



**PLANNING COMMISSION MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
NOVEMBER 27, 2023
7:00 PM**

Call to Order

Approval of the Minutes

- Approval of the minutes of the regular Planning Commission meeting of October 23, 2023.

Open Forum

Comments are to be an opportunity to address the Planning Commission. Please refer to the Planning Commission agendas and minutes web page for additional ways to submit comments prior to the meeting. Call into the open forum by dialing 1-415-655-0001 use webinar access code: 2631 822 6457 and password: 1234.

Agenda Approval

1. Approval of the Agenda

Public Hearings

2. Public hearing to consider an ordinance amendment to allow micro units as an accessory use to religious institutions.
Staff Report No. 16

Liaison Reports

Community Services Advisory Commission
City Council
Housing and Redevelopment Authority (HRA)
Richfield School Board
Transportation Commission
Chamber of Commerce
Sustainability Commission

City Planner's Reports

3. City Planner's Report

4. Next Meeting Time and Location

Regular meeting on January 22, 2024 at 7:00 p.m. in Council Chambers at City Hall

5. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.

***Complete information on how to share comments or questions with the Planning Commission, see our Agendas and Minutes page**

https://www.richfieldmn.gov/city_government/planning_commission/agendas_and_minutes.php



PLANNING COMMISSION MEETING MINUTES Richfield, Minnesota

Regular Planning Commission Meeting

October 23, 2023

CALL TO ORDER

The meeting was called to order by Chair Holmwig-Johnson at 7:00 p.m. in the Council Chambers.

Planning Commissioners Present: Brendan Kennealy, Eddie Holmwig-Johnson, Benjamin Surma, James Rudolph, Matt Taraldsen, and Brett Stursa

Commissioners Excused: Cole Hooey

Staff Present: Sam Crosby, Planner II; Ruby Villa, Assistant Planner; Melissa Poehlman, Community Development Director

Others Present: Paul Mellblom, MSR Design; Kevin Walker, Beacon Interfaith Housing Collaborative

See item #3 for additional public hearing speakers.

APPROVAL OF MINUTES

M/Rudolph, S/Surma, to approve the minutes of the Regular Planning Commission meeting of August 28, 2023.

Motion carried: 6-0.

OPEN FORUM

Chair Holmwig-Johnson reviewed the options to participate in the open forum. There were no callers or speakers.

ITEM #1	APPROVAL OF THE AGENDA
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M/Stursa, S/Taraldsen, to approve the agenda.

Motion carried: 6-0.

ITEM #2	CONSIDERATION OF A MOTION TO RESCHEDULE THE DECEMBER PLANNING COMMISSION MEETING TO DECEMBER 11, 2023.
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Planner Villa presented staff report No 14.

M/Stursa, S/Surma, to reschedule the December Planning Commission meeting to December 11, 2023.

Motion carried: 6-0.

ITEM #3	CONDUCT A PUBLIC HEARING TO CONSIDER A REQUEST FOR A COMPREHENSIVE PLAN AMENDMENT, REZONING, PRELIMINARY PLAT, SITE PLAN APPROVAL AND TWO VARIANCES FOR 38 UNITS OF AFFORDABLE HOUSING AT 6613-6625 PORTLAND AVENUE SOUTH. ALSO, CONSIDERATION OF A RESOLUTION FINDING THAT THE SALE OF THIS LAND FOR THE CONSTRUCTION OF THIS PROJECT WILL BE CONSISTENT WITH THE PROPOSED COMPREHENSIVE PLAN AMENDMENT.
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Planner Crosby presented Staff Report No.15.

Paul Mellblom, Architect, and representative for Beacon Interfaith Housing, gave a brief overview of the proposed site plan layout.

Kevin Walker, Vice President of Housing at Beacon Interfaith Housing Collaborative, spoke on the history and mission of Beacon as an organization.

Chair Holmvgig-Johnson opened the public hearing.

Scott Dahlquist, 6913 11th Ave, expressed his support for Beacon and spoke in favor of the requests.

Hope Hutchinson, Minneapolis resident and Reverend of Richfield United Methodist Church, spoke in favor of the requests.

Megan Webster, 7027 3rd Ave, spoke in favor of the requests.

Martin DuBois, a former resident of affordable housing, spoke in favor of the requests.

Donna Drummond, 6438 Knox Ave, spoke in favor of the requests.

Allison Linsmeyer, 6815 5th Ave, spoke in favor of the requests.

Sara Ochoa, 6612 Oakland Ave S, spoke in opposition to the requests and inquired about the proportion of housing units that will be dedicated to non-neuro-diverse individuals.

Luis De la Riva Gasga, 6624 Portland Ave, spoke in opposition to the requests and development of the subject property. Gasga also inquired about the proportion of housing units that will be considered affordable, and what it means for housing units to be “affordable.”

Sara, De la Riva Brunzell, 6624 Portland Ave, spoke in opposition to the requests and development of the subject property.

Kristina Kessel, 6324 Sheridan Ave, spoke in favor of the requests.

Judy Moe, 6920 5th Ave, spoke in favor of the requests.

M/Stursa, S/Taraldsen, to close the public hearing.

Motion carried: 6-0.

In response to Commissioner Stursa, Crosby addressed concerns regarding affordability of housing units in the development, as well as targeted populations. Crosby clarified that all housing units will be affordable, with two different rates of affordability: 30% AMI, and 50% AMI. Crosby also explained that Area Median Income is determined by the Metropolitan Council, based on information from HUD.

Walker stated that 19 of the 38 housing units will be set aside for individuals with neuro-diverse conditions. The other 19 units do not have a targeted population and will only be set aside as affordable units up to 50% AMI. In response to Commissioner Stursa, Walker also explained that, for the Twin Cities region in 2023, 30% AMI is \$26,100 and 50% AMI is \$43,500.

Commissioner Rudolph expressed his concerns regarding variance procedures and required findings. Crosby clarified that although the roundabout construction occurred in 2008, the current proposed re-platting of the property is what would cause the infringement on the front setback and necessitates one of the variances.

Commissioner Kennealy invited the applicant to address concerns regarding staffing on site and parking. Walker referred to staff report No. 15, as well as the parking analysis provided by Beacon. Walker stated that national data indicates 16% car ownership at 50% AMI. Walker also stated that the amount of parking proposed is adequate based on comparable Beacon developments with similar affordability levels. Regarding staffing, Walker commented that Beacon estimates five full-time staff members at the proposed site.

In response to Commissioner Taraldsen, Walker provided details about service providers.

In response to Commissioner Rudolph, Walker provided details about estimated rents and subsidies.

Commissioner Stursa inquired about the history of the 10% transit reduction policy and expiration of variance approvals. Crosby clarified that, if approved, the Comprehensive Plan amendment and rezoning would “run with the land” and remain, even if the proposal was ultimately abandoned. In contrast, the variances would not remain and would be void.

Community Development Director Poehlman commented on the history of the 10% transit reduction policy. Poehlman also clarified that, as the current owner, the HRA has authorized Beacon to apply for the variance requests.

In response to Commissioner Surma, Crosby addressed the project's assumed guarantee of affordability, based on funding requirements. Poehlman added that the affordability portion of the project would be guaranteed through the development agreement with the HRA.

In response to Commissioner Kennealy, Crosby stated that there have been multiple opportunities for the public to address questions and concerns to the applicant, including a neighborhood meeting that was held in May of this year. There is a large sign that has been posted on the property for several weeks, with contact information for the developer, and staff contact information was also made available through mail and newspaper notices.

After further discussion regarding the required findings of the setback variance,

M/Stursa, S/Taraldsen, to recommend approval of a resolution amending the Comprehensive Plan designation of the properties located at 6613-6625 Portland Avenue South from Medium-Density Residential to High-Density Residential.

Motion carried: 6-0

M/Stursa, S/Surma, to recommend approval of a resolution rezoning the properties located at 6613-6625 Portland Avenue South from MR-2 Multi-Family Residential to MU-N Mixed Use-Neighborhood.

Motion carried: 6-0

M/Stursa, S/Taraldsen, to recommend approval of the preliminary plat, proposed site plan, and two variances for 38 units of affordable housing at 6613-6625 Portland Avenue South.

Motion carried: 6-0

M/Stursa, S/Surma, to recommend approval of a resolution find that the sale of 6613-6625 Portland Avenue South for the construction of 38 units of affordable housing will be consistent with the proposed Comprehensive Plan Amendment.

Motion carried: 6-0

ITEM #4	LIAISON REPORTS
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- Community Services Commission: Commissioner Rudolph had no report.
- City Council: Commissioner Kennealy had no report.
- Housing and Redevelopment Authority (HRA): Commissioner Stursa reported that John Young has joined the HRA. The HRA also authorized the sale of 6626 14th Avenue and approved a resolution supporting the velodrome project with Minnesota Cycling Center.

- Richfield School Board: Chair Holmwig-Johnson reported that at its most recent meeting, the school board adopted changes to the hazing and harassment policies. They also discussed updates that the last legislature took, as well as conducted closed labor negotiations. Also, Richfield Athletics has partnered with Holy Angels Academy to add girls' lacrosse to the high school.
- Transportation Commission: Commissioner Surma reported that the Transportation Commission held two meetings to discuss Hennepin County's proposed reconstruction of Nicollet Avenue between 66th Street and 77th Street. Construction is estimated to begin in 2026. Hennepin County is beginning public outreach and engagement efforts.
- Chamber of Commerce: Commissioner Hooey was absent.
- Sustainability Commission: Commissioner Taraldsen reported that the city received a \$550,000 grant from the USDA to remove trees in boulevards infested with Emerald Ash Borer. There was also an audit of organic waste in the city and there was found to be less than 1% contamination. October 11th was the opening of the new Taft Bike Park.

ITEM #5	CITY PLANNER'S REPORT
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Planner Crosby had no report.

ITEM #6	NEXT MEETING TIME AND LOCATION
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The next regular meeting is on Monday, November 27, 2023, at 7:00 pm in the Council Chambers.

ITEM #7	ADJOURNMENT
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M/Rudolph, S/Surma to adjourn the meeting.

Motion carried: 6-0 and the meeting was adjourned at 8:28 p.m.

Submitted by:

Ruby Villa
Assistant Planner

Brett Stursa
Planning Commission Secretary

AGENDA SECTION:	Public Hearings
AGENDA ITEM #	2.
CASE NO.:	Staff Report No. 16



PLANNING COMMISSION MEETING 11/27/2023

REPORT PREPARED BY: Sam Crosby, Planner

COMMUNITY DEVELOPMENT DIRECTOR REVIEW: Melissa Poehلمان, Community Development Director
11/17/2023

ITEM FOR COMMISSION CONSIDERATION:

Public hearing to consider an ordinance amendment to allow micro units as an accessory use to religious institutions.

EXECUTIVE SUMMARY:

During their 2023 session, the Legislature passed a bill authorizing religious institutions to construct micro unit dwellings on their property. Development of these micro unit dwellings are being referred to as "Sacred Communities" and they are intended to provide an additional means for faith communities to serve chronically homeless and extremely low-income individuals, living in community with volunteers.

In summary, the new law sets the following minimum standards for these developments:

- Micro units are defined as no more than 400 gross square feet in size with exterior materials compatible with standard residential construction.
- The units are required to have a toilet, electricity, and smoke and carbon monoxide detectors.
- Between one-third and 40% of the units must be occupied by designated volunteers.
- They must provide the City with a plan that outlines:
 - o water and sewer management,
 - o parking, lighting, and access by emergency vehicles, and
 - o security and severe weather protocols.

The law permits cities to designate these settlements as either conditional uses or permitted uses, but defaults to conditional if not otherwise stated. If allowed to default to a conditional use, the City would have no ability to impose any conditions, creating pointless and futile public hearings. Therefore, staff is proposing an ordinance that would allow Sacred Communities as an accessory use to religious institutions. This would avoid a frustrating and pointless public hearing process. Also, by designating the settlements as an accessory use to the religious institution, the settlement would not continue if the religious institution ceased.

The zoning code allows religious institutions as a conditional use in the R - Low Density Residential, the MR-2 - Multi-Family Residential, and the MR-3 - High Density Multi-Family Residential districts. Religious Institutions are also listed as a permitted use in the C-2 - General Commercial zoning district. The proposed ordinance creates a definition for the term sacred community (as defined by the new law) and adds language to each of these districts, to specify that sacred communities are allowed as accessory uses to approved religious institutions.

RECOMMENDED ACTION:

Conduct and close a public hearing and by motion: Recommend approval of the ordinance amendment to allow micro units as an accessory use to religious institutions.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The law became Chapter 53, Article 11, Section 57, which is attached for reference. The effective date is January 1, 2024.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The new law states:
 “Unless the municipality has designated Sacred Communities meeting the requirements of this section as permitted uses, a Sacred Community meeting the requirements of this section shall be approved and regulated as a conditional use without the application of additional standards not included in this section. When approved, additional permitting is not required for individual micro units.”
- Under guidance from the City Attorney, the last sentence means that the City cannot require ANY additional permitting, including land use and/or building permits, regardless of whether the City passes this proposed ordinance amendment or not. The Statute outlines the minimum construction requirements for the micro units and the City cannot go beyond that. If a micro unit connects to utilities such as water, sewer, gas or electric, then those City permits and inspections apply. The law does require that all units be inspected and certified for compliance with the provisions of the law by a licensed MN professional engineer or qualified third-party inspector. Each settlement must also annually certify to the City that it continues to comply with the eligibility requirements of the law.
- If a City has setback regulations for mobile homes, those are the only regulations a city can impose. Otherwise, the default setback chosen by the legislature is 10 feet. The City of Richfield does not regulate mobile homes, so the 10 foot setback would apply.
- The City’s Zoning Code does not define the term religious institution. The new law defines it as “a church, synagogue, mosque, or other religious organization organized under State Statute Chapter 315.” It is preferable that there is no city definition that could potentially conflict with State Statute. The City would apply the statutory definition if questions arose.

C. CRITICAL TIMING ISSUES:

- The law sets the effective date as January 1, 2024.

D. FINANCIAL IMPACT:

- None.

E. LEGAL CONSIDERATION:

- Notice of the public hearing was published in the Sun Current newspaper on November 16, 2023.
- Council consideration of this ordinance amendment has been tentatively scheduled for a first reading on November 28, 2023, and a second reading on December 12, 2023.

ALTERNATIVE RECOMMENDATION(S):

- Recommend revisions of the ordinance amendment as proposed; or,
- Recommend denial of the ordinance amendment, thus allowing Sacred Communities to default to the conditional use permit process.

PRINCIPAL PARTIES EXPECTED AT MEETING:

None

ATTACHMENTS:

Description	Type
□ Draft Sacred Communities Ordinance	Ordinance
□ Chapter 53, Article 11, Section 57	Backup Material

BILL NO. _____

**AN ORDINANCE AMENDMENT MODIFYING VARIOUS SECTIONS OF THE ZONING CODE
IN RELATION TO “SACRED COMMUNITIES”**

THE CITY OF RICHFIELD DOES ORDAIN:

Section 1 Subsection 507.07, Subd. 111, of the Richfield Zoning Code is amended to add a definition, all subsequent items to remain unchanged, to read as follows:

Subd. 111. “Sacred Communities” are micro unit dwellings on religious institutional property, as defined by State Statutes Chapter 53, Article 11, Section 57.

Section 2 Subsection 514.05, of the Richfield Zoning Code is amended to add a Subdivision 12, for the purpose of listing sacred communities as an accessory use in the R zoning district, to read as follows:

Subd. 12. Sacred Communities as an accessory use to an approved Religious Institution (conditional use permit amendment not required).

Section 3 Subsection 525.05, of the Richfield Zoning Code is amended to add Subd. 9, for the purpose of listing sacred communities as an accessory use in the MR-2 zoning district, to read as follows:

Subd. 12. Sacred Communities as an accessory use to an approved Religious Institution (conditional use permit amendment not required).

Section 4 Subsection 527.05, of the Richfield Zoning Code is amended to add Subd. 10, for the purpose of listing sacred communities as an accessory use in the MR-3 zoning district, to read as follows:

Subd. 10. Sacred Communities as an accessory use to an approved Religious Institution (conditional use permit amendment not required).

Section 5 Subsection 534.03, Subd. 8, of the Richfield Zoning Code is amended to add language, for the purpose of identifying sacred settlements as an accessory use in the C-2 zoning district, to read as follows:

Subd. 8. Religious institutions and related convents or parsonages, including sacred communities as an accessory use.

Section 6 This Ordinance is effective in accordance with Section 3.09 of the Richfield City Charter.

Passed by the City Council of the City of Richfield, Minnesota this 12th day of December, 2023.

Mary B. Supple, Mayor

ATTEST:

Dustin Leslie, City Clerk

Chapter 53, Article 11, Section 57.

[327.30] SACRED COMMUNITIES AND MICRO-UNIT DWELLINGS.

Subdivision 1.

Definitions.

(a) For the purposes of this section, the following terms have the meanings given.

(b) "Chronically homeless" means an individual who:

(1) is homeless and lives or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter;

(2) has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last three years; and

(3) has an adult head of household, or a minor head-of-household if no adult is present in the household, with a diagnosable substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the co-occurrence of two or more of those conditions.

(c) "Designated volunteers" means persons who have not experienced homelessness and have been approved by the religious institution to live in a sacred community as their sole form of housing.

(d) "Extremely low income" means an income that is equal to or less than 30 percent of the area median income, adjusted for family size, as estimated by the Department of Housing and Urban Development.

(e) "Micro unit" means a mobile residential dwelling providing permanent housing within a sacred community that meets the requirements of subdivision 4.

(f) "Religious institution" means a church, synagogue, mosque, or other religious organization organized under chapter 315.

(g) "Sacred community" means a residential settlement established on or contiguous to the grounds of a religious institution's primary worship location primarily for the purpose of providing permanent housing for chronically homeless persons, extremely low-income persons, and designated volunteers that meets the requirements of subdivision 3.

Subd. 2. Dwelling in micro units in sacred communities authorized.

Religious institutions are authorized to provide permanent housing to people who are chronically homeless, extremely low-income, or designated volunteers, in sacred communities composed of micro units subject to the provisions of this section. Each religious institution that has sited a sacred community must annually certify to the local unit of government that it has complied with the eligibility requirements for residents of a sacred community in this section.

Subd. 3. Sacred community requirements.

(a) A sacred community must provide residents of micro units access to water and electric utilities either by connecting the micro units to the utilities that are serving the principal building on the lot or by other comparable means, or by providing the residents access to permanent common kitchen facilities and common facilities for toilet, bathing, and laundry with

the number and type of fixtures required for an R-2 boarding house under Minnesota Rules, part 1305.2902. Any units that are plumbed shall not be included in determining the minimum number of fixtures required for the common facilities.

(b) A sacred community under this section must:

(1) be appropriately insured;

(2) have between one-third and 40 percent of the micro units occupied by designated volunteers; and

(3) provide the municipality with a written plan approved by the religious institution's governing board that outlines:

(i) disposal of water and sewage from micro units if not plumbed;

(ii) septic tank drainage if plumbed units are not hooked up to the primary worship location's system;

(iii) adequate parking, lighting, and access to units by emergency vehicles;

(iv) protocols for security and addressing conduct within the settlement; and

(v) safety protocols for severe weather.

(c) Unless the municipality has designated sacred communities meeting the requirements of this section as permitted uses, a sacred community meeting the requirements of this section shall be approved and regulated as a conditional use without the application of additional standards not included in this section. When approved, additional permitting is not required for individual micro units.

(d) Sacred communities are subject to the laws governing landlords and tenants under chapter 504B.

Subd. 4. Micro unit requirements.

(a) In order to be eligible to be placed within a sacred community, a micro unit must be built to the requirements of the American National Standards Institute (ANSI) Code 119.5, which includes standards for heating, electrical systems, and fire and life safety. A micro unit must also meet the following technical requirements:

(1) be no more than 400 gross square feet;

(2) be built on a permanent chassis and anchored to pin foundations with engineered fasteners;

(3) have exterior materials that are compatible in composition, appearance, and durability to the exterior materials used in standard residential construction;

(4) have a minimum insulation rating of R-20 in walls, R-30 in floors, and R-38 in ceilings, as well as residential grade insulated doors and windows;

(5) have a dry, compostable, or plumbed toilet or other system meeting the requirements of the Minnesota Pollution Control Agency, Chapters 7035, 7040, 7049, and 7080, or other applicable rules;

(7) have minimum wall framing with two inch by four inch wood or metal studs with framing of 16 inches to 24 inches on center, or the equivalent in structural insulated panels, with a floor load of 40 pounds per square foot and a roof live load of 42 pounds per square foot; and

(8) have smoke and carbon monoxide detectors installed.

(b) All micro units, including their anchoring, must be inspected and certified for compliance with these requirements by a licensed Minnesota professional engineer or qualified third-party inspector for ANSI compliance accredited pursuant to either the American Society for Testing and Materials Appendix E541 or ISO/IEC 17020.

(c) Micro units that connect to utilities such as water, sewer, gas, or electric, must obtain any permits or inspections required by the municipality or utility company for that connection.

(d) Micro units must comply with municipal setback requirements established by ordinance for manufactured homes. If a municipality does not have such an ordinance, micro units must be set back on all sides by at least ten feet.

EFFECTIVE DATE.

This section is effective January 1, 2024.