrote for the program guide of the annual Portland ADU Tour when their home was part of the lineup. "An ADU offers the possibility of caregiver lodging in the future or even a place for us to live while we rent out the main house if we get to the point where we can't handle the stairs any longer."

THE SOUND OF SILENCE: Internal ADUs often require that soundproofing insulation be installed between the primary dwelling and the accessory unit that's below, above or beside it. In Portland, the building code for duplex residences requires a sound insulation rating of at least STCC45. To property owners thinking about a similar ADU setup, the duo advise: "Think about how you live in your home and how having downstairs neighbors will change what you can and can't do with your space and what investment you are prepared to make in sound insulation."

▼ **The door to the right of the garage leads to a ground-floor ADU with windows along the back and side walls. The upper-level windows seen below are part of the main residence.**

AN ADDED BONUS: "We are pleased that we have been able to provide more housing density on our property and still be in keeping with the historic character of our home."

Design: DMS Architects | Builder: Weitzer Company | Cost to build: $261,000 in 2016 | Photo by Melissa Stanton, AARP | Article adapted from the 2017 ADU Tour project profiles on AccessoryDwellings.org

Bringing Back ADUs

The reasons for creating or living in an ADU are as varied as the potential uses

ADUs are flexible. Over time, a single ADU might be used in many ways as an owner's needs and life circumstances change. Following are just a few reasons why ADUs are created and by whom:

EMPTY NESTERS can build an ADU and move into it, then rent out the main house for supplemental income or make it available to their adult children.

FAMILIES WITH YOUNG CHILDREN can use an ADU as housing for a nanny or au pair or even a grandparent or two, who can then help raise their grandkids and be assisted themselves as they age.

INDIVIDUALS IN NEED OF CARE can reside in an ADU to be near family members, or they can use the ADU to house a live-in aide. (In fact, ADUs can be an affordable and more comforting alternative to an assisted-living facility or nursing home.)

HOME BUYERS can look forward to the rental income from an ADU to help pay their mortgage or finance home improvements, especially in expensive housing markets.

HOME-BASED WORKERS can use an ADU as their office or workshop.

HOMEOWNERS can use an ADU for guests or as housing for friends or loved ones who:

- aren't yet financially independent, such as new high school or college graduates
- need temporary housing due to an emergency or while renovating their own home
- have disabilities but can live independently if family reside nearby

▲ **The zoning code in Evanston, Illinois, permits accessory dwelling units, creating an opportunity for the owners of this 1911 home with an outbuilding in the backyard.**

Planning and Paying for ADUs

Most new homes are built by developers, entire subdivisions at a time. Apartments are also built by pros.

But ADUs are different.

Although ADUs are occasionally designed into new residential developments, the vast majority are created by individual homeowners after they move in. In other words, ADUs are usually created by enthusiastic and motivated *amateurs*.

An ADU may present the ultimate chance for a do-it-yourselfer to build his or her small dream home. More often, homeowners bring in a combination of architects, designers and construction contractors to do the work, much as they would for a home addition or major kitchen remodeling. The local municipality's planning department can provide guidance on the rules for ADUs and information about what permits, utility connections and fees are involved.

ADUs aren't cheap, and they are often the most significant home improvement project a homeowner will undertake.

Although internal ADUs can sometimes be built for about $50,000, new detached ADUs often exceed $150,000. Most ADUs are financed through some combination of savings, second mortgages, home equity lines of credit and/or funds from family members (sometimes a relative who ends up living in it).

In some areas, the cost of building an ADU can be recouped after a few years of renting it. If that's the plan, it's worth estimating the expenses versus the potential income before undertaking an ADU project.

A few cities, nonprofits and start-ups are experimenting with creative financing options that could put ADUs within reach for more homeowners and their families, as well as prospective renters.

PHOTO BY ELI SPEVAK, ORANGE SPLOT LLC

Item 1.

▲ Walt Drake's Southern-style, one-bedroom ADU has an outdoor, wraparound porch that can be accessed without using steps. The design is in keeping with other buildings in the neighborhood.

HOME VISIT #6

Detached ADU (One-Story)

Decatur, Georgia
Size: 800 square feet

When Walt Drake decided to downsize, his son Scott purchased his dad's house for himself and his family and built a detached ADU (or DADU) for Walt.

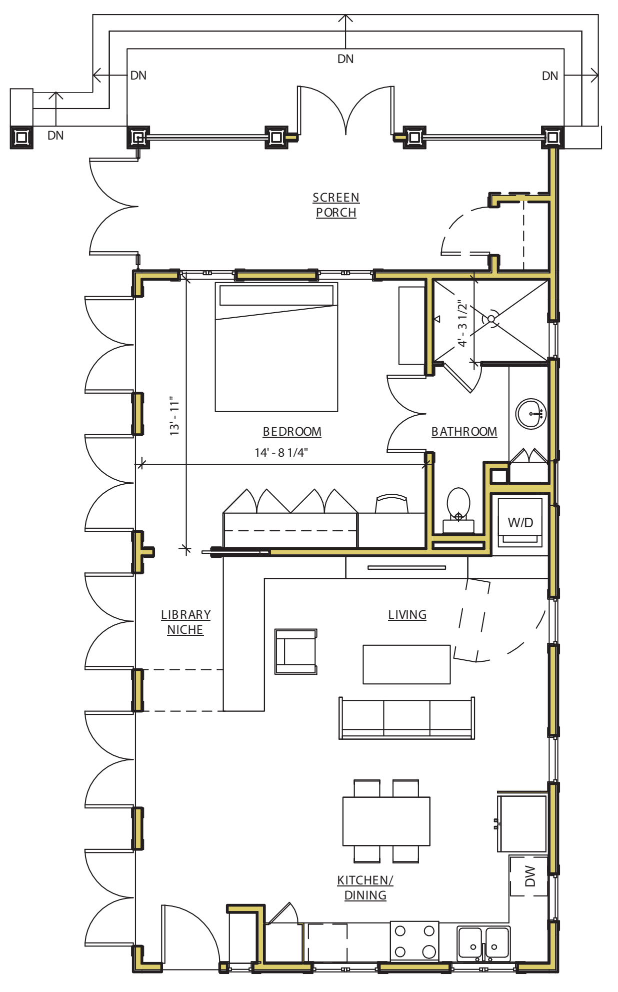
"From not finding what we wanted for Dad, we decided to create it," says Scott. "Neighborhoods built in the 1920s have carriage houses. Building an ADU was a modern day version of something people have been doing on their property in this area for a hundred years."

NEAR AND FAR: "We wanted the houses to be separate and to feel like we're each on our own property, but we're there for each other," says Scott.

AGING-FRIENDLY: Building the ADU meant Walt didn't have to sell his home and leave his neighborhood. "He was able to keep his own stuff and turn over what he didn't need to us," says Scott. "It kept my dad in place, which I think was important."

FUTURE PLANS: Scott says the ADU is "serving its intended purpose" but that someday down the road it could be used as a long- or short-term rental. "The ADU could turn into lots of different things over the course of its lifetime."

Design: Adam Wall, Kronberg Wall | Builder: Rob Morrell | Cost to build: $350,000 in 2014 | Photo by Fredrik Brauer | Floor plan by Kronberg Wall Architects | Article adapted from "ADU Case Studies" by Lina Menard on AccessoryDwellings.org



ADUs Are Age-Friendly Housing

New-construction ADUs can be created with "universal design" features

An "age-friendly" home has a zero-step entrance and includes doorways, hallways and bathrooms that are accessible for people with mobility differences. Garage conversions (such as the one pictured on page 2) are among the easiest and least expensive ADU solutions for aging in place since they're preexisting structures and generally have no-step entries. To learn more about making a home aging-friendly, download or order the AARP *HomeFit Guide* at *AARP.org/HomeFit*.

HOME VISIT #7

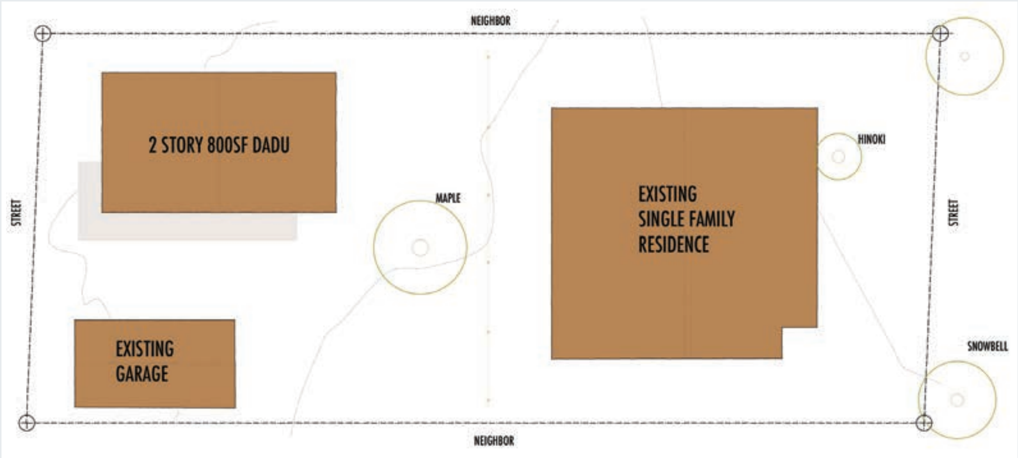
Detached ADU (Two-Story)

Seattle, Washington
Size: 800 square feet

Evelyn Brom's plan was to build a backyard cottage and rent it out. She would keep living in her two-bedroom home.

AH-HA MOMENT: As the design developed, Brom realized that *she* wanted to live in the stunning wood-and-glass ADU. It was a good decision. A week before moving in, Brom was laid off from her job.

REAL LIFE: The $3,000 a month Brom receives in rent for the main house (which is occupied by a three-generation family) provides a needed income. "Being laid off has made this arrangement a lifesaver," Brom says. If the stairs in the cottage ever become too hard to navigate, she can move back into her original one-story house and rent out the cottage instead. "Now I have options," she says.



▲ There's a powder room, open kitchen and living room on the first floor, with a bedroom and bathroom upstairs.

◀ Although Brom's property is only 0.13 acres, it's large enough to accommodate two homes, a patio, a lawn and a garage. A slatted wood fence with a gate divides the space between the two houses and provides privacy.

Design: Chrystine Kim, NEST Architecture & Design | Builder: Ian Jones, Treebird Construction | Photo by Alex Hayden | Cost to build: $250,000 in 2014
Article adapted from Where We Live: Communities for All Ages *(AARP 2018)*

HOME VISIT #8

Detached Bedroom

St. Petersburg, Florida
Size: 240 square feet

Bertha and her son John talked about someday buying a house with a mother-in-law suite. “Then one day someone came along and wanted my house, so I up and sold it,” she explains. “But that left me homeless. I asked John if I could build a small house in his backyard and he agreed.”

CREATIVE THINKING: A detached bedroom is a permanent, accessory structure that, unlike ADUs, lacks a kitchen. But that’s what makes these cabin-like homes more affordable to build than many ADUs and even tiny houses.

WHAT’S INSIDE: Bertha’s home contains a sleeping and living area and a full bathroom. “I paid for the little house and it’s on my son’s property. So I figured, if I’m cooking I can do it at my son’s house,” she says. (Her laundry is also done at his house.)

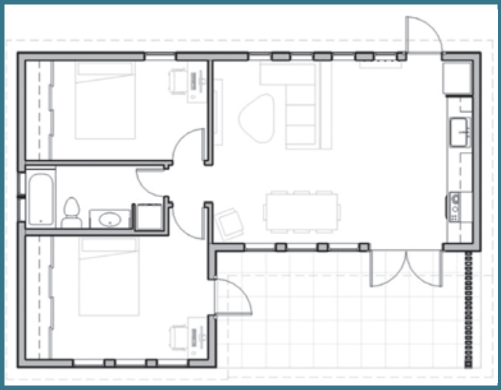
▲ **A detached bedroom, which contains a bathroom but no kitchen, can provide housing for a loved one or serve as a home office or guest cottage.**

REAL LIFE: “Having access to my son’s house makes it livable. Otherwise, I personally would not be happy. It’s very comforting to know that John is close by. Hopefully this will be my home forever.”

Design: Historic Sheds | Builder: Historic Sheds | Cost to Build: $50,000 in 2017 | Photo by Historic Sheds | Article adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org

A Sustainable and Sunny ADU

Tired of living in a house with so many walled off and dark spaces that the sun couldn’t shine in, the home’s owners built and moved into the bright, airy, modern and very accessible ADU they created in their yard. (The original, larger home has become a rental.) The ADU is located within a conservation district and was constructed using sustainable materials and environmentally friendly techniques. One such feature is the deck trellis, which allows light in while diffusing the heat of the afternoon sun.



▲ **Although this ADU has only 721 square feet of living space, there is room enough for two bedrooms.**

***Design: Propel Studio | Builder: JLTB Construction | Photo by Josh Partee | Cost to build: $185,000 in 2017 | Article adapted from “ADU Case Studies” by Lina Menard on* AccessoryDwellings.org**

Practical Solutions for ADUs

Local laws can both allow and appropriately control the creation of accessory dwellings

There are more than 19,000 cities, 16,000 towns and 3,000 counties in the United States. Regulations about ADUs are typically written or adopted at the local government level.

Where it's legal to build ADUs, homeowners still need to follow rules about where it can be done, how tall they can be, how many square feet they can contain, what they can look like and how they can be used. These rules can be found in the local zoning code.

Over the past few decades it has become clear that there's a balance to strike between the strictness of ADU regulations and how often ADUs get built.

For instance, after Portland, Oregon, relaxed its ADU rules in 2010 and waived impact fees (a savings of up to $12,000), the number of ADUs built there increased from about 30 per year between 2000 and 2009 to practically one ADU a day in 2015.

Changes in California's ADU laws allowed Los Angeles to achieve an even more dramatic increase, going from 80 permit applications in 2016 to nearly 2,000 in 2017. Allowing both an ADU and a "Junior ADU," or JADU — an interior ADU of 500 square feet or fewer — on properties in Sonoma County were among the urgent policies adopted in the wake of Northern California's many devastating fires.

Meanwhile, in many jurisdictions, well-intentioned but burdensome rules can stymie the creation of ADUs. ADU-related zoning codes should be restrictive enough to prevent undesirable development but flexible enough that they actually get built.

When a community is worried about a potentially undesirable outcome, it can — and many do — craft regulations to prevent particular building types, locations or uses. A city concerned about the environmental impact of new structures might prohibit placing detached ADUs in precarious locations, such as on steeply sloping lots. Communities wary of ADUs becoming, for instance, off-campus student housing could establish occupancy rules.

Every community has its own priorities and concerns, and there's a wide enough range of regulatory controls that communities can write appropriate ADU rules.

This inherent flexibility in the form and function of ADUs allows them to pass political muster and get adopted in a wide range of places. (See page 16 for more about uses and rules.)

Rules that discourage ADUs

- ADU-specific regulations that don't also apply to primary dwellings (e.g., owner-occupancy requirements)
- complex design compatibility criteria and approval steps
- off-street parking requirements beyond those required for the primary dwelling
- restrictions that limit ADUs to certain geographic areas, particular zoning categories or to large lots
- caps on square footage relative to the primary house that make it easy to add an ADU to a large home but hard or impossible to add one to a small home

TRADING SPACES: An ADU is always the smaller of two dwellings on a property, but it's possible for an existing home to become the ADU when a larger house is built and becomes the primary dwelling.

Are ADUs allowed in your community?

Find out by calling the office in charge of land use and permits or stopping by in person. You can also search for and read the zoning code through the local government's website.

- If ADUs are allowed, ask what conditions, permit needs and impact fees apply.
- If ADUs are not allowed in your community and you want them to be, ask an elected official or the local department of zoning and planning for information about how the codes can be updated. Then get organized and start advocating!

Creating (or Understanding) an ADU Zoning Code

The ADU section of a community's zoning code needn't be overly complicated. It just needs to establish clear, objective and fair rules for the following:

1. A Definition: A good zoning code clearly defines its terminology. Here, for example, is a useful outline for what, in the real world, is a very fluid term: "An ADU is a smaller, secondary home on the same lot as a primary dwelling. ADUs are independently habitable and provide the basic requirements of shelter, heat, cooking and sanitation."

2. The Purpose: This is where the code describes key reasons a community allows ADUs. They should:

- increase the number of housing units while respecting the style and scale of single-dwelling development
- bolster the efficient use of existing housing stock and infrastructure
- provide housing that's affordable and respond to the needs of smaller, changing households
- serve as accessible housing for older adults and people with disabilities

3. Eligibility: Who can build an ADU and on what type of property? A statement in this part of the code clarifies that an ADU can be placed only on a "residentially zoned, single-family lot." (Some communities provide lot size standards, but many don't.)

4. Creation: This is where the code sets out how an ADU can be built. For instance: "An ADU may be created through new construction, the conversion of an existing structure, as an addition to an existing structure or as a conversion of a qualifying existing house during the construction of a new primary dwelling on the site."

5. Quantity: Most municipalities that permit ADUs allow one per lot. Vancouver, British Columbia; Sonoma County, California; and Tigard, Oregon, are among the few that allow two per lot (typically one internal and one external). Some communities also allow duplexes or townhomes to have ADUs, either in the backyard or on the ground floor.

6. Occupancy and Use: A code should state that the use-and-safety standards for ADUs match those that apply to the primary dwelling on the same property. (See page 17 for more about ADU uses.)

7. Design Standards:

- **Size and height:** A zoning code might specify exactly how large and tall an ADU is allowed to be. For instance, "an ADU may not exceed 1,000 square feet or the size of the primary dwelling, whichever is smaller." Codes often limit detached ADUs to 1.5 or 2 stories in height. (An example of that language: "The maximum height allowed for a detached ADU is the lesser of 25 feet at the peak of the roof or the height of the primary dwelling.")
- **Parking:** Most zoning codes address the amount and placement of parking. Some don't require additional parking for ADUs, some do, and others find a middle ground — e.g., allowing tandem parking in the driveway and/or on-street parking. (See page 16 for more about parking.)
- **Appearance:** Standards can specify how an ADU's roof shape, siding type and other features need to match the primary dwelling or neighborhood norms. Some codes exempt one-story and internal ADUs from such requirements. (See page 16 for more about making sure that ADUs fit into existing neighborhoods.)
- **Entrances and stairs:** Communities that want ADUs to blend into the background often require that an ADU's entrance not face the street or appear on the same facade as the entrance to the primary dwelling (unless the home already had additional entrances before the ADU was created).

8. Additional Design Standards for Detached ADUs:

- **Building setbacks:** Many communities require detached ADUs to either be located behind the primary dwelling or far enough from the street to be discreet. (A code might exempt preexisting detached structures that don't meet that standard.) Although this sort of rule can work well for neighborhoods of large properties with large rear yards, communities with smaller lot sizes may need to employ a more flexible setback-and-placement standard.
- **Building coverage:** A code will likely state that the building coverage of a detached ADU may not be larger than a certain percentage of the lot that is covered by the primary dwelling.
- **Yard setbacks:** Most communities have rules about minimum distances to property lines and between buildings on the same lot. ADUs are typically required to follow the same rules.

Visit *AARP.org/ADU* to see examples of ADU zoning codes from selected cities.

ADU “Hot Topics”

As communities allow ADUs or update existing zoning codes and rules to be more ADU-friendly, they inevitably wrestle with some or all of the following issues:

Adding ADUs to neighborhoods

Recognizing that ADUs may represent a new housing type for existing neighborhoods, communities often write special rules to ensure they’ll fit in well. These guidelines typically address visual compatibility with the primary dwelling, appearance from the street (if the ADU can be seen) and privacy for neighbors. Rules that help achieve these goals include:

- height and size caps mandating that ADUs be shorter and smaller than the primary dwelling
- requirements that detached ADUs be behind the main house or a minimum distance from the street
- mandates that the design and location of detached ADUs be managed the same way as other detached structures (e.g., garages) on the lot
- design standards for larger or two-story ADUs so they architecturally match the primary dwelling or reflect and complement neighborhood aesthetics
- encouragement for the creation of internal ADUs, which are often unnoticed when looking at the house

Each community can strike its own unique balance between strict rules to ensure that ADUs have a minimal impact on neighborhoods and more flexible rules that make them easier to build.

▼ A top floor ADU can be a suitable rental for a student or someone who travels a lot for work. ADU expert Kol Peterson grew up in a home with an attic ADU that was usually rented to law school students. “They had to walk up the primary house’s interior stairs in order to access the affordable attic unit,” he writes in *Backdoor Revolution: The Definitive Guide to ADU Development*. “Over the years that each of them lived there, the tenants became parts of our family.”

PHOTO BY KOL PETERSON, *BUILDINGANADU.COM*

Providing places to park

ADU regulations often include off-street-parking minimums on top of what’s already required for the primary dwelling. Such rules can prevent homeowners from building ADUs if there’s insufficient physical space to accommodate the parking. However, additional parking often isn’t needed.

Data from Portland, Oregon, shows that there are an average of 0.93 cars for each ADU, and that about half of all such cars are parked on the street. With fewer than 2 percent of Portland homes having ADUs (the highest percentage in the country), there is about one extra car parked on the street every six city blocks. This suggests that any impacts on street parking from ADUs are likely to be quite small and dispersed, even in booming ADU cities.

More-realistic parking rules might:

- require the creation of new parking only if the ADU displaces the primary dwelling’s existing parking
- waive off-street-parking requirements at locations within walking distance of transit
- allow parking requirements for the house and ADU to be met by using some combination of off-street parking, curb parking, and tandem (one car in front of the other) parking in a driveway

Dealing with unpermitted ADUs

It’s not uncommon for homeowners to convert a portion of their residence into an ADU in violation (knowingly or not) of zoning laws or without permits.

Such illegal ADUs are common in cities with tight housing markets and a history of ADU bans. One example is New York City, which gained 114,000 apartments between 1990 and 2000 that aren’t reflected in certificates of occupancy or by safety inspections.

Some cities have found that legalizing ADUs, simplifying ADU regulations and/or waiving fees can be effective at getting the owners of illegal ADUs to “go legit” — and address safety problems in the process.

Allowing and Restricting Uses

Communities get to decide whether to let ADUs be used just like any other housing type or to create special rules for them. Some municipalities take a simple approach, regulating ADUs just as they do other homes. So if a home-based childcare service is allowed to operate in the primary dwelling, it is also allowed in an ADU. Conversely, communities sometimes adopt ADU-specific regulations in order to avoid undesirable impacts on neighbors. Examples include:

Limiting short-term rentals

ADUs tend to work well as short-term rentals. They're small and the owner usually lives on-site, making it convenient to serve as host. However, if ADUs primarily serve as short-term rentals, such as for Airbnb and similar services, it undermines the objective of adding small homes to the local housing supply and creating housing that's affordable.

In popular markets, short-term rentals can be more profitable than long-term ones, allowing homeowners to recoup their ADU expenses more quickly. In addition, short-term rentals can provide owners with enough income that they can afford to occasionally use the ADU for friends and family.

A survey of ADU owners in three Pacific Northwest cities with mature ADU and short-term rental markets found that 60 percent of ADUs are used for long-term housing as compared with 12 percent for short-term rentals.

Respondents shared that they "greatly value the ability to use an ADU flexibly." For instance, an ADU can be rented nightly to tourists, then someday rented to a long-term tenant, then used to house an aging parent. ADUs intended primarily for visting family are sometimes used as short-term rentals between visits.

Cities concerned about short-term rentals often regulate them across all housing types. If there are already rules like this, special ones might not be needed for ADUs. An approach employed in Portland, Oregon, is to treat ADUs the same except that any financial incentives (such as fee waivers) to create them are available only if the property owner agrees not to use the ADU as a short-term rental for at least 10 years.

Requiring owner-occupancy

Some jurisdictions require the property owner to live on-site, either in the primary house or its ADU. This is a common way of addressing concerns that absentee landlords and their tenants will allow homes and ADUs to fall into disrepair and negatively impact the neighborhood.

Owner-occupancy rules are usually implemented through a deed restriction and/or by filing an annual statement confirming residency. Some cities go further, saying ADUs can be occupied only by family members, child- or adult-care providers, or other employees in service of the family.

Owner-occupancy requirements make the financing of ADUs more difficult, just as they would if applied to single-family homes. But as ADUs have become more common, owner-occupancy restrictions have become less so, which is good. Such requirements limit the appraised value of properties with ADUs and reduce options for lenders should they need to foreclose.

Enforcing owner-occupancy laws can be tricky, and the rules have been challenged in courts, sometimes successfully. However, according to a study by the Oregon Department of Environmental Quality, more than two-thirds of properties with ADUs are owner-occupied even without an owner-occupancy mandate.

While not technically ADUs, tiny houses can serve a similar purpose

▶ Because tiny houses — such as the 100-square-foot "Lucky Penny," pictured — are built on a trailer with wheels rather than on a fixed foundation, they are typically classified as recreational vehicles (RVs) rather than permanent residences. Although tiny homes are usually smaller than 400 square feet, many of them do contain a kitchen and bathroom.

Design and Builder: Lina Menard, Niche Consulting | Photos by Guillaume Ditilh, PhotoXplorer

ABOVE-GARAGE ADU

DETACHED-BEDROOM ADU

DETACHED ADU

- An accessory dwelling unit is a small residence that shares a single-family lot with a larger primary dwelling.
- As an independent living space, an ADU is self-contained, with its own kitchen or kitchenette, bathroom and living/sleeping area. (Garage apartments and backyard cottages are each a type of ADU.)
- ADUs can enable homeowners to provide needed housing for their parents, adult children, grandchildren or other loved ones.
- An ADU can provide older adults a way to downsize on their own property while a tenant or family member resides in the larger house.
- Since homeowners can legally rent out an ADU house or apartment, ADUs are an often-essential income source.
- ADUs help to improve housing affordability and diversify a community's housing stock without changing the physical character of a neighborhood.
- ADUs are a beneficial — and needed — housing option for people of all ages.

Learn more about ADUs and order or download

The ABCs of ADUs

by visiting

AARP.org/ADU

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Home + home Twin Cities ADU Guidebook

FOR HOMEOWNERS

ADU:
ACCESSORY DWELLING UNIT

FAMILY HOUSING FUND
Illuminating solutions. Sparking change.
FHFUND.ORG

PHOTO CREDIT Jill Greer photography

Contents

Introduction

In this section you will...

- Learn how to use this guidebook.
- Learn what an ADU is.
- Discover the different types of ADUs.
- Find answers to common questions.

Home + home: Are you interested in building an Accessory Dwelling Unit (ADU) and creating another home in your little corner of the world? ADUs have existed historically throughout the Twin Cities, providing important space to rent out for extra income or to meet other household needs. As the metropolitan region grows and changes, homeowners and city planners alike are rediscovering the benefits of ADUs and the role they play in meeting our housing needs. Still, a homeowner thinking about building an ADU can be uncertain about where to start. This guidebook can help make your ADU dreams a reality.

How to Use this Guidebook

This guidebook is organized in two sections:

A. GET INSPIRED. Learn about the benefits of ADUs and see the ADU experiences of real Twin Cities families.

B. HOW TO BUILD AN ADU. Learn the basics of ADU development, from start to finish.

This guidebook is a resource to help you get started, but it cannot replace the knowledge and experience of local designers, builders and planners. The size and shape of your property, the rules of the city you live in, your budget and your own design needs and preferences will make your ADU-building experience unique.

What is an Accessory Dwelling Unit?

An ADU is a self-contained residential unit with its own living room, kitchen and bathroom.

ADUs are known by many names: carriage or coach houses, accessory apartments, garden apartments, mother-in-law suites, granny flats, backyard cottages and secondary dwelling units. Whatever it is called, an ADU is smaller than the primary or main house on the same lot.

PHOTO CREDIT Jill Greer photography

ADUs ARE ALSO KNOWN AS:

Backyard Cottages	*Garden Apartments*	*Accessory Apartments*	*Mother-in-law suites*	*Granny Flats*	*Secondary Dwelling Units*	*Carriage Houses*

How are ADUs different from duplexes?

Item 1.

While they share some similarities, ADUs are generally differentiated from duplexes (two-family houses) in their size, construction timing and use. City building and zoning laws often treat the two housing forms differently.

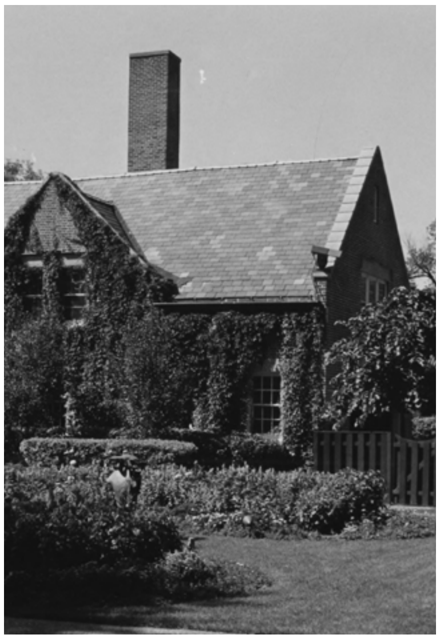
- An ADU is smaller than the main home. Units in duplexes are usually about the same size.
- Duplexes are usually in the same building, but ADUs can be located within, attached to or detached from the main home.
- Duplexes are usually built as one construction process; ADUs are often built after the main home is completed.
- ADUs are designed as flexible housing and can generate rental income, house multigenerational families or serve other uses.

Could a tiny house be an ADU?

Most tiny houses on the market are set on trailers and have wheels. These are categorized as Recreational Vehicles (RVs) and are usually not allowed as a permanent living space. However, if a tiny house meets residential building standards, is placed on a permanent foundation and is connected to utilities, it could be considered an ADU. Ask your city's building department to learn more.

A historic form of housing

Although there is a recent resurgence of interest in ADUs, they are actually a historic form of housing that was common in the Twin Cities before World War II. For example, in the Frogtown neighborhood of St. Paul, new immigrants would commonly build an alley house in the back of their lot while saving to build a larger home in the front (McClure 2018). Many carriage houses (living quarters located above garages) were built alongside larger homes and are still used for housing today. Some modest single-family homes included attic or basement apartments that helped to house larger city populations in the early- and mid-20th century.



Coach house at Minnesota Governor's Residence.

PHOTO CREDIT Minnesota Department of Administration

[1] Jane McClure, "Alley House," Saint Paul Historical, accessed August 9, 2018

Is the usable space above my garage, in my basement, or in my attic an ADU?

If the space has a living area, a kitchen, a bathroom and its own entrance, it may be an ADU. ADUs must also meet certain residential building code requirements, so check with your local planning office. See also Legalizing an Existing ADU on page 38.

Is a granny pod an ADU?

In 2016, the Minnesota Legislature approved a definition of "Temporary Family Health Care Dwellings," the backyard dwellings sometimes called "granny pods." The statute defines them as mobile residential dwellings or providing care for a mentally or physically impaired family member. Most Minnesota cities do not allow these temporary care dwellings, and they are treated differently from ADUs in local code (Bekker 2016).

Types of ADUs

There are three basic types of ADUs:

Internal

ADUs are located within the structure of the main house, for example, a converted basement or attic. These are generally the least expensive to build.

Attached

ADUs share one or more walls with the primary house. These ADUs are commonly constructed as additions or conversions of attached garages.

Detached

ADUs are the most visible type of ADU. They are typically the most expensive to build and include freestanding backyard structures, detached garage conversions, same-level additions to a detached garage or above-garage units.

What type of ADU works best for you?

As you go through this guidebook, return to this question and consider which type of ADU best fits your goals and budget. Local regulations may limit which type you can build.

FREQUENTLY ASKED QUESTIONS

GET INSPIRED: ADU

PHOTO CREDIT Jill Greer photography (both pages)

Stories

In this section you will...

- Learn about the benefits of ADUs.
- Read the stories of other local homeowners who have built them.

Benefits of ADUs

Building an ADU offers many benefits for you and your neighborhood. ADUs are flexible and can serve many purposes over time. While every home's story is unique, here a few examples.

ADU

EXPANDING HOUSING OPTIONS

An ADU can have a positive effect on your community. ADUs provide more housing options in neighborhoods that are already built out, which can help relieve the growing demand for housing in a way that does not alter the character of existing neighborhoods.

EARNING INCOME

Depending on the circumstances, rental income may make it possible to cover the cost of monthly loan payments and, over a number of years, pay back the initial cost of the ADU's construction. Even when financial returns are not a primary motivation, earning rental income might make it possible to work part-time, stay home with a child or save for a major expense.

AGING IN PLACE AND DOWNSIZING

Some people move into the ADU while their adult children move into the main house, or they rent out the main house for extra revenue in retirement.

Benefits

HOUSING FRIENDS, FAMILY AND CAREGIVERS

ADUs can provide important independent living space for friends, family members and caregivers.

Many homeowners are motivated to build their ADU to provide a combination of in-home care and independent living for a family member. The cost of ADU construction and maintenance may be comparable or less expensive than some assisted-living or skilled-nursing facilities, with the added benefit of keeping a loved one close by.

REDUCING ENVIRONMENTAL IMPACTS

ADUs tend to be environmentally-friendly simply because they are smaller and use less energy for heating, cooling and light (Stephan and Crawford 2016). Energy-saving designs can be incorporated into an ADU, further lowering its environmental impact. ADUs may help reduce transportation-related environmental impacts when they are located near employment centers and established public transit routes.

A 2014 study found that ADU residents in Portland were less likely than other residents to own cars (Brown and Palmeri 2014).

CASE STUDY

The case studies that follow profile real Twin Cities residents at different points along their ADU journeys—from initial planning and visioning, to construction, to completion.

ADU Under Consideration
Getting Started

TYPE
Detached

STATUS
Early planning

SIZE
TBD

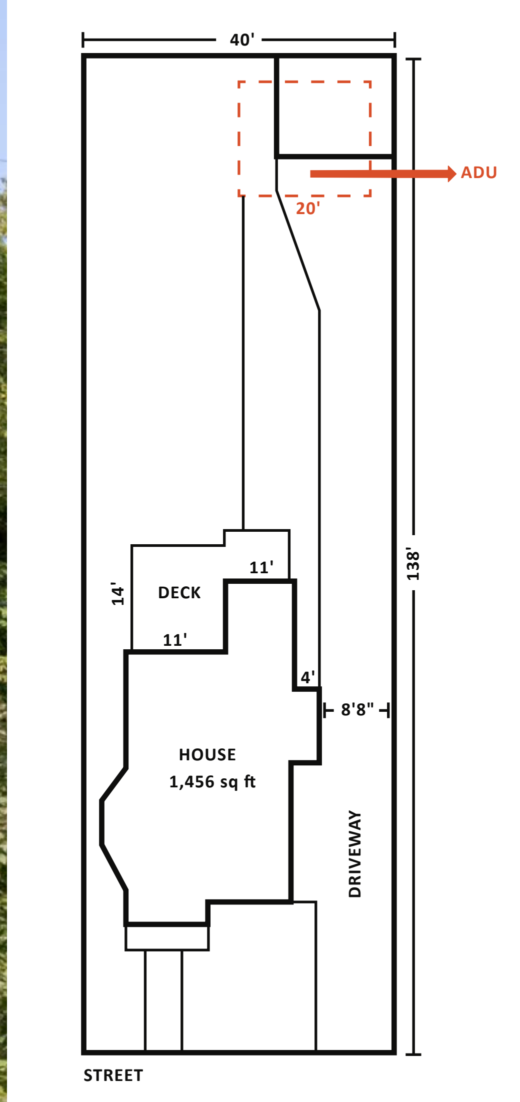
BEDROOMS
TBD

BUDGET
TBD

The old garage in Megan and Rob's backyard had seen better days. With no need for enclosed parking, they were hoping to put it to better use. Inspired by the tiny-house movement, Megan and Rob started looking into the possibility of building a detached backyard ADU on their roughly 5,000-square-foot lot. Not only could an ADU replace their old garage, but it could add a needed home in the popular Kingfield neighborhood. An ADU could generate rental income or give the homeowners the option to downsize.

Megan and Rob had many questions at the beginning, including what information they would need to get started. After doing some research online and sketching out a few layout ideas for the ADU, Megan and Rob scheduled a pre-application meeting with Minneapolis city planning staff. This free service allows city residents to ask planning staff questions and learn about applicable regulations and the permitting process.

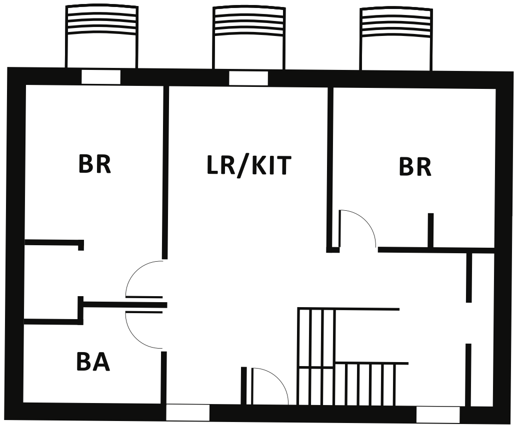
After going over the general permitting process, planning staff members answered some of Megan and Rob's questions about their specific property, helping them think through how height limits and parking requirements would apply to their project. With this initial information in hand, Megan and Rob are starting to save for their project and preparing to take the next steps toward their ADU.



Not only could an ADU replace their old garage, but it could add a needed home in the popular Kingfield neighborhood. An ADU could generate rental income or give the homeowners the option to downsize.

CASE STUDY

The case studies that follow profile real Twin Cities residents at different points along their ADU journeys—from initial planning and visioning, to construction, to completion.



DIY ADU

TYPE
Interior, basement

STATUS
Under construction

SIZE
702 sq. ft.

BEDROOMS
2

BUDGET
$80,000

Mike started his ADU journey when his father, Dallas, decided to downsize and sell his home in St. Paul. Mike researched multigenerational living options and decided to build an internal ADU by converting the basement in his south Minneapolis home into an apartment for Dallas.

Mike took on the work of being the designer and general contractor for the ADU. He used software to model the design and then drafted plans to submit for the city permit application. Mike's design features a spacious two-bedroom unit with lots of natural light. This arrangement will allow Mike and Dallas to stay close while maintaining their own personal space.

After a few rounds of revisions, Mike's plans were approved and, with building permit in hand, he quickly got started on construction. Mike hired subcontractors to help with specialized work but

did most of the project himself. Dallas and Mike's brother have pitched in, too. While self-managing the project has extended the timeline, it has also saved money, and the new ADU is starting to take shape.

Once completed, their DIY ADU will serve as a place for Mike and Dallas to call home for years to come. Dallas says, "We've always been close, but working on this project has brought us even closer together."

“We’ve always been close, but working on this project has brought us even closer together.”

CASE STUDY

The case studies that follow profile real Twin Cities residents at different points along their ADU journeys—from initial planning and visioning, to construction, to completion.

A Dream to Downsize

TYPE
Detached, above garage

STATUS
Complete

SIZE
528 sq. ft.

BEDROOMS
Studio

BUDGET
$225,000

BUILDER
White Crane Construction

Cate and Jason loved their neighborhood near Minnehaha Creek in Minneapolis but yearned to downsize when their kids left for college. They initially planned to sell their home and move, but then they came up with a better solution: building a new unit in the backyard that they could live in while renting out their main house.

After looking into various options, including prefabricated modular designs, Cate and Jason decided to pursue a traditional site-built ADU above a two-car garage.

Cate and Jason hired a design-build firm that took them through the process from initial design to city permitting and construction. They learned that they would have to tear down their existing garage and build a new structure with frost footings in order to meet the building code. Still, they were able to cut costs by reusing their old garage door and performing some work themselves, such as ordering the appliances and painting the interior.

The completed ADU, sitting in a shaded backyard, features an open layout with new appliances and an in-unit washer and dryer. Cate and Jason plan to rent it for a few years until they are ready to move in and fulfill their dream of downsizing.

Curious about the difference between prefabricated and traditional construction? See page 32.

PHOTO CREDIT Jill Greer photography (all photos on this spread)

CASE STUDY

The case studies that follow profile real Twin Cities residents at different points along their ADU journeys—from initial planning and visioning, to construction, to completion.

ADU in the Family

TYPE
Attached

STATUS
Complete

SIZE
540 sq. ft.

BEDROOMS
1

BUDGET
$40,000 part of total development cost

Fue Lee's family had always envisioned multigenerational living when they were on the hunt for their first house.

Working with the City of Lakes Community Land Trust (CLCLT), the Lee family had the opportunity to buy one of the very first homes in Minneapolis developed with an attached ADU.

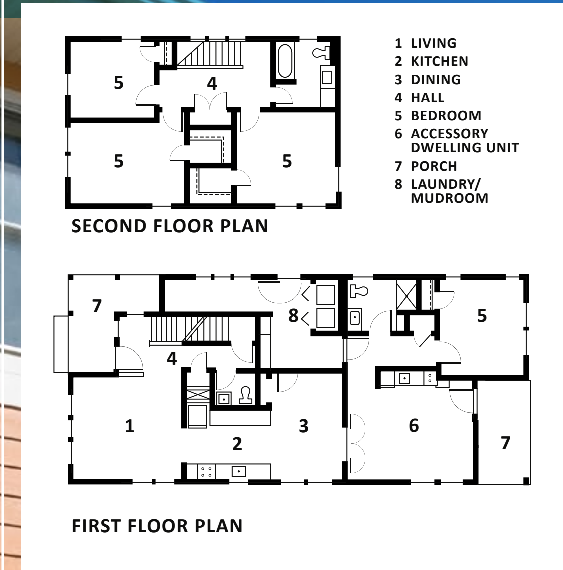
The brand new home they purchased in the Lind-Bohanon neighborhood has the perfect layout for their close-knit family. Fue and two of his adult siblings live in the main house. His parents have their own private space in the first-floor ADU.

The house is designed for flexibility. While the Lees have no plans to move, any family that buys the house in the future could choose to rent out the attached unit for extra income.

Responding to demand from its members, the nonprofit CLCLT has recently built two more multigenerational homes with ADUs. Thanks to the community land trust model, all of these homes will remain affordable for future generations of new homebuyers.

Thanks to the community land trust model, all of these homes will remain affordable for future generations of new homebuyers.

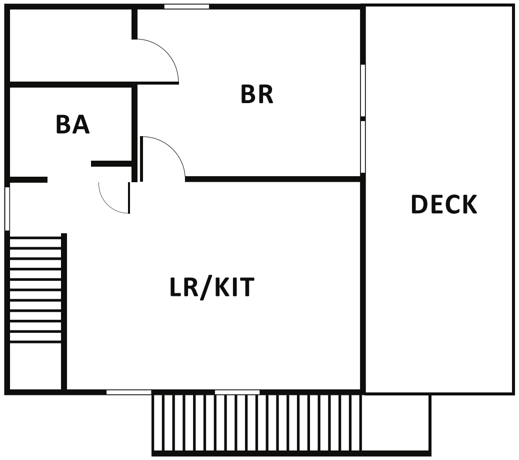
CREDIT Marnie Peichel Architecture and Design, LLC



CASE STUDY

The case studies that follow profile real Twin Cities residents at different points along their ADU journeys—from initial planning and visioning, to construction, to completion.

Flexible for the Future



TYPE
Detached, above garage

STATUS
Complete

SIZE
624 sq. ft.

BEDROOMS
1

BUDGET
$125,000

When Eric & Chrissi

purchased their home near a Green Line station in the Hamline-Midway neighborhood of St. Paul, they knew from the start that the house's detached garage didn't meet their needs. As they made plans to replace it, they heard from a friend about a new ordinance that gave them the option to build an ADU. Eric and Chrissi started to envision all the ways an ADU could benefit them in the future and met with a designer to develop a plan for a one-bedroom unit above a new two-car garage.

Eric and Chrissi liked the idea of having a flexible space to support more community-oriented living while still maintaining the privacy of their main home. Their ADU could be a place to host friends and family, and it could potentially generate rental revenue that would make it possible for one of them to stay home with a future child.

With experience in home remodeling, Eric decided to become the general contractor for the project. He worked full-time for six to seven months to complete the construction of the ADU, hiring subcontractors for electrical and plumbing work. Chrissi led the interior design work, and friends and family members also helped.

Eric is pleased with the solution they arrived at for connecting water and sewer lines from the ADU to the main lines in the street. Instead of the traditional method of digging an open trench, the lines were installed through an underground, lateral drilling process that preserved more of their existing landscaping and was about one-third less expensive than trenching. Eric and Chrissi also designed the ADU for energy efficiency and for compatibility with photovoltaic panels, so that it can run mostly on solar energy.

Now that the ADU is complete, Eric and Chrissi's friends and family tell them it does not look at all like what they imagined as a "garage apartment"—the unit is spacious and feels like a home. Eric and Chrissi rent their bright, modern ADU at an affordable price to a student at a nearby university.

Eric and Chrissi's friends and family tell them it does not look at all like what they imagined as a "garage apartment"—the unit is spacious and feels like a home.

GET EDUCATED:
How to Build

an ADU

In this section you will...

- Learn the basics of ADU development, from start to finish.

Inspired? The following pages will walk you through the basics of getting started and what to expect as you explore an ADU project.

Process Overview
From Point A to Point ADU

Print out the included worksheets along the way, and start putting pencil to paper.

1 RESEARCH

- Clarify your goals.
- Determine if an ADU is allowed on your property.

There are printable worksheets for this step.

2 DESIGN IDEAS

- Consider your goals and design options together.
- Work on your own or with a designer to sketch out your ADU.

There are printable worksheets for this step.

3 TEAM SELECTION

- Learn about types of development teams.
- Find out what information to prepare when contacting a company.
- Review suggested considerations for hiring a company and signing a contract.

5 PERMITS

- Review the steps involved in a typical permitting process.
- Learn why it's important to permit an existing ADU.

PHOTO CREDIT iStock by Getty Images

4 FINANCES

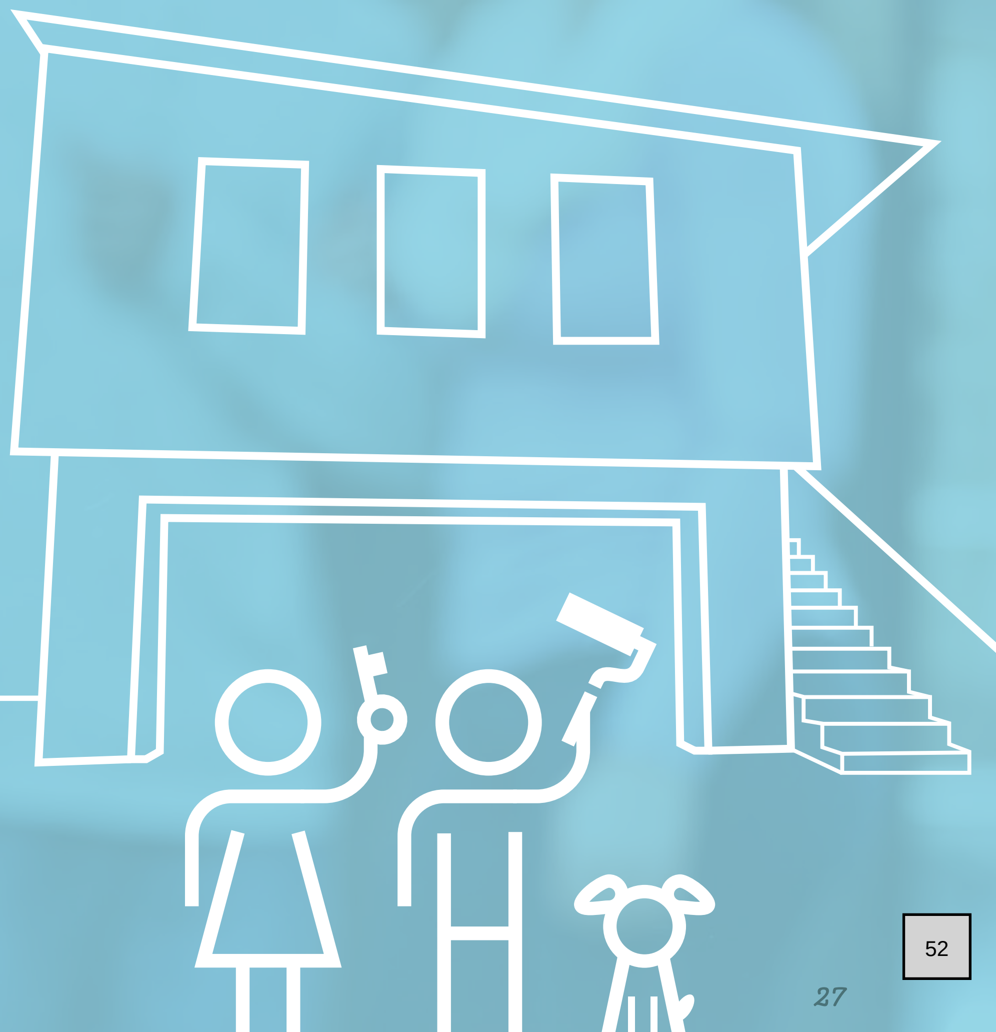
- Learn about resources to help you make an informed decision.
- Learn about potential financing options.

6 CONSTRUCTION

- Learn what to expect during construction.
- Understand your responsibilities.

7 MOVE IN!

- Find resources on how to be a landlord.



What story will your ADU tell?

In this step you will...

- Clarify your goals.
- Determine if an ADU is allowed on your property.

An ADU will become part of the story you tell about your life. But what role will it play? Will it help bring your family closer together? Provide a financial cushion? Both?

Determine if an ADU is allowed on your property

One of the first things you'll need to do is determine whether the ADU you envision is allowed on your property. There are three ways you can do this:

1. Enlist your designer

If you already have a designer or contractor in mind, enlist their help.

2. Check online

Many cities and counties have web links to city codes, zoning maps and property information on their websites.

3. Ask a city planner

This is the most direct way to get up-to-date information about what will be allowed on your property. You can get help from most cities by calling or visiting the planning department. If your city does not have a planning department, ask a representative to connect you to a staff member who is knowledgeable about land use, zoning or building permits. Tell the staff member that you are interested in building an ADU and want to know if it is allowed on your property. Also ask about the types of ADUs allowed and how big and tall they can be. The answers will affect your ADU design decisions.

DISCLAIMER

Laws and processes are subject to change, and vary between cities, so be sure to consult with your local planners or other knowledgeable professionals as you move forward.

Print this page and use this worksheet to write down your ideas, short- and long-term goals, and questions. Don't worry if you are unsure of some information about your property. You'll be able to fill it in throughout.

TIP Note that information you receive from your city at this stage is preliminary. Some properties have unique circumstances that can affect the outcome of decisions, but these may not be revealed without the thorough process that a formal application provides. The city staffer assigned to your application will work with you to provide solutions to issues that arise.

TIP You can find a list of cities in the region that allow ADUs, along with their contact information, at the end of this guidebook.

STEP ONE

RESEARCH

In this step you will...

- Clarify your goals.
- Determine if an ADU is allowed on your property.

My Property Information

ADDRESS:

PROPERTY IDENTIFICATION (PID) NUMBER:

ZONING:

BUILDING TYPE:
single-family, duplex, other

YEAR BUILT:

LOT SIZE:

LOT COVERAGE:

GROSS FLOOR AREA:

UNIQUE CHARACTERISTICS, IF ANY, OF YOUR LOT:

LOT COVERAGE CALCULATION

5,000 sq. ft.	x	45%	=	2,250 sq. ft.	-	1,500 sq. ft.	=	750 sq. ft.
LOT SIZE		MAX. ALLOWED LOT COVERAGE %		MAX. BUILDING FOOTPRINT ALLOWED		EXISTING BUILDING FOOTPRINT		POTENTIAL FOOTPRINT FOR ADU (if not elsewise restricted)

Print these pages and use the worksheets to determine what's allowed on your property.

Suggested Questions

Is an ADU permitted on my property?

What types of ADUs are allowed? (attached, detached, internal)

Where can it be located? (required setbacks)
A setback, or required yard, is an amount of space required between two structures, or between a structure and a property line or utility line.

ADU design constraints:

How big can it be?

How small can it be?

How tall can it be?

What is the required ceiling height?

Where can the entrance be located?

If an internal ADU, are the existing stairs and windows adequate?

Is owner-occupancy required? If so, how is it defined and enforced?
Owner-occupancy: Many cities in the region require you to live in either the main house or the ADU and will require filing a covenant with the county recorder. Some, but not all, cities further define owner-occupancy to say how many days out of the year the owner must reside there. If you think you might live somewhere else temporarily, be sure to ask about these requirements and any associated fees.

What will be the address of the ADU?
Some cities require the ADU to have a separate address while others forbid it. Be sure to understand your city's rules.

What are the parking requirements?

What are the requirements for water and sewer hook-ups?

What fees should I expect?

How much work am I permitted to do and what is required to be done by a licensed subcontractor?

How does the permitting process for ADUs work?
(see also Permitting on page 38)

TIP Take photos of the exterior of the house and of the site where you want to locate your ADU.

DESIGN IDEAS

Considerations

While you may already have a vision of what your ADU will look like, it is important to spend some time thinking about function. How will the design of the ADU meet your short-term and long-term objectives?

Bedrooms

The number of bedrooms should reflect who you think will spend time there. Studios are attractive for their open and flexible space, but designated bedrooms offer more privacy. Units with designated bedrooms usually rent at a higher price, but they could be more expensive to build.

Universal design & accessibility

A home built with universal design means that anyone, regardless of age or ability, can live there comfortably. In addition to ensuring that there is easy access to the unit without stairs, universal design features include pull-out lower drawers, level-entry showers, lower countertops and raised electrical outlets. Building to universal design standards is a smart way to ensure the ADU will meet your needs over time.

Access

Think about how ADU residents will get to their front door. At a minimum, you'll need to provide them a stable, well-lit path. Your city may have regulations that specify where you can place the ADU entrance.

Finished materials

While you don't need to make decisions yet, keep in mind that the materials you use will affect your budget. A designer can provide cost estimates. You might also be able to save money by reusing some materials. Be aware that some selections, like doors and appliances, might affect the design of the ADU.

Environmental

You can reduce environmental impacts and save on energy costs through the layout and materials that you choose for your ADU. For instance, you can use recycled materials, insulate well and place windows in locations that will take advantage of the sun's location throughout the year. You can also incorporate solar panels so that the ADU can generate its own energy. Work with your development team to understand what's possible.

Traditional or prefabricated construction

In addition to the many design choices you have for your ADU, you also can choose whether to build your ADU using traditional "stick-built," on-site construction or some form of prefabricated assembly. Factory-built, modular, panelized and other newer construction technologies are increasingly available, and in some situations can reduce your costs or the time it takes to build. You might also be surprised by the high quality. If you are interested in a prefabricated method, consider how the building will be delivered to your lot, the delivery costs and what site-preparation work will be required.

In this step you will...

- Consider your goals and design options together.
- Work on your own or with a designer to sketch out your ADU.

Print this page and sketch your ADU floor and site plans.

TIP Chances are you've already come across many inspiring designs either online or perhaps in your own neighborhood. Use an old-fashioned scrapbook or an online service to help organize these inspirations so you can refer to them later or use them to convey to your designer what resonates with you.

Building a team

ADU it yourself? This section is primarily aimed at homeowners with little or no experience in construction or construction management. Homeowners who feel comfortable managing the development of their ADU may still find some helpful tips to keep in mind when hiring subcontractors.

In this step you will...

- Learn about types of development teams.
- Find out what information to prepare when contacting a company.
- Review suggested considerations for hiring a company and signing a contract.

Types of Companies and Their Roles

There are a number of ways homeowners can get the help they need to design and build their ADU. Most homeowners choose one of three types of development teams:

ARCHITECT + CONTRACTOR/BUILDER: The homeowner hires an architect to complete the design of the ADU and then hires a contractor/builder to construct it.

DESIGN-BUILD FIRM: The homeowner hires a design-build firm that will, as the name implies, design and build the ADU.

DIY: The homeowner acts as the general contractor, coordinating the overall project and hiring subcontractors for specialized work. Remember, while being your own designer and/or general contractor can save money, it is an involved process and will likely add to your overall timeline, especially if you cannot devote yourself to it full time. Consider, too, that professionals often bring problem-solving skills that save time and money.

A homeowner may also specifically look for designers and builders who specialize in modular or prefabricated-construction methods. A homeowner typically works with an architect to revise an existing ADU design template and the builder arranges for shipment of the building components, prepares the site for delivery and completes finishing touches.

What to Prepare

There are a few basics you'll want to prepare before contacting designers and builders.

GOALS: First, go back to Step 1 to review your goals. Understanding your goals will help your architect create a design that's right for you.

BUDGET: Next, you'll want an initial budget. The cost of ADU construction can vary dramatically (for example, from $10,000 to $350,000) depending on ADU type, site and finishes. Your builder or architect can help narrow the price range. The financing available to you will also help determine what you can afford (See Step 4).

SUPPORTING INFORMATION: Bring along your property information, a survey and any sketches you made in Step 2 to share with potential architects or builders.

Hiring a Team

An ADU is a long-term personal investment for most homeowners, so it is important to have a development team that understands your vision and with whom you can communicate well. Below are key questions to help you choose a design and development team. Be sure to get bids from multiple designers and builders.

COST AND SERVICES: What will the firm charge and what services are included?

CREDENTIALS: Has the firm built other ADUs, or completed remodels or new construction at a similar scale? Does it have experience with your municipality's permitting process? Always verify professional licenses and business addresses:

- for contractors
- for architects, designers and engineers

COMMUNICATION AND PROCESS: Do you feel that you are being heard and are you receiving responses in a timely manner?

Signing a Contract

When you've decided which firm(s) you want to hire, a final contract should detail the work they will do and all costs. The contract is a legal promise by both you and the company to complete the tasks outlined within it. The contract is a foundation for good communication between you and your team.

Make sure everything that you discussed is included in the contract. For example, if you are building an above-garage ADU and want to reuse your old garage door, make sure that's noted. You have the right to add or modify elements of the contract, even after it is signed, by using a change order.

TIP The following is a helpful list of what your contract should include:

- contractor's license number, name and address
- total project cost and payment schedule
- start date and timeline
- list of work to be accomplished and materials to be used
- work (if any) to be subcontracted
- specific terms about what constitutes substantial "completion of work"
- the terms of warranties
- a provision requiring the contractor to obtain lien releases from all subcontractors and suppliers (to protect the homeowner if a subcontractor claims they were not paid)
- a cancellation penalty (if any)
- plan for cleanup and removal of material and debris
- any special requests (such as saving scrap lumber or bricks)
- requirements for protecting property and landscaping
- areas where materials may or may not be stored
- any instructions regarding children or pets

CREDIT: San Mateo County 2018

Financing Considerations

In this step you will...

- Learn about resources to help you make an informed decision.
- Learn about potential financing options.

Obtaining financing is often the greatest challenge homeowners face in trying to build an ADU. That's because the upfront cost can be large and there are not many financial options specifically tailored to this type of development yet. Typically, homeowners use their own savings, a loan or some combination of those sources to finance their ADU.

Here is an overview of some basic considerations and available resources to help you manage or lower your costs.

Making an informed decision

Before making big financial decisions, it's a good idea to seek advice from an independent homeownership expert. One option in Minnesota is to contact a member of the non-profit Homeownership Advisors Network. Advisory services are available to households of all income levels.

Remember that you don't have to get a loan from the first lender you meet. Be prepared to seek quotes from several different lenders to see which can offer you the best rate and/or terms.

Building an ADU may raise your property taxes because it will add value to your home, and rental income may affect your income taxes. The specific impacts will be unique to your home and circumstances. Be sure to consult with a qualified professional tax advisor.

Financing Sources & Resources

SPECIALIZED PROGRAMS

The Minnesota Homeownership Center offers a Rehab and Repair Program Matrix that outlines renovation loan programs available by region in the state, some of which may be targeted to specific household income levels:

www.hocmn.org/resources-for-homeowners/

Minnesota Housing, a state agency, offers home-improvement loans that could be used for ADU projects, in partnership with lenders throughout the state:

www.mnhousing.gov

TIP If you are applying for a loan, secure your financing about one month before you're ready to apply for permits.

RENTING

Renting out your ADU may earn back some of your construction costs over time. Be aware that lender guidelines may not allow consideration of your future rental income when determining your eligibility for a loan.

SWEAT EQUITY

Find opportunities to do some of the work yourself, depending on your skills. Some ideas include installing cabinets, ordering appliances, painting and landscaping.

Permitting Process Overview

In this step you will...

- Review the steps involved in a typical permitting process.
- Learn why it's important to permit an existing ADU.

Prepare and Submit Your Application

Once all your application materials are ready, submit them to the appropriate department (usually the planning department) and, if applicable, pay the application fee. After receiving the application and payment, city staff will conduct an initial review to make sure your application is complete before sending it forward for review.

Revisions

One or more of the city departments reviewing your application will likely request revisions. Revisions are a normal and expected part of the permitting process. There may be several rounds of revisions before your application is approved.

Permitting an Existing ADU

The easiest way to add an ADU to your property is to get a permit for the one you already have! If you're lucky enough to already have an ADU in your home, or a space that could be converted to an ADU (for example, a basement suite with a mini-bar), find out if you're legally required to have a permit for it. In some jurisdictions, an unpermitted ADU is illegal. Expect that you may need to upgrade some safety measures, such as smoke detectors, or make other improvements to bring your ADU up to code. Check with your city staff to determine what you need to do.

Item 1.

TIP After meeting with the relevant city staff, create a checklist of requirements and due dates for each permit to stay on track.

PRE-APP MEETING

- Determine if an ADU is permitted and what the regulations are.
- Review application requirements.
- Work with your designer and contractor to prepare drawings of the ADU.
- Pay application fee.

SUBMIT APPLICATION

APP COMPLETE?

NO → **SUBMIT NEEDED MATERIALS**

YES → **BEGIN REVIEW**

- The City has 15 days to review if your application is complete.
- If it is complete, the official review will begin. If it is incomplete, the City will tell you what is missing.
- If your application is not complete, you'll have 30 days to complete it.
- The City will likely ask for some revisions to the project to ensure compliance with zoning ordinance and building code. This is an iterative process. Staff will provide feedback to help the applicant resolve any issues.

REVISIONS

READY TO APPROVE?

RETURNED TO APPLICANT

RECORD OWNER-OCCUPANCY COVENANT

- Some cities will require you to file a covenant on your property that states the owner must occupy either the main home or the ADU.

PERMITS ISSUED

- If you are approved, you can apply for any remaining needed permits. Once you have a building permit you can begin construction.

CONSTRUCTION

- During construction, periodic inspections will occur to ensure the work is meeting standards.

INSPECTIONS

- Once constructions and inspections are complete, a certificate of occupancy will be issued.
- Congratulations! You can now move in to your ADU!

CERTIFICATE OF OCCUPANCY

This diagram illustrates a typical permitting process in Minneapolis, where permits are approved by staff in the planning department. Some municipalities require the permit to be approved by a body such as a planning commission or city council. Use this diagram as an example when visiting the planning counter to gain a better understanding of how your city's permitting process works and how long each step usually takes. Be sure to clarify with your development team which steps in the process they will lead on your behalf.

CONSTRUCTION

Permit in hand you're ready to build!

In this step you will...

- Learn what to expect during construction.
- Understand your responsibilities.

Preparing for disruption

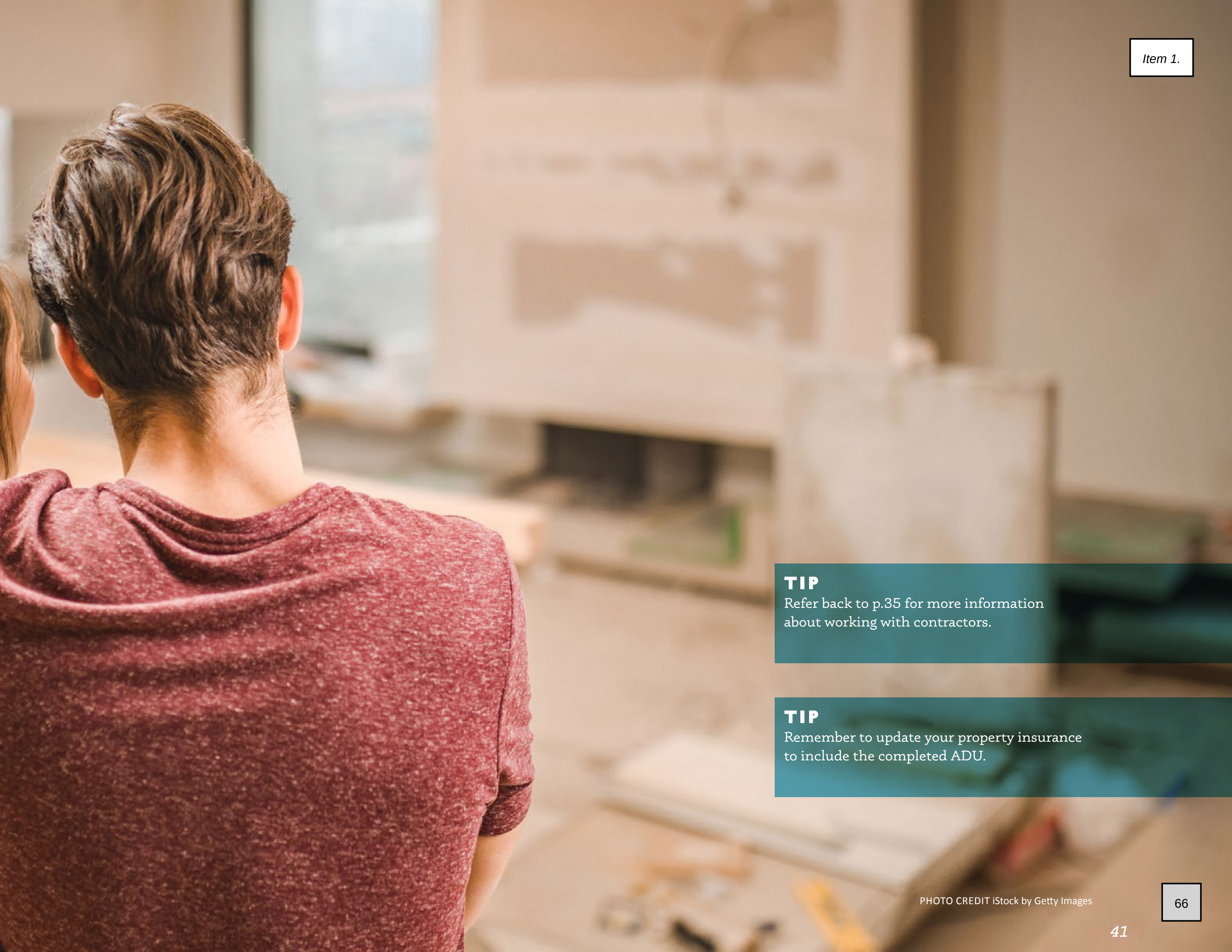
Part of the process of building an ADU is preparing yourself mentally for the disruption that occurs during any construction project. Construction typically lasts from a few months to a full year, during which time workers will have access to your property. There will likely be instances where the construction will reach into places that you use on a normal basis, such as a driveway, yard or basement. Talk about these details with your builder to understand what to expect.

Your responsibilities

While it may feel as though you're in the backseat during construction while working with a contractor, there are many important responsibilities that you need to fulfill. You'll need to:

- Monitor the work to make certain it's progressing according to schedule and that the work quality is high.
- Make decisions in a timely manner when questions arise.
- Ensure that required inspections are occurring.

NOTE: Inspections are usually coordinated by the builder, but it is still your responsibility to confirm that they are performed.



TIP

Refer back to p.35 for more information about working with contractors.

TIP

Remember to update your property insurance to include the completed ADU.

PHOTO CREDIT iStock by Getty Images

Move in!
Construction is complete!

In this step you will...

- Learn what you must do before renting out your ADU.
- Find resources on how to be a landlord.
- Consider hiring property management assistance.

After construction is complete and the final inspections are done, your ADU will be ready for you or someone else to call home. This section will provide a handful of resources for renting out your ADU, should you choose to do so.

License and Registration

Before you can rent out your ADU you'll need to know whether your city requires you to apply for a rental license or to register your unit. Typically, a short application and fee are required. These applications are managed by different departments depending on the city. Call the city's general line and asked to be directed to the right department, or ask city staff members for more information during the permitting process.

Becoming a Landlord

If you decide to rent out your ADU, you should brush up on important landlord-tenant and fair housing laws to know your legal obligations and how to resolve any issues that might arise. Having this information can help you and your tenant maintain a positive relationship. A few resources are highlighted on the next page.

If becoming a landlord isn't for you, look into hiring a property management company to take care of the details.

NOTE
This section presumes that the ADU is being rented out, but everything discussed also applies if you want to move into your ADU and rent out your main home.

Landlord Resources

The Office of the Minnesota Attorney General provides a handbook that contains a thorough overview of landlord-tenant laws.

Landlords and Tenants: Rights and Responsibilities

HousingLink is a nonprofit organization with a mission of expanding housing and neighborhood choices for renters. HousingLink offers landlords the chance to advertise their rental-housing openings for free.

List a Property

The Minnesota Multihousing Association promotes high standards in the development, management and maintenance of rental and owner-occupied multi housing and offers educational programming for landlords.

MHA Industry Education

HOME Line is a Minnesota tenant advocacy organization that offers publications and trainings to help landlords and tenants understand the laws that govern their relationship

The Landlord's Guide to Minnesota Law

Trainings

Many cities offer support and training for new landlords. Check with city staff to learn what your city offers.

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San Mateo County. 2018. "Second Unit Workbook." secondunitcentersmc.org/wp-content/uploads/Second-Unit-Workbook-FINAL-ONLINE.pdf.

Stephan, A. and R.H. Crawford. 2016. "The relationship between house size and life cycle energy demand: implications for energy efficiency regulations for buildings." Energy 116 (Part 1), 1158–1171. dx.doi.org/10.1016/j.energy.2016.10.038.

Additional Resources

BOOK

Peterson, Kol. 2018. Backdoor Revolution: *The Definitive Guide to ADU Development.* Accessory Dwelling Strategies, LLC.

WEBSITES

Accessory Dwellings: "A one-stop source about accessory dwelling units, multigenerational homes, laneway houses, ADUs, granny flats, in-law units…"

www.accessorydwellings.org

Building an ADU: "THE site for those interested in planning, designing, and building accessory dwelling units (aka ADUs)."

www.buildinganadu.com

American Planning Association KnowledgeBase - Accessory Dwelling Units: "This collection catalogs resources that provide background, policy guidance, and examples of local plan recommendations and zoning standards for accessory dwelling units from across the country."

www.planning.org/knowledgebase/accessorydwellings

Terner Center for Housing Innovation

ternercenter.berkeley.edu

Second Unit Center San Mateo

www.secondunitcentersmc.org

OTHER GUIDEBOOKS

Los Angeles, California | Building an ADU: Guidebook to Accessory Dwelling Units in the City of Los Angeles

citylab.ucla.edu/adu-guidebook/

Honolulu County, Hawaii | Accessory Dwelling Unit Homeowners' Handbook: A Guide for Homeowners on Oahu Interested in Building an Accessory Dwelling Unit

hawaiiadu.org/wp-content/uploads/2016/07/ADU-Manual-ver.-1-FINAL-Web.pdf

San Mateo County, California | Second Unit Inspiration

secondunitcentersmc.org/wp-content/uploads/ADU-Idea-Book-FINAL-ONLINE-VERSION.pdf

San Mateo County, California | Second Unit Workbook

secondunitcentersmc.org/wp-content/uploads/Second-Unit-Workbook-FINAL-ONLINE.pdf

Santa Cruz, California | Accessory Dwelling Unit Manual: Growing Santa Cruz's Neighborhoods from the Inside

www.cityofsantacruz.com/home/showdocument?id=8875

Santa Cruz County, California | ADU Basics

www.sccoplanning.com/Portals/2/County/adu/ADU%20Basics.pdf?ver=2018-06-07-110146-073

Santa Cruz County, California | ADU Financing Guide

www.sccoplanning.com/Portals/2/County/adu/ADU%20Financing%20Guide.pdf?ver=2018-06-07-110307-117

San Francisco, California | sf-ADU

sfplanning.org/plans-and-programs/planning-for-the-city/accessory-dwelling-units/2015_ADU_Handbook_web.pdf

Seattle, Washington | A Guide to Building a Backyard Cottage

www.seattle.gov/Documents/Departments/SeattlePlanningCommission/BackyardCottages/BackyardCottagesGuide-final.pdf

Twin Cities Planning Departments Contact Information

Contact information for cities that permit Accessory Dwelling Units (ADUs) as of 2018.

CITY OF APPLE VALLEY
Community Development/Planning
7100 147th St. W.
Apple Valley, MN 55124
952-953-2575
commdev@ci.apple-valley.mn.us
www.ci.apple-valley.mn.us/index.aspx?nid=83

CITY OF BLOOMINGTON
Planning Division
1800 West Old Shakopee Road
Bloomington, MN 55431-3027
952-563-8920
planning@BloomingtonMN.gov
www.bloomingtonmn.gov/plan/planning-division

CITY OF BURNSVILLE
Planning Department
100 Civic Center Parkway
Burnsville, MN 55337
952-895-4455
www.ci.burnsville.mn.us/index.aspx?nid=139

CITY OF CHASKA
Planning Department
One City Hall Plaza
Chaska, MN 55318
952-448-9200
www.chaskamn.com/148/Planning-Department

CITY OF CRYSTAL
Planning and Zoning
4141 Douglas Dr. N.
Crystal, MN 55422
763-531-1142
www.crystalmn.gov/resident/community_development/planning_and_zoning/

CITY OF EAGAN
Planning Division
3830 Pilot Knob Road
Eagan, MN 55122
651-675-5685
planning@cityofeagan.com
www.cityofeagan.com/accessory-dwelling-unit-registration

CITY OF INVER GROVE HEIGHTS
Community Development Department
8150 Barbara Ave.
Inver Grove Heights, MN 55077
651-450-2545
www.ci.inver-grove-heights.mn.us/55/Community-Development

CITY OF LAKEVILLE
Planning Department
20195 Holyoke Avenue
Lakeville, MN 55044
952-985-4420
planninginfo@lakevillemn.gov
lakevillemn.gov/342/Planning-Department

CITY OF LONG LAKE
City Clerk
450 Virginia Ave.
Long Lake, MN 55356
952-473-6961 x1
www.longlakemn.gov/index.asp?Type=B_BASIC&SEC={885FA881-1825-4CE7-9338-B6EBB7AB1836}

CITY OF MINNEAPOLIS
Community Planning & Economic Development
Public Service Center
250 South Fourth Street (Room 300)
Minneapolis, MN 55415
612-673-5095
www.ci.minneapolis.mn.us/cped/projects/ADU

CITY OF MINNETONKA
Planning Division
14600 Minnetonka Blvd.
Minnetonka, MN 55345
952-939-8290
eminnetonka.com/planning

CITY OF PLYMOUTH
Planning Division
3400 Plymouth Blvd.
Plymouth, MN 55447-1482
763-509-5450
planning@plymouthmn.gov
www.plymouthmn.gov/departments/community-development/planning

CITY OF RICHFIELD
Planning and Zoning
Richfield Municipal Center
6700 Portland Avenue
Richfield, MN 55423
612-861-9760
com_dev@richfieldmn.gov
www.richfieldmn.gov/departments/community-development

CITY OF ROSEVILLE
Planning and Zoning
2660 Civic Center Dr.
Roseville, MN 55113
651-792-7005
www.cityofroseville.com/307/Planning-and-Zoning

CITY OF SHOREVIEW
Planning and Zoning
4600 Victoria Street North
Shoreview, MN 55126
651-490-4680
www.shoreviewmn.gov/government/departments/community-development/planning-and-zoning

CITY OF SAINT PAUL
Safety & Inspections
375 Jackson Street Suite 220
Saint Paul, MN 55101
651-266-9008
www.stpaul.gov/departments/safety-inspections/accessory-dwelling-units

CITY OF STILLWATER
Planning and Zoning
216 North Fourth Street
Stillwater, MN 55082
651-430-8818
www.ci.stillwater.mn.us/communitydevelopment

CITY OF WHITE BEAR LAKE
Planning and Zoning
4701 Highway 61
White Bear Lake, MN 55110
651-429-8534
www.whitebearlake.org/communitydevelopment/page/planning-zoning

About the Family Housing Fund

The Family Housing Fund believes it takes all of us working together to build a strong system that supports access to decent, affordable homes for everyone. Established in 1980, we support the Cities of Minneapolis and Saint Paul, the Metropolitan Council, and Minnesota Housing in their efforts to meet the seven-county metropolitan region's affordable housing needs. We are unique in focusing on all facets of the housing system and working across sectors to ensure real change.

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FAMILY HOUSING FUND

310 4th Ave South
Suite 9000
Minneapolis, MN 55415
MAIN 612.375.9644

Local Cities	Where are ADUs allowed?	Special Permit Required?	Parking for ADU	Owner Occupancy	Water/ Sewer	Min. Lot Size	Lot Coverage	Min. ADU Size	Max. ADU Size	Type	Ordinance Section	Notes	# Built or legalized
Apple Valley	In R-1 zoning district	Conditional Use Permit	2 off-street for the ADU and 2 off-street for the main home	Yes	Must connect to main house	40,000 SF	Cannot exceed 35%	300 SF	Shall be no larger than 40% of the main home's footprint	Attached, Internal	155.382	ADU occupancy limited to 3 people; ADUs must be two bedrooms or fewer	2
Bloomington*	In R-1 and RS-1 zoning districts		Primary home must have 4 off-street parking spaces	Yes	Must connect to main house	11,000 SF		300 SF	960 SF or 33% of the 4-season living area of the main home	Attached, Internal	§ 21.302.03	ADU occupancy limited to 2 people; ADUs must be two bedrooms or fewer	1 permitted and constructed
Burnsville	In R-1 and R-1A zoning districts		1 off-street for the ADU and 2 off-street for the main home	Yes	Must connect to main house. If not on municipal lines, must meet private well and septic standards	10,000 SF for attached 1 acre for detached		300 SF	960 SF or 33% of the footprint of the main home	Attached, Detached, Internal	10.7.52	ADUs must be two bedrooms or fewer; require park dedication and utility fees	0
Chaska	In Planned Unit Developments			Yes					768 SF	Detached, above garage with alley access	Ord. #708		10
Crystal	In R-1 and R-2 zoning districts		1 additional for the ADU	No	Can be connected to property or utility main	6,000 SF			Shall not exceed 50% of the finished floor area of the primary home	Attached, Detached, Internal	Chapter V, Subsection 515.23, Subdivision 3		1 permitted
Eagan	In Estate and R-1 zoning districts	Annual Registration	2 off-street for the ADU and 2 off-street for the main home	Yes	Must connect to main house		Cannot exceed 20%	300 SF	960 SF or 33% of the 4-season living area of the main home	Attached, Internal	Section 11.70, subdivision 32	ADU occupancy limited to 2 people; ADUs must be two bedrooms or fewer	1 constructed and 1 legalized
Inver Grove Heights	In the A, E-1, E-2, R-1A, R-1B, and R-1C zoning districts		2 off-street for the ADU and 1 off-street for the main home	Yes	Must share with main house	1 acre for detached		250 SF	1,000 SF	Attached, Detached, Internal	10.18.1	ADU occupancy limited to 3 people	5 registered
Lakeville	In RS-1, RS-2, RS-3, and RS-4 zoning districts and Planned Unit Developments		3 garage stalls for the ADU and main home		Must share with main house					Attached, Internal	11.50.11.F, 11.51.11.F, 11.52.11.F, 11.53.11.F	Must be accessed from inside the main home	2 permitted
Long Lake	In the R-1, R-1A, R-2, R-3, and R-4 zoning districts	Conditional Use Permit	2 for the ADU	Yes		x2 the minimum lot size required by the zoning district			900 SF			Cannot be rented to non-family members	

Local Cities	Where are ADUs allowed?	Special Permit Required?	Parking for ADU	Owner Occupancy	Water/ Sewer	Min. Lot Size	Lot Coverage	Min. ADU Size	Max. ADU Size	Type	Ordinance Section	Notes	# Built or legalized
Minneapolis	As an accessory to a permitted or conditional single-family or two-family dwelling.		0 for the ADU, 1 space each for other units	Yes	Connect to main home or the street			300 SF	Internal: 800 SF not to exceed the first floor of the main home. Attached: 800 SF Detached: 1,300 SF (incl. parking areas) or 16% of the lot area. Footprint not to exceed 676 SF or 10% of the lot area, not to exceed 1,000 SF	Attached, Detached, Internal	537.11		~120 permitted and built
Minnetonka	In R-1 and R-2 zoning districts	Conditional Use Permit	Determined on a case by case basis	Yes	Must connect to main home				No more than 35% of the gross living area of the home, including the ADU or 950 SF, whichever is smaller.	Attached, Internal	Section 300.16.3.d		30
Plymouth	Within residential subdivisions in RSF-R, RSF-1, RSF-2, and PUD zoning districts, that have received preliminary plat approval on or after June 1, 2001 and that include 10 or more single-family lots		2 off-street for the ADU	Yes	Detached must connect to utility main				Shall not exceed the gross floor area of the main home or 1,000 SF, whichever is less	Attached, Detached	21190.04	Can only be constructed at the same time as the primary home, as part of a subdivision of 10 or more homes	0
Richfield	In R and R-1 zoning districts		3 off-street spaces are required	Yes	Attached and Internal may connect to home			300 SF	800 SF or the gross floor area of the principal dwelling, whichever is less	Attached, Detached, Internal	514.05 Subd. 8, 518.05 Subd. 8	Detached units are only allowed as part of a garage.	2 existing
Roseville	In the LDR-1 zoning district		1 additional off-street space for the ADU	Yes	Attached and Internal may connect to home			300 SF	650 SF or 75% of the 4-season living area of the main home	Attached, Detached, Internal	11.011.12.B.1	ADU occupancy limited to 2 people; ADUs must be one bedroom or fewer	5, 2 of which were legalized; 1 in processing
Shoreview	In RE and R-1 zoning districts	Accessory Apartment Permit	3 off-street spaces are required	Yes	Must share with main house			500 SF	No more than 30% of the building's total floor area nor greater than 800 SF	Attached, Internal	207.01	ADUs must be two bedrooms or fewer	
St. Paul	R1-R4, RT1, RT2, RM1, RM2	Annual affadavit of owner-occupancy	No additional spaces if principal home meets minimum parking requirement	Yes	Must connect to principal home	5,000 SF			800 SF; if interior to the principal structure, the principal structure must be at least 1,000 SF and the ADU must not exceed 1/3 of the total floor area	Attached, Detached, Internal	Chapers 61, 63, 65, and 66		1

Local Cities	Where are ADUs allowed?	Special Permit Required?	Parking for ADU	Owner Occupancy	Water/ Sewer	Min. Lot Size	Lot Coverage	Min. ADU Size	Max. ADU Size	Type	Ordinance Section	Notes	# Built or legalized
Stillwater	In TR, CTR, and RB zoning districts	In CTR and RB: Special Use Permit	4 off-street for the ADU and main house	No	Can be connected to property or utility main	TR and RB: 10,000 SF CTR: 15,000 SF			CTR: 500 SF, one story attached or 720 SF above a detached garage RB: 800 SF	TR and CTR: Attached, Detached, Internal RB: Detached, above garage	Sec. 31-501		16 approved, but likely more that were permitted by right in RB
White Bear Lake	Where single-family homes are permitted	Conditional Use Permit Annual Certificate of Occupancy renewal	Determined on a case by case basis	Yes	Can be connected to property or utility main			200 SF for the first occupant plus 100 SF for each additional occupant	880 SF or 40% of the habitable area of the main home	Attached, Detached	Section 1302.125	Maximum of 4 occupants	10 permitted

* Updated policy is currently under consideration as of February 2019

AGENDA REPORT

Meeting Date: October 25, 2021 **Meeting Type:** City Council Conference Meeting

Submitted By: Daniel J. Tienter, Director of Finance/City Treasurer

Title

Coronavirus State and Local Fiscal Recovery Fund Allocation Plan for the City of Fridley

Background

Introduction

On March 11, 2021, the Federal Government enacted the American Rescue Plan Act (ARPA) of 2021 (Public Law 117–2) to respond to the economic and health effects of the Novel CoronavirusDisease 2019 (COVID–19) pandemic. In total, APRA appropriated $1.9 trillion for various programs, including, but not limited to: additional direct payments to individuals; additional aid to government agencies; expansion of COVID–19 testing and vaccination efforts; extension of unemployment benefits; and further assistance for small businesses. To facilitate implementation of these programs, ARPA provided several direct appropriations to various government agencies.

Specifically, ARPA appropriated $350 billion in payments to local, state and tribal governments through two funds 1) the Coronavirus State Fiscal Recovery Fund (State Fund) and 2) the Coronavirus Local Fiscal Recovery Fund (Local Fund). From that $350 billion, APRA allocated $130 billion to the Local Fund, – with $65 billion for counties, $45.5 billion for municipalities with a population greater than 50,000 residents and $19.5 billion for municipalities with a population less than 50,000 residents. The legislation then allocated these amounts directly to the applicable jurisdictions based on their proportionate share of the national population. Based on this formula, the City of Fridley (City) will receive approximately $2,944,464 from the Local Fund. The legislation also provided that government agencies will receive their respective payments in two equal disbursements – the first half in 2021 and the second half in 2022.

On May 10, 2021, the Department of the Treasury (Treasury) released an Interim Final Rule (Interim Rule), which provided a non–exclusive list of allowable uses and other requirements for the Local Fund. The Interim Rule outlined four categories of eligible activities: 1) "To respond to the public health emergency or its negative economic impacts…" 2) "To respond to workers performing essential work during the COVID-19 public health emergency…" 3) "For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency…" and 4) "To make necessary investments in water, sewer, or broadband infrastructure." The City may only expend Local Fund proceeds on activities related to these areas.

The Interim Rule further clarified that Local Fund proceeds may not be used for "depositing funds into any pension fund... [or] directly or indirectly offset[ting] a reduction in the net tax revenue... resulting from a change in law, regulation or administrative interpretation." The Interim Rule also prohibited the use of the Local Fund proceeds to replenish any financial reserves or for payments related to outstanding debt. Regardless of the activity, the City may only expend Local Fund proceeds on allowable costs and obligation incurred between March 3, 2021, and December 31, 2024. The Interim Rule allowed the City to expend monies on any obligation until December 31, 2026. The City must return any unspent Local Fund proceeds to the Treasury.

Allocation Plan and Budget Appropriation

As a result of the ARPA allocation and the release of the Interim Rule, the City Manager directed the Director of Finance/City Treasurer (Finance Director) to review costs to be incurred by the City between 2022 and 2026 that may be eligible for Local Fund support. At present, the City does not plan to expend any Local Fund proceeds in 2021.

Based on this direction, and following a series of internal meetings, the City identified several eligible activities and developed a Local Fund Allocation Plan (Plan) (Attachment A). Generally, the Plan includes a series of public utility capital projects related to drinking water, sanitary sewerand storm water equipment and infrastructure. The Plan does not currently include any loss revenue replacement as the City does not meet the criteria outlined in the Interim Rule. Ultimately,the Plan will allow the City to make necessary investments in critical infrastructure to the benefit of the entire Fridley community.

The Plan, as proposed, will be used to modify the Proposed 2021–2026 Capital Investment Program (Proposed CIP). As such, specific capital projects included in the Proposed CIP may be modified and reprioritized based on the availability of Local Fund proceeds. Consistent with Chapter No. 7 of the Fridley City Charter, staff will present the Proposed CIP at a future meeting of the City Council (Council) allowing the opportunity for public comment on the potential use ofthe Local Fund. On December 20, 2021, the Council will consider adoption of the Proposed CIP, which will provide formal authorization for the City to use Local Fund proceeds.

Purchasing and Reporting Requirements

The Finance Director, through the delegated authority of the City Manager, will review and approve in writing any expenditures proposed to use Local Fund proceeds. Consistent with the Interim Rule, the City will report any Local Fund related expenditures to Treasury on or before April 30, 2022, and each year thereafter through 2026. At present, the City does not have to makeany report directly to the State of Minnesota.

In order to satisfy these reporting requirements, and to ensure robust internal review and documentation of any Local Fund related expenditures, the City created a Special Revenue Fund (No. 299) and deposited all Local Fund proceeds therein. Upon approval of a COVID–19 related expenditure, the City may "draw" against monies held in the Special Revenue Fund – transferring them to the appropriate City fund. These transfers will occur on at least a monthly basis and as approved by the Finance Director.

Due to the evolving nature of the pandemic, Treasury may modify their guidance during the expenditure periods. As a result, the City may revise any planned expenditures or use of Local Fund proceeds as needed. The Finance Director shall advise the City Manager of any such changesas soon as practicable. It is worth noting that Treasury guidance may be further modified administratively or as the result of new COVID–19 related legislation at either the State or Federallevel.

Other Information

Current Treasury guidance requires the City to maintain any data or records related to the use ofthe Fund for at least five years after all Fund proceeds have been expended and/or returned to Treasury.

Attachments and Other Resources

- Coronavirus Local Fiscal Recovery Fund Allocation Plan

Coronavirus Local Fiscal Recovery Fund Allocation Plan

City of Fridley

Item No.	Department and Appropriation Description	Division	Fund	2022 Adopted Budget	2022 Total Activity	2023 Adopted Budget	2023 Total Activity	2024 Adopted Budget	2024 Total Activity	2025 Adopted Budget	2025 Total Activity	2026 Adopted Budget	2026 Total Activity	Total Adopted Budget	Total Total Activity
	City Council													-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	City Management														
1	Loss Revenue Recovery (if applicable)	Non-Departmental	101	-		-		-						-	-
														-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Community Development													-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Community Services													-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Finance													-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Public Safety													-	-
	Subtotal			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Public Works														
2	Distribution System Reconstruction	Water Capital	601			314,500								314,500	-
3	Recondition 63rd Avenue Booster Pumps	Water Capital	601					200,000						200,000	-
4	Water Treatment Plant Security	Water Capital	601			300,000		30,000						330,000	-
5	Sanitary Sewer Collection System Lining	Sanitary Sewer Capital	602	520,000		550,000		550,000						1,620,000	-
6	Alden Way Storm Sewer Repair	Storm Water Capital	603	200,000										200,000	-
7	TMDL Water Quality Project	Storm Water Capital	603	180,000										180,000	-
8	Sediment Removal Projects	Storm Water Capital	603	100,000										100,000	-
	Subtotal			*$ 1,000,000*	$ -	*$ 1,164,500*	$ -	*$ 780,000*	$ -	$ -	$ -	$ -	$ -	*$ 2,944,500*	$ -
	Total			$ 1,000,000	$ -	$ 1,164,500	$ -	$ 780,000	$ -	$ -	$ -	$ -	$ -	$ 2,944,500	$ -
	Available SLFRF Allocation													2,944,464	
	Difference													-	