

ACCESSORY DWELLING UNITS: PROPOSED LAND USE CODE CHANGES

ALY PENNUCCI COUNCIL CENTRAL STAFF

SUSTAINABILITY AND TRANSPORTATION COMMITTEE MAY 29, 2019

What are Accessory Dwelling Units (ADUs)?

small, secondary units associated with a single-family home

Detached ADUs (DADUs)

Attached ADUs (AADUs)

backyard cottages

carriage house

garden apartments basement suite







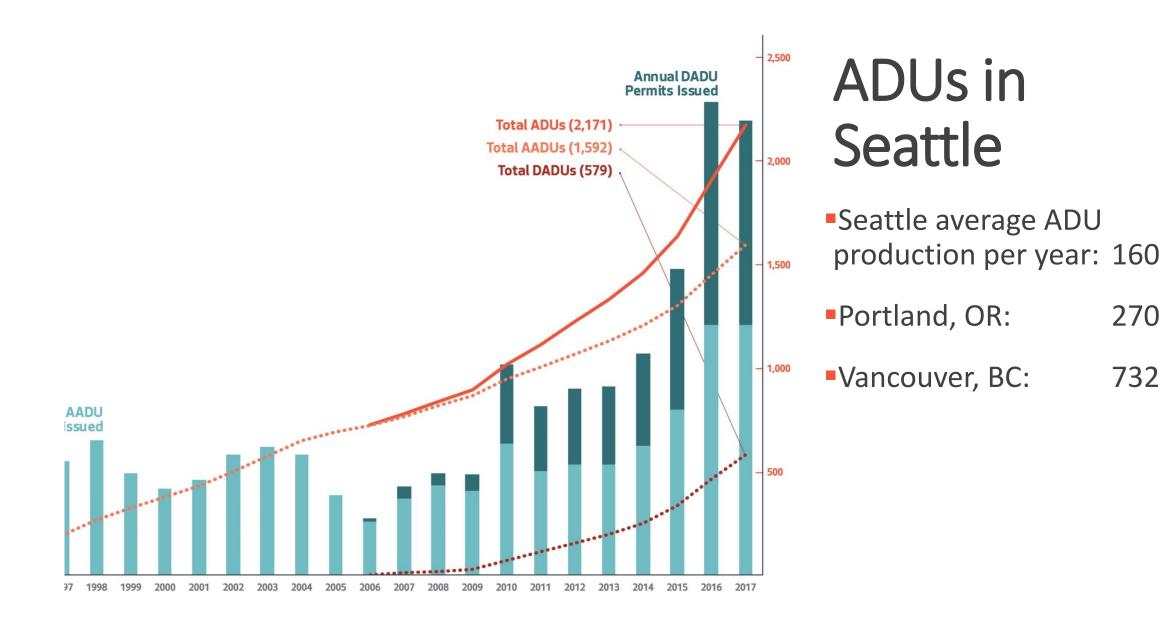
Why encourage ADUs?

Increase the number and variety of housing choices in single-family zones More affordable than single-family homes, which most people cannot afford. Allow homeowners to generate supplemental income and adapt to their changing household needs.

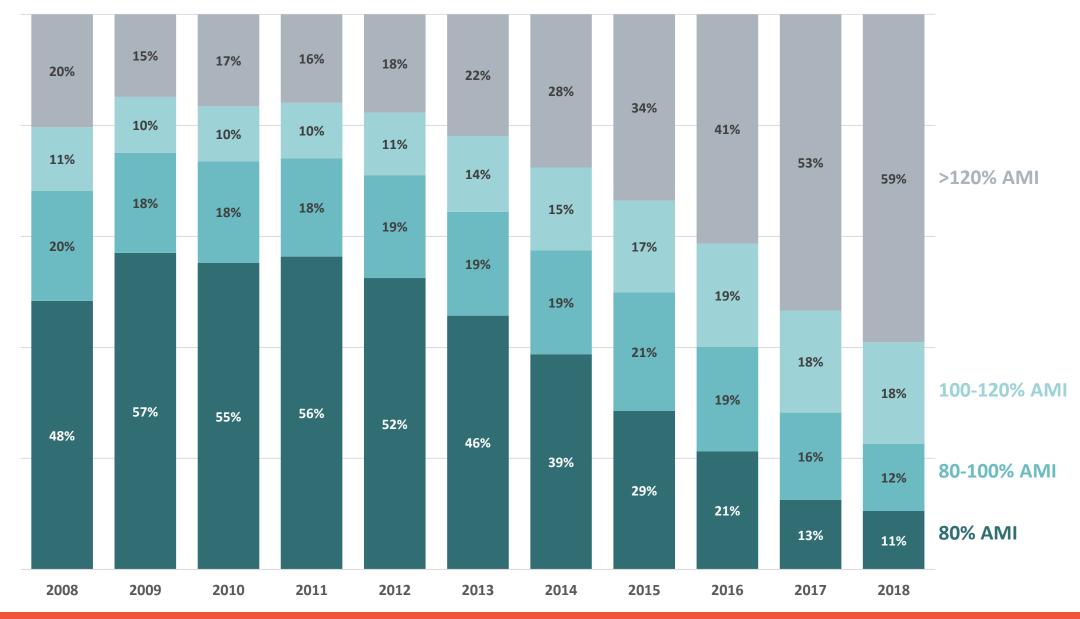
Barriers to ADU Production

Property meets development regulations People who might permit and build an ADU

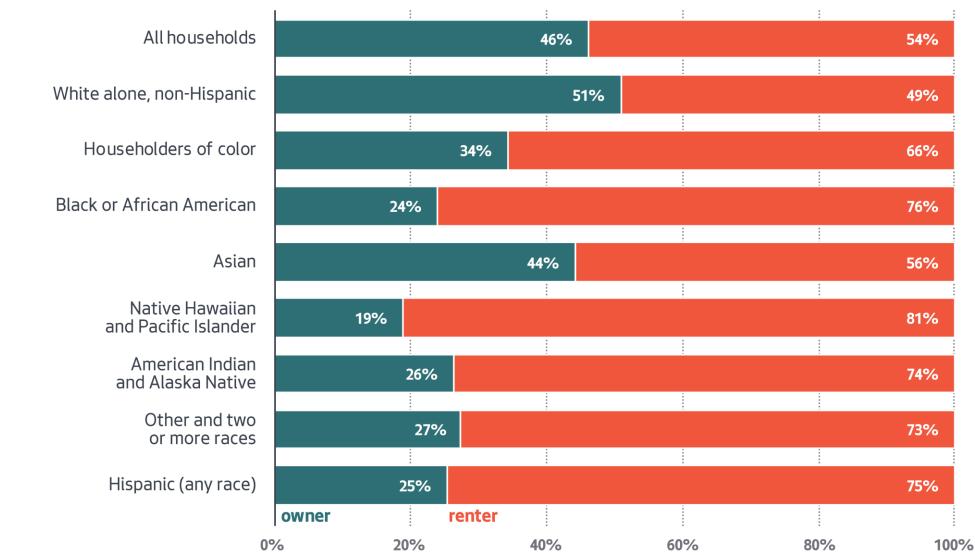
Interest and motivation to develop an ADU Access to capital to develop an ADU



Single-family home sales affordable for 4-person household (Seattle)

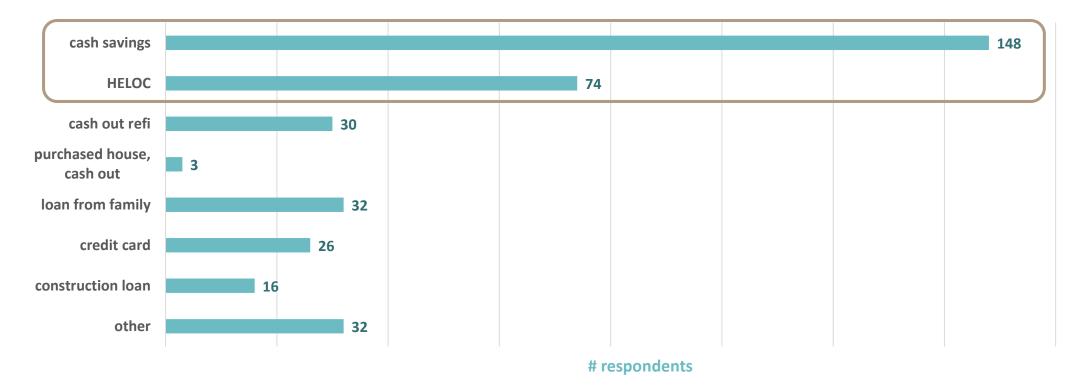


Housing tenure by race of householder (Seattle)



Financial barriers

PORTLAND ADU SURVEY How did you finance your ADU?



Summary of the Proposed Changes

Remove or reduce regulatory barriers that limit the number and variety of housing options in singlefamily zones

- 1. Allow two ADUs on one lot
- 2. Increase maximum households size to 12 unrelated people on lots with two ADUs
- 3. Allow DADUs on lots of at least 3,200 square feet & allow DADUs of up to 1,000 sq. ft.
- 4. Increase DADU height limits by 1-2 feet, with flexibility for green building strategies
- 5. Increase rear lot coverage to provide flexibility for one-story DADUs, provided the increase rear lot coverage does not result in removal of trees over a certain size
- 6. Remove the off-street parking requirement
- 7. Remove the owner-occupancy requirement
- 8. Use FAR to limit the size of new single-family homes and encourage ADUs

1. Number of ADUs

EXISTING REGULATIONS

Maximum of One ADU

Either One AADU or One DADU*

*The lot most have at least 4,000 square feet of lot area to allow a DADU

PROPOSED CHANGES

Maximum of Two ADUs

- Either Two AADUs or One AADU and One DADU*
- If the 2nd ADU is in a new structure, must meet a green building standard

Note this is a change from the preferred alternative included in the initial draft of the ADU legislation.

*The lot most have at least 3,200 square feet of lot area to allow a DADU

1. Number of ADUs

- A. No action (do not allow two ADUs on a lot)
- B. Adopt as proposed
- C. Only allow two AADUs or only allow one AADU and one DADU
- D. Require that the property is owned by the same person or persons for at least one year prior to permitting a second ADU
- E. Adopt an incentive zoning approach that would only allow a second ADU if one of the units on the lot is a rent- and income-restricted unit

Note:

- State law requires a 50-year term of affordability for this incentive zoning approach.
- The debt payment on a \$250,000 loan (the estimated cost of constructing an DADU), assuming 4% interest and a 20 year term, is \$1,514; on a \$200,000 loan the debt service is \$1,212.
- Rental income generated from a unit affordable to a household with an income at 80% of the area median income is \$1505.
- Average monthly operating costs, including some assumed periods of vacancy, are assumed to be approximately \$450/month.
- The cost of constructing a DADU would have to drop significantly to ensure that the rental income affordable to households at 80% AMI is sufficient to cover both debt payments and operating costs.

2. Maximum Household Size

EXISTING REGULATIONS

Lots with or without an ADU:

 Any number of related people, or up to <u>eight</u> unrelated people, can live on lots in single-family zones

PROPOSED CHANGES

Lots with or without one ADU

 Any number of related people, or up to <u>eight</u> unrelated people, can live on lots in single-family zones

Lots with Two ADUs

 Any number of related people, or up to <u>12</u> unrelated people, can live on lots in single-family zones

2. Maximum household size

- A. No action (do not increase the household size for lots with 2 ADUs)
- B. Adopt as proposed
- C. Modify the proposed increase the household size for lots with Two ADUs (e.g. increase to 10 rather than 12)

3. Minimum Lot size & Maximum Square Footage

EXISTING REGULATIONS

Minimum lot size

- DADU: 4,000 square feet (sq ft.)
- ADU: No minimum

Maximum Square Footage

- DADU: 800 sq ft. *including* garage and storage area
- ADU: 1,000 sq ft.

PROPOSED CHANGES

Minimum lot size for a DADU

- DADU: 3,200 square feet (sq ft.)
- ADU: No minimum

Maximum Square Footage

- DADU: 1,000 sq ft. *excluding* garage and storage area
- ADU: 1,000 sq ft.

No changes are proposed to the minimum lot size required to create a new single-family lot

3. Minimum Lot size & Maximum Square Footage

- A. No action (do not decrease the minimum lot size, and/or do not increase size of DADUs)
- B. Adopt as proposed
- C. Lot size: Modify the proposed reduction to the minimum lot size (e.g., 3,500 sq. ft. versus 3,200 sq. ft.)
- D. Maximum size: Include garage and storage area in square footage calculation for DADUs

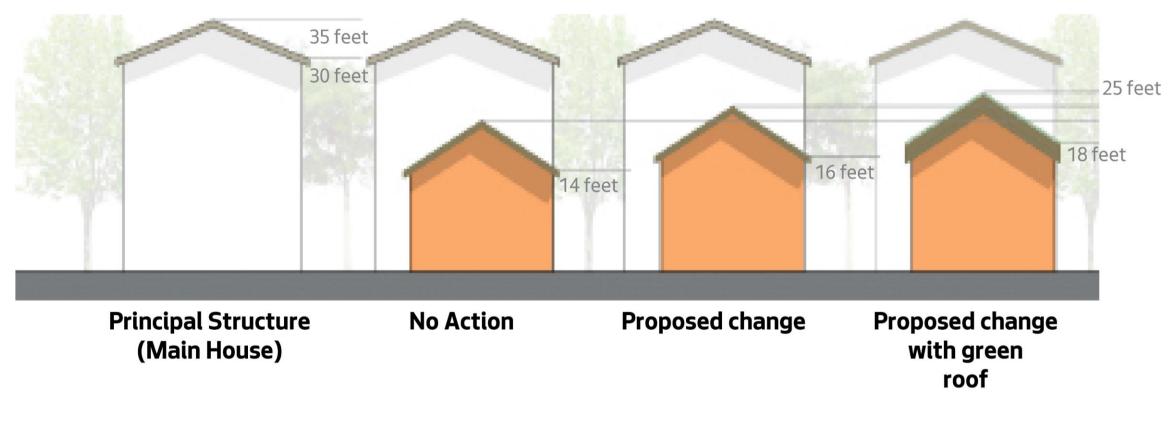
4. Height Limits for DADUs

EXISTING REGULATIONS

PROPOSED CHANGES

Lot width (ft)	<30	30-35	35-40	40-50	>50	Lot width (ft)	<30	30-50	>50
Base height (ft)	12	14	15	16	16	Base height (ft)*	14	16	18
Additional height for pitched roof (ft)	3	7	7	6	7	Additional height for pitched roof (ft)	3	7	7
Additional height for shed/butterfly roof (ft)	3	4	4	4	4	Additional height for shed/butterfly roof (ft)	3	4	4

*Two additional feet to facilitate green building strategies



DADU Height Limit (30-50 ft wide lot)

4. Height limits for DADUs

- A. No action (do not increase the maximum height for DADUs)
- B. Adopt as proposed
- C. Decrease proposed height limit changes and/or do not allow additional height for green building

5. Rear Lot Coverage

EXISTING REGULATIONS

A maximum of 40% of a rear yard may be covered by accessory structures and any portion of the main house

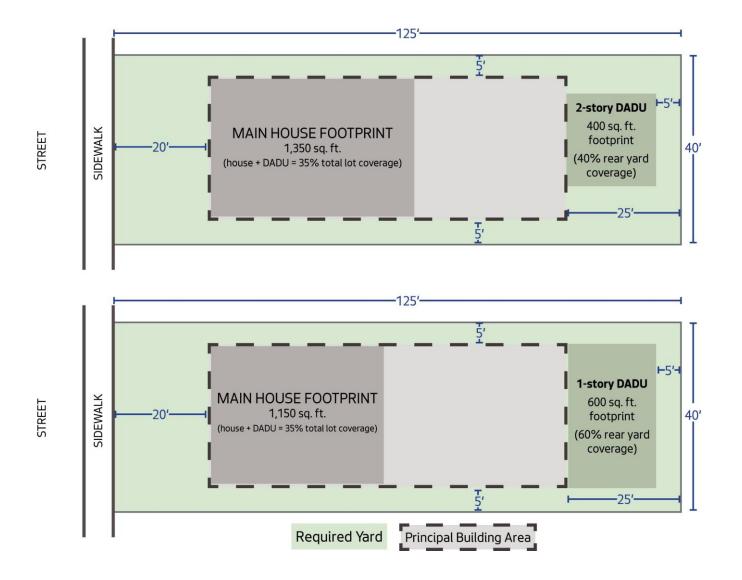
This limit is in addition to the overall lot coverage limit for a single-family lot

PROPOSED CHANGES

Increase rear yard coverage to 60% for a DADU whose total height is no more than 15 feet, subject to limitations on tree removal. Rear yard coverage for structures other than a DADU cannot exceed 40

This limit is in addition to the overall lot coverage limit for a single-family lot

No changes are proposed to the overall lot coverage limit for a single-family lot



Rear lot coverage

5. Rear lot coverage

- A. No action (do not increase rear lot coverage for single-story DADUs)
- B. Adopt as proposed
- C. Allow increased rear lot coverage regardless of height for conversion of an existing accessory structure to a DADU

Option C would be combined with option B

6. Off-street parking requirements for ADUs

EXISTING REGULATIONS

 One off-street parking space is required for an ADU

Property owners can request a waiver under certain circumstances

 An existing required off-street parking space may not be eliminated to accommodate an ADU unless it is replaced elsewhere on the lot

PROPOSED CHANGES

 No off-street parking is required for ADUs

 An existing required off-street parking space may not be eliminated to accommodate an ADU unless it is replaced elsewhere on the lot

6. Off-street Parking requirements

- A. No action (do not remove the off-street parking requirement for ADUs)
- B. Adopt as proposed
- C. Require one off-street parking space for a second ADU

7. Owner Occupancy Requirement

EXISTING REGULATIONS

A property owner must occupy either the main house or the ADU for six months of the year

PROPOSED CHANGES

Remove the owner-occupancy requirement

A property owner could add an ADU to their rental property

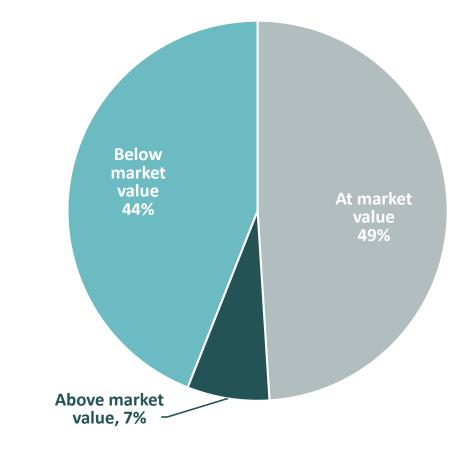
Owner Occupancy Requirement

- Equity: current regulation treats owners and renters differently
- Increased ADU production: approximately 20 percent of lots in single-family zones are renter occupied; ADUs are not allowed on these lots under existing regulations
- Flexibility: prohibition on moving, renting house and ADU deters some owners

An evaluation and interpretation of a survey of ADU owners in Portland, Oregon found that most properties with ADUs (64%) are occupied by their owner, even though Portland has no requirement they do so. In addition, a more recent survey found that most owners of ADUs rent the ADU at or below market rate.

+ **Financing:** frequently cited as a barrier, either real or perceived, to secure financing

PORTLAND ADU SURVEY How much rent do you receive from your ADU?



Source: Accessory dwelling units in Portland, Oregon: evaluation and interpretation of a survey of ADU owners, Environmental Solutions Material Management, 2014; and Accessory Dwelling Units in Portland Oregon, Institute for Sustainable Solutions and Portland State University, 2018.

7. Owner Occupancy Requirements

- A. No action (do not eliminate the owner occupancy for ADUs)
- B. Adopt as proposed
- C. Require owner occupancy only on lots that would rent an ADU as a short-term rental use

Note: the proposal considered in the preferred alternative that would require that the property is owned by the same person or persons for at least one year prior to permitting a second ADU is included on slide 11

8. Floor Area Ratio (FAR) Limit

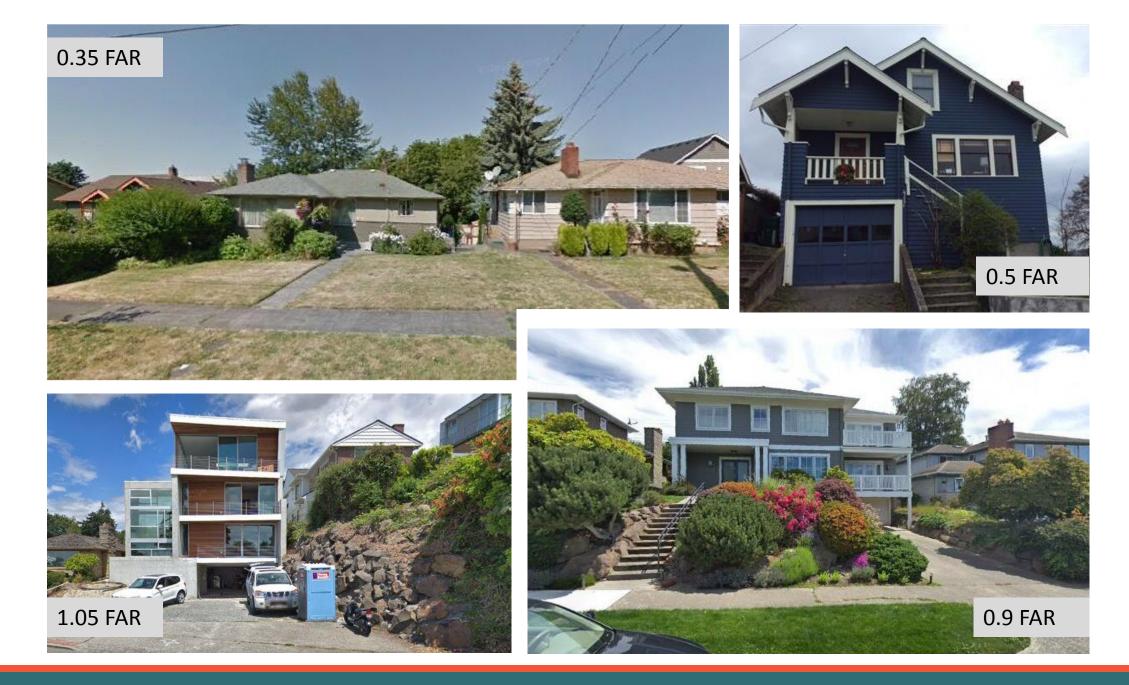
EXISTING REGULATIONS

- No FAR limit
- Maximum size of structures on lots in single-family zones are effectively controlled by yard requirements, height limits, and lot coverage

Results in an effective FAR of ~1.05

PROPOSED CHANGES

- Maximum of 0.5 FAR, or 2,500 square feet, whichever is greater
- Exempt from the FAR calculation:
 - Floor-are below grade (basements)
 - Any floor area in an ADU
- Existing homes that exceed the limit can expand one time by 20%



8. FAR Limit

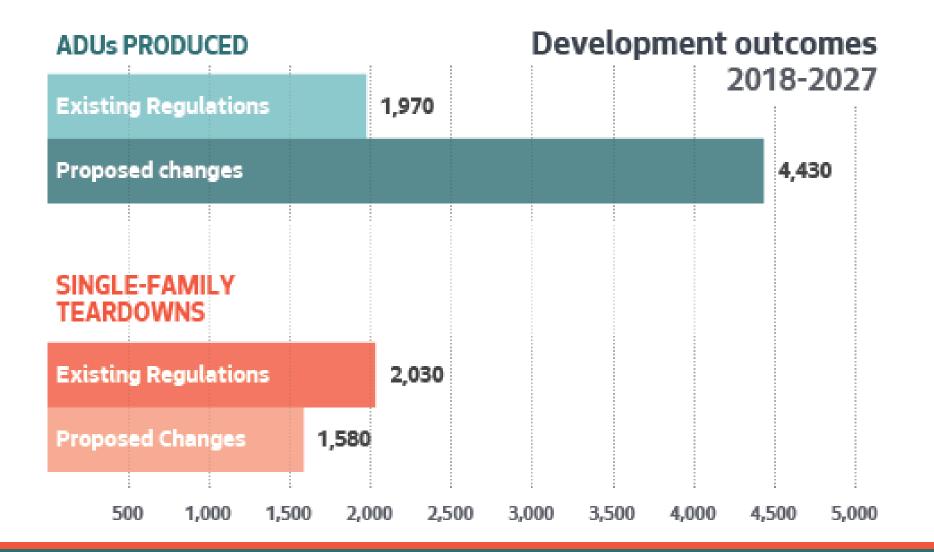
- A. No action (do not introduce FAR limits);
- B. Adopt as proposed
- C. Adopt FAR limits that are higher than 0.5;
- D. Expand or reduce the floor area that would be exempt from the FAR limit (e.g. do not exempt floor area in ADUs, or exempt floor area in all accessory structures, such as garages).

Option D could be combined with options B and C

Additional changes included in the proposal

- New tree requirement when constructing an ADU & flexibility on development standards to facilitate preservation of existing trees
- Flexibility for conversion of existing structures
- Allow DADU entrances on any façade, provided it is 10 feet from the lot line if located on the façades facing nearest side or rear lot line (unless abutting right-of-way)
- Provide height limit exceptions for projections like dormers that add interior space, subject to the provisions applicable to single-family houses

ADU Production – EIS Analysis





2019 Date	Торіс
Monday, June 3 (Full Council)	Introduce legislation
Tuesday, June 11 (5:30 p.m. S&T committee)	Public Hearing on the proposed legislation
Tuesday, June 18 (S&T Committee)	Discussion and possible vote on amendments and proposed legislation

Thank you

More information available at <u>seattle.gov/council/ADU-EIS</u>.

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