

City of Delano  
County of Wright  
State of Minnesota

Ordinance O-24-07

AN ORDINANCE AMENDING THE DELANO ZONING ORDINANCE SECTION 51.02 SUBDIVISION J  
PLANNED UNIT DEVELOPMENT TO REQUIRE A PERCENTAGE OF AFFORDABLE HOUSING AS PART OF  
AN APPROVED RESIDENTIAL PLANNED UNIT DEVELOPMENT PROJECT OR SUBDIVISION.

**Section 1.** Section 51.01, Subd. B.2 of the Delano Zoning Ordinance is hereby amended to add the following definitions:

**Inclusionary Housing.** For the purpose of this ordinance, the term inclusionary housing means housing that meets the following criteria:

1. An inclusionary housing dwelling unit shall be affordable to a household spending not more than thirty (30) percent of their monthly adjusted gross income on housing costs (rent or mortgage plus HOA dues, and utilities).
2. An inclusionary owner-occupied housing unit shall be affordable to household at one hundred (100) percent of area median income.
3. An inclusionary rental housing unit shall be affordable to households at sixty (60) percent of area median income.

**Area median income (AMI).** The median household income as most recently determined by the United States Department of Housing and Urban Development (HUD) for the Minneapolis-St. Paul-Bloomington, Minnesota-Wisconsin Metropolitan Statistical Area, as adjusted for household size and number of bedrooms.

**Section 2.** Section 51.02 Subd.J.1.j Planned Unit Development- Purpose is hereby amended to include the underlined language.

**Subd. J. PUD, Planned Unit Development.**

1. **Purpose.** This section is established to provide comprehensive procedures and standards designed for both district and conditional use permit planned unit development to allow the development of neighborhoods or portions thereof incorporating a variety of residential types and non-residential uses. Recognizing that traditional density, bulk, setbacks, use, and subdivision regulations which may be useful in protecting the character of substantially developed areas, may not be appropriate to control development in less developed areas.

The PUD, by allowing deviation from the strict provisions of this Ordinance related to setbacks, heights, lot area, width and depths, yards, etc., by conditional use permit or a mixture of uses by rezoning to a PUD District, is intended to encourage:

- j. Provision of inclusionary housing through density and housing diversity to foster a diverse, resilient local economy by bringing workers and residents closer to their jobs, schools, and necessary services.

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**Section 3.** Section 51.02 Subd.J.3. I. General Requirements and standards for Planned Unit Development is hereby amended to include the underlined language.

I Residential Planned Unit Developments, Conditional Use Permit Requirements. It is the intent of this section to establish special requirements for the granting of a conditional use permit for residential PUD projects which are in compliance with the density, permitted and conditional uses allowed in a specific base district including dwellings, offices and institutional uses of one (1) or more buildings in relation to an overall design, and integrated physical plan and in accordance with the provisions and procedures as prescribed in Sections 51.02, Subd. B of this Ordinance.

1) Townhouse, quadrominium, cooperative, and condominiums apartments shall comply with the design standards of Section 51.03, Subd. C.3.b of this Ordinance.

2) Setbacks.

a) The setback requirements at the periphery of the planned unit development site at minimum shall be the same as imposed in the respective districts.

b) Garages shall be located no less than twenty-five (25) feet from the back of the curb line along those roadways which are part of an internal street pattern to provide adequate off- street parking.

c) No building within the project shall be nearer to another building than one-half (1/2) the sum of the building heights of the two (2) buildings.

3) Inclusionary Housing. All residential planned unit developments requesting design flexibility from the City's base zoning standards including but not limited to lot size, density, setbacks, parking standards, architectural standards, multiple buildings on one lot, etc. shall include one of the following affordable housing options.

a) Owner-occupied housing. Residential planned unit development projects intended for sale and owner occupancy shall provide fifteen (15) percent of the total dwelling units as inclusionary housing at a price affordable to households having a household income not exceeding one hundred (100) percent of Area Median Income (AMI) at time of initial sale of the dwelling unit.

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(1) The Inclusionary housing units shall be owner occupied. No rental permit shall be issued for the subject property for ten (10) years after the initial sale.

b) Rental housing. Residential planned unit development projects intended as rental housing shall include thirty (30) percent of the total dwelling units as inclusionary housing affordable to households having a household income not exceeding sixty (60) percent of Area Median Income (AMI).

(1) The inclusionary housing unit shall include a Planned Unit Development restriction that maintains the housing units at an affordable housing value for a period of twenty (20) years or longer if public financial assistance is provided in the project. After expiration of the rental restriction period the deed restriction shall be voided without further action.

(2) For the duration of the affordability period, the property owner shall provide the City with an annual report identifying the number of affordable rental units by number of bedrooms and rents and utilities within the project.

4) Density Bonus. As a consequence of a planned unit development's planned and integrated character, the number of dwelling units allowed within the respective base zoning district may be increased up to twenty (20) percent based upon a finding by the City Council that such an increase is consistent with the goals of the Comprehensive Plan and achieves the PUD stated objectives

as follows. The building, parking and similar requirements for these extra units shall be observed in compliance with this Ordinance. The City may waive the following requirements for residential planned unit development that provide affordable housing units in excess of the minimum requirements of Section 51.03 Subdivision J.3.1.3 above.

Bonus Feature	Required Lot Area Reduction Per Unit
1) <u>Construction.</u> Durable exterior wall finishes consisting of at least two (2) of the following: glass, brick, stone or stucco on at least seventy (70) percent of all wall faces.	300 square feet

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2) <u>Underground Parking</u> . One (1) stall per unit of the required free parking shall be underground or within the principal structure (not including attached or detached garages).	300 square feet
3) <u>Recreation, Indoor</u> . Indoor recreation and social rooms equal to a minimum of twenty-five (25) square feet per unit or seven hundred fifty (750) square feet total, whichever is greater.	100 square feet
4) <u>Recreation, Outdoor</u> . Outdoor recreational facilities such as swimming pools, porches, tennis courts, or similar facilities requiring a substantial investment equaling at minimum five (5) percent of the construction cost of the principal structure.	100 square feet
5) <u>Open Space</u> . The preservation of natural open space, greenway corridors, and woodland areas.	200 square feet

5) Standards for inclusionary dwelling units.

- a) Location. Inclusionary dwelling units within a residential planned unit development must be located with the project. Unless approved by the City Council, inclusionary dwellings units must be mixed with and incorporated into the overall development and must not be separated from the market rate units. Residents of the inclusionary dwelling units must have equal access to the entries, lobbies, elevators, parking and amenities as residents of the market rate units.
- b) Unit Mix. Inclusionary dwelling units in a residential planned unit development may be fixed or may be float within the development provided that the minimum number of required of inclusionary dwelling units per number of bedrooms are maintained and the units are reasonably spread throughout the development.
- c) Timing: The construction of the inclusionary dwelling units shall be concurrent with the construction of the market rate dwelling units.
- d) Size and Design: Unless approved by the City Council as part of the residential planned unit development the size, design and amenities must at all times be functionally equivalent to the market rate units in the project.
- e) Quality: Unless approved by the City Council as part of the residential planned unit development the exterior materials, interior finishes including appliances and mechanical equipment and quality of construction of the inclusionary construction must be indistinguishable

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in style and quality comparably priced or valued to the market rate units in the project.

**Section 4.** Section 51.02 Subd.J.4. i.2)|l). Planned Unit Development Stage Submission Information is hereby amended to include the underlined language.

- h) Inclusionary Housing Data. A narrative outlining how the project will meet the inclusionary housing requirements of this ordinance, if applicable.
- i) Additional Data. Such other and further information as the Zoning Administrator, Planning Commission or City Council shall find necessary to a full consideration of the entire proposed PUD or any stage thereof.
- j) The Zoning Administrator may excuse an applicant from submitting any specific item of information or document required in this Section which it finds to be unnecessary for the consideration of the specific proposal for PUD approval.

**Section 3.** Effective Date. This Ordinance shall be in full force and effect immediately following its passage and publication.

ADOPTED by the Mayor and City Council of Delano, Minnesota this 3rd day of August 2024.

Signed:

Holly Schrupp  
Holly Schrupp, Mayor

Paula Bauman  
Attest: Paula Bauman, City Clerk