

MINUTES
MANHATTAN URBAN AREA PLANNING BOARD
Virtual meeting location
Monday, October 19, 2020

MEMBERS PRESENT

Phil Anderson
John Ball, *vice-chair*
Shelley Carver

Ken Ebert
Neil Parikh
Gary Stith, *chair*

MEMBERS ABSENT

Jerry Reynard

STAFF PRESENT

Barry Beagle, Senior Planner; Bob Isaac, Planner, Riley County; Ben Chmiel, Planner III; John Adam, Senior Planner

1. CALL TO ORDER

- 1.1. Stith called the meeting to order at 7:00 p.m. Staff called roll and stated there was a quorum.

2. CONSENT AGENDA

- 2.1 Approve the MINUTES of the October 5, 2020, Manhattan Urban Area Planning Board meeting
- 2.2. Consider the FINAL DEVELOPMENT PLAN of No Stone Unturned Foundation, a Commercial Planned Unit Development generally located approximately 300 feet east of Bent Tree Drive, on the south side of Tuttle Creek Boulevard (*Applicant: The No Stone Unturned Foundation; file no. RCF-20-047*)

Ebert moved that the Board approve the Consent Agenda; Ball seconded. Motion passed 4–0–2 on item 2.1 (Parikh and Carver abstaining) and 6–0–0 on item 2.2.

3. GENERAL AGENDA

- 3.1. A PUBLIC HEARING to consider an AMENDMENT of the Abbott’s Landing Commercial Planned Unit Development to allow a 3,450-square foot medical office at 435 McCall Road (*Applicant: Palm Development Partners, Winston Parks; file no. PUD-20-046*)

Beagle gave a staff report, detailing the site plan, signage, and architectural elements of the proposed Xpress Wellness Clinic, and recommended approval with three conditions, including reducing the size of the pylon sign to conform to the 32-square-foot size limit.

Ebert asked what the minimum parking requirement is for this use. Beagle said 19

spaces; the developer is providing 30 spaces. Ebert asked what the parking requirement for the same use will be in the proposed development code. Beagle did not have the information at hand; Chmiel said the amounts are generally half of what the current regulations require.

Public hearing opened.

Winston Parks, 2209 Cressmore Road, Nashville, Tennessee, the applicant, told the board a little about Xpress Wellness. Ebert said the sidewalk in front of the entry appeared to be five feet wide, which could be negatively impacted by bumper overhang. He suggested that if necessary they could move the building eastward into the 14-foot sideyard setback. Stith agreed. Parks said rather than moving the building they could add wheelstops to prevent bumpers overhanging the sidewalk.

Public clearing closed.

Ball moved approval of the PUD amendment with the three conditions of approval; Anderson seconded. Motion passed 6–0–0.

4. WORK SESSION

4.1. Discussion of whether to permit accessory dwelling units and a review of potential ADU regulations

Chmiel presented on Access MHK, an initiative to create policy allowing Develop a policy for the City that would allow Manhattan homeowners to have a small, secondary dwelling. Access MHK seeks to address issues related to affordable housing, housing for the aging and disabled, developing the local economy, stabilization and revitalization of neighborhoods, improving rental conditions, reducing sprawl and increasing resiliency, increasing homeownership, and improving renter/owner rapport. Chmiel explained the background of initiative stemming from a groundswell of interest in the concept and support from local individuals and organizations concerned about housing. He explained the two year timeline of the initiative and the previous meetings held with the Access MHK coalition.

Chmiel described the issue of housing affordability in the community, noting the benefits that ADUs could bring for owners and renters as well as the ability for ADUs to help increase homeownership in the community. He explained how ADUs fill housing needs for the aging and disabled and help them stave of assisted living cost and improve the feasibility of dignified, independent living. Chmiel demonstrated the national trends showing how multi-generational housing demand and demand for housing products and solutions like ADUs can help Manhattan attract new talent and industry. He compared Manhattan to other peer cities which allowed ADUs, noting how far behind Manhattan was on addressing the issue. Chmiel explained how ADUs can benefit the local economy by curbing the flow of rent dollars back into the community. He also demonstrated how ADUs could be a tool for stabilizing and revitalizing neighborhoods by attracting homeowners to more renter-dominated areas of the community. Chmiel explained how an ADU arrangement was fundamentally different from a traditional rental situation, with landlords living on the same properties as their tenants, resulting in higher accountability, quicker enforcement of maintenance issues, and higher quality housing. Lastly he explained how ADUs can provide

subtle density, allowing new housing units to utilize existing infrastructure, instead of building new, curbing sprawl and reducing tax burden.

Chmiel showed how various policy and planning documents support implementation of ADUs in Manhattan and further described the interest from local homeowners in having one, despite ADUs not being allowed.

Ball brought up concerns about parking, explaining how existing parking may not be adequate to accommodate ADUs and may result in occupants potentially parking on-street. Chmiel explained how parking was a sensitive issue and there had to be a balance between too much parking and not enough in order to minimize the impact of ADUs. He noted that one parking space is required for an ADU, but in his research found that 86% of single family homes in Manhattan already have enough parking to accommodate an ADU.

Ebert asked if there were any estimates on how many ADUs would be built once they were allowed. Chmiel, based on how many homeowners reached out to him in the past two years, estimated he'd have a dozen requests in the first year. Ebert asked if peer communities with ADU policies had seen success with housing affordability as an objective. Chmiel used Boulder, Colorado as an example, noting their recent re-writing of their ADU regulations to expand their implementation. He noted in the assessment of their own program, they found ADUs were on average below market rate, which scrapped the need for an affordability requirement component in the rewrite of their regulations.

Anderson asked if an ADU would require a permit to establish. Chmiel said they would. Anderson commented on how there are many unpermitted units in Manhattan and ADUs could provide an opportunity to bring some of those units up to code were they converted into ADUs. He also noted the economic opportunity for homeowners who could factor in rental income as part of their ability to afford a home and said he was glad the topic was brought before the Planning Board.

Stith said he was impressed with the staff analysis and had thought for a long time that ADUs could be good for Manhattan given its market characteristics. He added they would help the city's economic development, redevelopment, and rehabilitation of neighborhoods. Stith brought up concerns with monitoring and enforcement, particularly as it relates to the owner occupancy requirement. He also asked about any fee structure that could be considered as part of the application, given the amount of staff time required for the program.

Chmiel continued presenting on the regulatory options being recommended by staff and vetted by the Access MHK coalition. Chmiel explained that as proposed, ADUs would be a conditional use, allowed in all single-family zoning districts. ADUs could only be on an owner-occupied property and the owner would have to live in either the ADU or the principal dwelling. ADUs could be build detached, attached, integrated, or converted from a portion of a home but would have a maximum floor space of 800 square feet and a maximum of two bedrooms. Chmiel illustrated the site design standards, putting units in the backyard of a property and buffered from neighboring properties. He also explained how ADUs would be subject to design requirements as to match its associated house and as to minimize visual and physical impact. Chmiel showed how one additional space of parking would be required for

the ADU, but that about 86% of homes in Manhattan had adequate parking to hypothetically accommodate an ADU today.

Ball expressed support for the overall concept, but raised concern about people who have adequate parking on site, but chose not to utilize it when parking their own vehicles. He said it could be addressed depending on how the regulations were written, but recommended caution given the current conditions with under-parked properties. Chmiel noted that the occupancy for an ADU was limited to two people, but agreed it was a prevalent issue in the City. He also noted that vehicle ownership among renters was trending downward, but that the conditional use process could address some of the issues associated with parking were it a concern in a particular situation.

Carver asked if other communities with ADU policies had an owner occupancy requirements. Chmiel said it was mixed, noting that Boulder favored to remove their owner occupancy requirement. Chmiel expressed support for the owner occupancy requirement, noting its ability to leverage more benefits, namely neighborhood revitalization and affordability. Carver agreed.

Chmiel continued to walk through the process by which a homeowner would submit an application for review through the Conditional Use process. As proposed, ADUs would have to be registered and reregistered annually to ensure compliance and verify owner occupancy. Chmiel explained the multitude of ways owner occupancy could be verified. He explained the process for a unit found in violation without remediation, which included fines, dismantling of the unit, and a ban for reestablishment.

Stith again mentioned the possibility of fees to supplement additional resources required to monitor an ADU program. Chmiel explained that there currently was not a fee schedule envisioned for the program as he didn't expect more than a dozen applications in the first year, but would be open to implementing fees should ADUs become more popular later on.

Anderson reinforced the idea that as these would be permitted, housing quality would improve, though he was not convinced they would need to be owner occupied to realize the benefit. He described an example in his own neighborhood that was very successful, with a long history of flexible, but positive adaptability.

Parikh expressed pessimism over the concept, speculating the City's ability to monitor and enforce ADUs when there were already issues monitoring and enforcing issues with existing properties. He doubted the City's ability to dedicate staff time and resources to such a program and struggled to foresee the advantages outweighing the burdens. Parikh suggested that while it might not be a bad idea, the timing may not be right. Chmiel said he sees it as more of a privilege than a right to have an ADU and that owners would be subjecting themselves to a higher level of scrutiny through annual inspection, but did acknowledge the issue with scalability as more units came online.

Stith thought the information presented may have missed some potential drawbacks, specifically noting cost associated with establishing an ADU in the first place. Chmiel noted that part of his cash flow analysis included financing costs, but also explained that there is a spectrum of readiness depending on the property; while

some homeowners would have to build from scratch, it is common for many to have fully functional second units that they are simply not allowed to rent out, because they lost their grandfather status as a housing unit.

Ebert described the difference between the square-footage limitations of the ADU in the draft regulations, noting a potential issue with the term “gross” versus “habitable”.

Anderson explained that a developer he knows is interested in integrating ADUs into his home designs, as they would be marketable. Stith noted that the owner occupancy requirement would prevent a developer from building one without an owner. Chmiel agreed it could be an obstacle and said it would have to be explored further.

Parikh noted that housing options are an issue in Manhattan, but cautioned the ability to cover all the bases with the UDO alone.

Stith opened the floor for public comment.

Colene Lind of 2048 Hunting Avenue expressed her support of the draft regulations. She described how she purchased her house in 2015 with an ADU in mind. She said the aging in place aspect was very attractive to her and her spouse as an ADU would allow them to stay in their home for longer. She also said she believed ADUs give younger families access to homeownership and support diversity in neighborhoods. She said if the program was successful it would demand more staff resources, but saw it as a good trade off given the benefits of ADUs.

Tim Peverill of 3432 West Baker spoke in favor of ADUs, saying that his elderly in-laws recently moved in and they’re assessing options for when their daughter moves out. He appreciated how an ADU would give them flexibility to stay in their current home. Peverill noted that being a late adopter of an ADU policy allowed the City to make a policy based on how other cities have handled it and encouraged the Board to move forward with the concept.

Jared Tremblay of 525 Wickham expressed full support for ADUs, saying he would love to do an ADU now to accommodate renters, but potentially aging parents in the future. He appreciated how the concept allows property owners to add value to their properties without having to add miles of infrastructure, allowing maximization of land use efficiency.

Brandon Kliewer of 1405 Pierre Street commended staff for the work and research put into the presentation. He said he believed ADUs would help attract and retain new talent to the City, especially with COVID recovery in mind. Kliewer said the added density would support the downtown core and noted how ADUs being created from new garages give the opportunity to alleviate parking issues.

Nick Geankoplis of 2422 Brockman Street addressed Parikh’s comment about timing, saying that in his life stage the timing is good. His parents sold their house to travel in retirement and he and his wife hoped to turn their backyard shed into a place for their parents to live from time to time. He explained that his parents moved in during the pandemic and he would like to allow them to eventually live there long-term so he and his wife can take care of them. He mentioned that in some cases, aging parents looking to move in with their children may help with building costs as to offset costs for the homeowner.

James Pingenot, representing his mother-in-law, Kathleen Myrtles, of 1500 Pierre Street said she was very hopeful that ADUs would be allowed in Manhattan as her extended family has moved in with her due to COVID and having the flexibility to create extra space for family would be very helpful. He added that once they retire, they'd like to use an added unit for rental income.

Joshua Brewer of 410 Fremont Street said he was an enthusiastic proponent of ADUs. He noted that in his neighborhood, there were a number of unregulated ADUs and having a consistent standard for them would be good. As someone who's fixing up an older home, he noted that the ability to add revenue to a remodel was really attractive, adding that it would increase property tax generation in the area. He commended the staff's work and research on the topic.

Stith closed the public comment period.

5. REPORTS AND COMMENTS BY BOARD MEMBERS AND STAFF

- 5.1. Planning updates from staff. None.
- 5.2. Comments from Board members. Ebert asked if there would be any other articles from the UDO to cover. Adam said Articles 26-8 and 26-9 remain to be covered. Ebert asked why the ADU section is not part of the Unified Development Ordinance (UDO) process. Adam and Chmiel explained that the City Commission had removed ADUs from the UDO two years ago, but staff convened a committee to develop the idea and the regulations further in response to the concerns raised before. Adam said they are not going to slow down the UDO adoption by trying to gain support for ADUs.
- 5.3. Next meeting. Chair announced the next meeting is Monday, November 2, 2020, and will again be held virtually.

6. ADJOURNMENT

Meeting was adjourned at 8:04 p.m.

Submitted by John Adam, Senior Planner