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Yes, In My Backyard

Localities and States Push for Wider Acceptance of Accessory Dwelling Units

By Deborah Myerson

Aging parents who want to maintain a level of independence. Young adults who can't find an affordable place to live. A person with disabilities who benefits from family support but also seeks autonomy.

What if there was a simple solution to help communities struggling with high housing costs, limited developable land, and a demand for multigenerational living?

An increasing number of communities around the U.S. have found that there is such a solution: accessory dwelling units (ADUs). Also called an in-law suite, granny flat, or secondary dwelling unit, an ADU offers an additional self-contained living unit that typically has its own kitchen, bedroom(s), and bathroom space, while maintaining independence and privacy from the primary home.

ADUs can take many forms: a second small backyard cottage on the same grounds as (or attached to) a single-family house, an apartment over the garage, or a basement apartment. They offer a relatively inexpensive means to provide more affordable housing options in a neighborhood without changing neighborhood character. ADUs have the added appeal of generally not needing new infrastructure or public investment, and not contributing to a concentrated increase in density. And in addition to providing additional space for family members, an ADU may also serve as a rental unit, providing additional income for the homeowner.

New Hampshire Says Yes to ADUs

While land use in the United States is usually managed by local governments, sometimes there is a path for the state to weigh in. After strong advocacy from the <u>New Hampshire Home Builders Association</u>, with a broad coalition of housing advocates, including <u>Housing Action New Hampshire</u> and <u>New Hampshire's Business and Industry Association</u>, New Hampshire passed an ordinance in 2017 <u>that requires local zoning ordinances to allow ADUs</u> nearly everywhere that single-family houses are permitted.

<u>The New Hampshire law prohibits communities</u> from requiring that the units have fewer than two bedrooms, be smaller than 750-square-feet, or that a person related to the owner live in the ADU. However, towns and cities may require that one of the units is owner-occupied. Local municipalities also have oversight over parking requirements, and can limit ADUs to one per home and institute design guidelines.

Growing in the Golden State

California is another state that has undertaken efforts to support ADUs as a local option. Researchers have suggested that small-scale infill development such as ADUs could account for <u>as much as half of</u> <u>California's new development capacity</u> in coming decades. Effective January 1, 2018, <u>California adopted</u> <u>legislation to support the development of ADUs</u>, allowing them to be built alongside a primary single-family residence along with easing parking restrictions and fees from utilities.

San Francisco Ups the Ante

In addition to the statewide support for ADUs, San Francisco—in one of the most expensive housing markets nationwide—has pioneered the capacity to <u>carve ADUs out of existing apartment buildings</u>. New units are being created out of garages, storage spaces, even vacant boiler rooms.

The developer <u>Veritas has added seven new units in a former banquet/meeting space at 735 Taylor</u> <u>Street</u>, a 62-unit classic Victorian building near Union Square. The redevelopment of the property added current amenities with floorplans updated for resident tastes at a lower cost than comparable new construction.

San Francisco's regulatory innovations have helped to add hundreds of new ADUs to the pipeline since 2017. The keys to success of San Francisco's ADU regulations include fast-tracking plan reviews, adding flexibility to city guidelines, and cultivating lender and industry support. Such measures would easily help encourage the development of ADUs elsewhere, too.

Twin Cities, But Separate Paths for ADUs

Minneapolis and St. Paul, Minnesota, <u>demonstrate different paths to advance access to ADUs</u>: one fast track, the other slower.

Over the last five years, both of the Twin Cities have explored how to increase housing diversity and add density in residential neighborhoods.

In 2014, Minneapolis introduced an ordinance to allow all types of ADUs—internal, attached and detached—to be built on single- and two-family lots throughout the City. The only requirement was administrative review for compliance. The initiative yielded quick interest, and in the first three years, building permits were issued for 92 ADUs.

In 2013, St. Paul undertook a more incremental, neighborhood-based approach to pilot ADUs in particular neighborhoods near the Green Line light rail. After extensive public input and review, a 2016 ordinance established the total area permitted for ADUs in an area of just 3.5 square miles—a half mile on either side of a segment of the light rail corridor. However, St. Paul's piecemeal approach appeared likely to result in allowing ADUs in one neighborhood but prohibit them just a few blocks away. In 2017, only one ADU was permitted for construction.

Major points of discussion on ADUs in St. Paul included a preference that primary properties be owneroccupied and how the units would be inspected. Finally, in 2018, the <u>St. Paul City Council voted</u> to allow Accessory Dwelling Units (ADUs) on single-family lots throughout the city.

Sparking a Specialty Line for Architects

Now that you can get a building permit to add an in-law suite, how do you actually construct it? After all, though it is intended to be an independent living space, the scale is much different than a typical single-family home. Fortunately, some architects are focusing on accessory units as a new business opportunity.

Shortly after Minneapolis adopted their ADU ordinance in 2014, architect Christopher Strom launched Second Suite, a design service specializing in ADUs that allows city residents to expand without increasing the mass of the primary residence. The Minneapolis ordinance limits ADUs to a total of 1,000 square feet, including parking. Architects specializing in ADUs benefit from design options that are not only freestanding. With one accessory building allowed per property, many homeowners with a detached garage add a second story to house an ADU.

Sidekick Homes, based in Denver, Colorado, specializes in producing ADUs with universal design (UD), accessible features, and sustainable design that can be placed on single-family lots adjacent to existing homes or used as new construction. Sidekick Homes was founded by architect Mike Kephart, recently inducted into the <u>Best in American Living Awards™ (BALA) Hall of Fame</u>. The Hall of Fame awards recognize innovative, well-respected individuals and companies in the building industry who have significantly affected residential design and construction.

As the need for this type of housing stock is in higher demand around the country, localities and states have sought to find ways to overcome barriers and make ADUs a more widely available option. Fortunately, the growing popularity means there is now a wide array of data, ordinances, and best practices on record. NAHB will be publishing a new research report on smaller homes, smaller lots, and ADUs later this spring.

<u>Deborah Myerson</u> is Executive Director at South Central Indiana Housing Opportunities (SCIHO) in Bloomington, Indiana.