

Codes and Ordinances Subcommittee

August 19, 2014

Resolution No. 20140612-062: Accessory Dwelling Units

“Be it resolved by the City Council of the City of Austin:

1. The City Council initiates amendments to Title 25 of the City code and directs the city Manager to develop an ordinance that reduces regulatory barriers to the development of ADUs that are less than 500 square feet in size and located on a lot containing at least one owner occupied structure, whether principal or accessory. The ordinance could be applied citywide or as an infill option.
2. The ordinance should include, but need not be limited to, eliminating parking and driveway requirements.
3. The City Manager is further directed to convene a stakeholder process to develop additional recommendations for ADUs of any size, including but not limited to code amendments that:
 - a. reduce minimum lot size;
 - b. reduce building separation requirements;
 - c. increase maximum gross floor area for 2nd story ADUs;
 - d. create design standards for ADUs; and
 - e. allow a legally non-complying structure to add an ADU, if located on a lot with sufficient area.Construction of this ordinance should take into account the effect of similar ordinances in peer cities on the supply of housing, particularly affordable housing, and on the character of single-family neighborhoods.
4. The City Manager is directed to present the proposed ordinance to the City Council within 120 days.”

BACKGROUND

Accessory dwelling units, also called secondary apartments, granny flats, or carriage houses, are smaller, secondary dwelling units on a property with a primary residence. An accessory dwelling unit can be an apartment above a garage or workspace, a small house in the backyard, or an attic apartment. The secondary unit cannot be sold separately from the primary residence. It is a self-contained unit with its own bathroom and kitchen.

Accessory dwelling units have a long history – think of carriage houses, backyard cottages, and alley apartments. They have come into the limelight recently because many metropolitan areas are experiencing significant housing pressure due to high housing demand and not enough supply. Secondary units, relative to other types of housing, are a low impact way to add housing stock and provide income to property owners. The units are relatively affordable because the land is already owned.

Imagine Austin's goals for the City's housing are made clear by the Develop and Maintain Household Affordability Priority Program, which says, “to meet the market demand of our growing and diversifying population, the range of available housing choices must expand throughout the city...The introduction and expansion into the market of housing types such as row houses, courtyard apartments, bungalow courts, small-lot single family, garage apartments, and live/work units can meet this emerging demand.” (IACP, p 201)

The Housing and Neighborhood building block enumerates policies to address household affordability including P1, which says “Distribute a variety of housing types throughout the City to expand the choices available to meet the financial and lifestyle needs of Austin's diverse population.” P15 says, “Protect neighborhood character by providing opportunities for existing residents who are struggling with rising housing costs to continue living in their existing neighborhoods.” (IACP, p. 137-8) ADUs could begin to absorb housing demand in a dispersed and incremental manner and provide another housing option throughout the city.

As small infill units, ADUs have a low impact on energy use and infrastructure. People living in ADUs in the central core, where lot and street (and alleys) configurations would most easily accommodate ADUs, can have good access to transit. Accessory dwelling units offer great flexibility for property owners: they could provide housing for aging

parents, adult children, extended families, friends, renters, etc. ADUs can accommodate the changing needs of an aging population, allowing people to remain in their homes and neighborhoods. They could provide relatively affordable housing for small households in desirable, single family neighborhoods in an increasingly expensive region.

Shifting demographics in the City of Austin suggest that small units will continue to be in demand:

- 55% of households are renters
- 33% of households are 1 person households
- 9.6% are 62 years or older

EXAMPLES FROM OTHER CITIES

Many cities recognize accessory dwelling units as a *part* of their housing strategy. Portland has had ADU regulations in place since the 1990s and has made amendments to make construction easier. Since 2010, the city has waived development fees to encourage more construction of ADUs. California has passed several laws to lower regulatory barriers to constructing secondary units. A 2003 bill requires that each city in the state have a ministerial process for approving secondary units.

Santa Cruz: “The ADU Development Program is designed to encourage development of small-scale neighborhood compatible housing and to discourage the proliferation of poorly-constructed illegal ADUs. At the same time, construction of ADUs promotes infill development and sustainable land use patterns, resulting in transportation patterns which in turn reduce pollution.” (<http://www.cityofsantacruz.com/index.aspx?page=1150>) Santa Cruz created a manual to guide homeowners through the process and a library of designs by local architects.

Portland: Chapter 33.205 of Zoning Code identifies the following purpose of allowing ADUs:

- create new housing units while respecting the look and scale of single-dwelling neighborhoods;
- increase the housing stock of existing neighborhoods in a manner that is less intense than alternatives;
- allow more efficient use of existing housing stock and infrastructure;
- provide a mix of housing that responds to changing family needs and smaller households;
- provide a means for residents, particularly seniors, single parents, and families with grown children, to remain in their homes and neighborhoods, and obtain extra income, security, companionship and services; and
- provide a broader range of accessible and more affordable housing.

Seattle: “Backyard cottages are a small but important part of what makes Seattle livable and sustainable.” (Director, Seattle Dept. of Planning and Development)

Vancouver, WA: “The purpose of these code provisions is to: (1) provide homeowners with flexibility in establishing separate living quarters within or adjacent to their homes for the purpose of caring for elderly parents, providing housing for their children, companionship, security, services, or other purposes; (2) increase the supply of affordable housing units within the community; and (3) ensure that the development of accessory dwelling units does not cause unanticipated impacts on the character or stability of single-family neighborhoods.” (Section 20.91.202 of Municipal Code)

WHAT DOES THE RESEARCH SAY?

In Portland, financing, construction costs and design constraints were the most common barriers. Rental income and housing family members were the two most frequently cited reasons for building an ADU. The difference between the vacancy rate of ADUs and comparably sized regular apartments is minute and is not statistically significant. About 80% of ADUs were used for long-term permanent housing. An ADU is associated with reduced demand for parking, 0.46 cars parked on the street. (Palmeri, Jordan, *Accessory dwelling units in Portland, Oregon: evaluation and interpretation of a survey of ADU owners*, State of Oregon Department of Environmental Quality, June, 2014)

In the East Bay of SF Bay area, parking requirements, zoning codes, procedural requirements and lack of financing options are noted as barriers to building an ADU. About 85% of ADUs provide housing. The authors' "survey showed that households occupying secondary units are disproportionately likely to have no cars at all: 23% have zero cars, versus 17% of households overall in the study areas." (Chapple, Karen, *Yes in My Backyard: Mobilizing the market for Secondary Units*, Center for Community Innovation, June, 2012)

CURRENT REGULATIONS

Accessory dwelling units are already allowed throughout the city on SF-3 zoned lots that are 7,000 SF or larger. They are also allowed by special use infill tools that neighborhood planning areas may adopt. If adopted, the secondary apartment infill option allows construction of an ADU on lot sizes 5,750 SF or larger. They are allowed in SF-1 through SF-3, SF-5, SF-6 and MF-1 through MF-6 zoning districts.

25-2-1463 SECONDARY APARTMENT REGULATIONS

- (A) A secondary apartment is not permitted in combination with a cottage or urban home special use.
- (B) A secondary apartment must be located in a structure other than the principal structure. The apartment may be connected to the principal structure by a covered walkway.
- (C) A secondary apartment:
 - (1) must be contained in a structure other than the principal structure;
 - (2) must be located:
 - (a) at least 15 feet to the rear of the principal structure; or
 - (b) above a detached garage;
 - (3) may be connected to the principal structure by a covered walkway;
 - (4) may not have an entrance within 10 feet of a lot line;
 - (5) unless the secondary apartment has vehicular access from a rear alley, it must be served by a paved driveway, and the portion of the driveway that crosses the front yard must be at least 9 feet and not more than 12 feet wide;
 - (6) may not exceed a height of 30 feet, and is limited to two stories; and
 - (7) may not exceed a gross floor area of:
 - (a) 850 total square feet; or
 - (b) 550 square feet on the second story, if any.
- (D) Impervious cover for the site may not exceed 45 percent.
- (E) Building cover for the site may not exceed 40 percent.
- (F) Other than in a driveway, parking is prohibited in the front yard.

Note: Sub Chapter F applies; occupancy limited to two unrelated adults.

COMPARISON OF REGULATIONS

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	AUSTIN	PORTLAND, OR	SANTA CRUZ, CA	SEATTLE, WA	VANCOUVER, WA
Maximum SF	850 total (includes storage but not garage), 550 on 2nd floor	75% of living area of house or 800, whichever is less	depends on lot size: up to 7,500 SF: 500; up to 10,000 SF: 640; over 10,000 SF: 800	800 (includes garage and storage) if detached in single family zone, 600 in lowrise zone; 1000 if attached in single family structure, 650 in rowhouse	40% of principal structure or 800 SF, whichever is less
Maximum Ht.	30'	18' (can be above garage)	13' to mid roof (1 story); 22' to peak (2 story)	Depends on lot width - up to 23'	25'
Minimum lot size	7,000S, (5,750 in some NPA)	total bldg coverage of detached structures may not exceed 15% of total site area	5,000 SF	4,000 SF	5,000 SF
Min. building separation	15'	6'	10'	5'	
Parking required	2 additional (1 in urban core)	No additional	1 additional, 2 for 2 BR	1 additional (0 in designated urban village or urban center)	No additional
Owner occupied	No	No (but 64% are)	Yes	Yes	Yes, must record deed restriction with County
Attached ADU allowed	No	Yes	Yes	Yes	Yes
Design guidelines	No	Yes	Yes		Yes

POSSIBLE AMENDMENTS

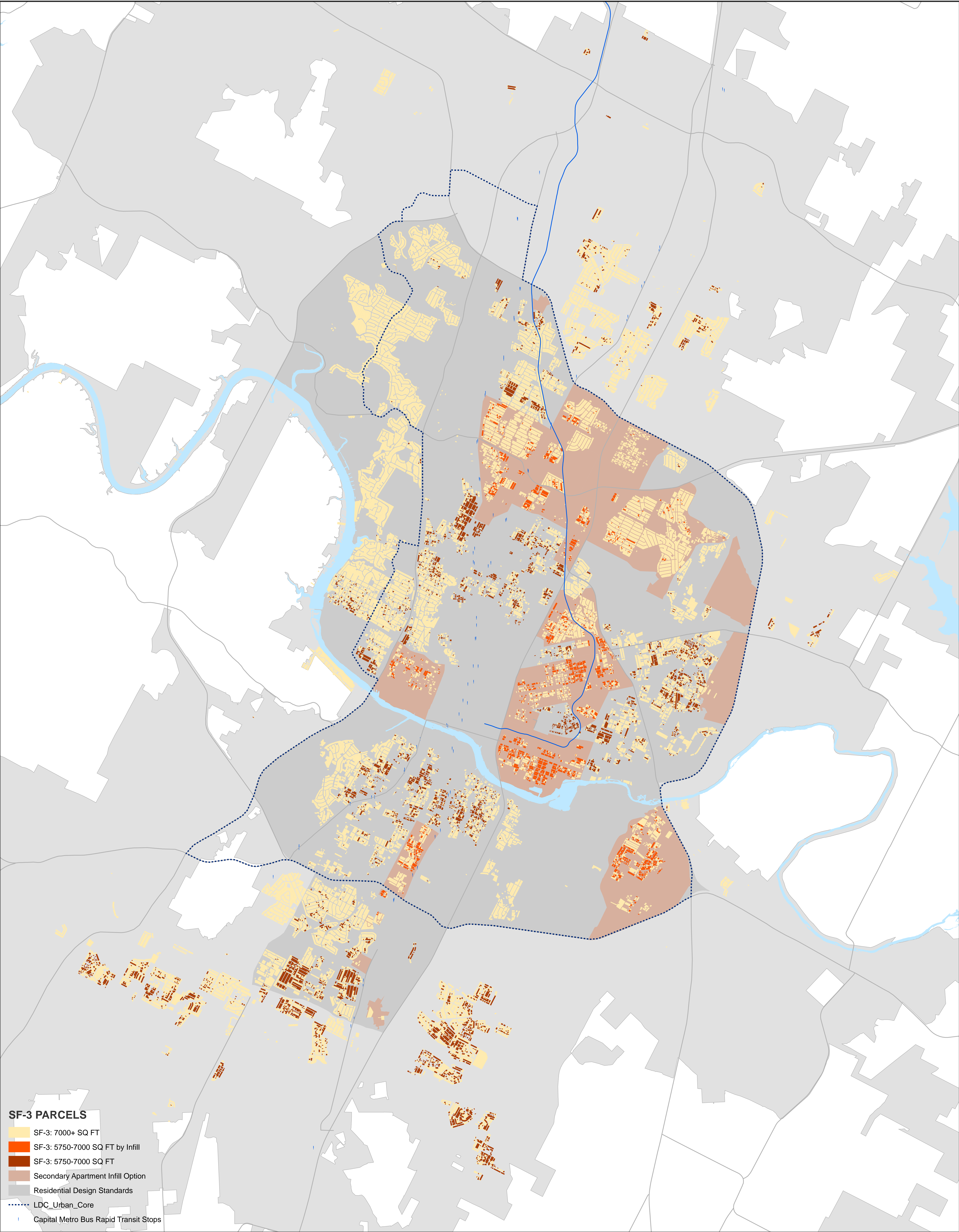
Construction of accessory dwelling units, though currently allowed throughout the city, is constrained by zoning and dimensional regulations. The comparison of regulations above indicates that the City of Austin's minimum lot size and minimum building separation are high. Austin is alone in not allowing attached accessory dwelling units.

- Parking and driveway requirements and minimum lot size are the two barriers most frequently cited as impediments to building ADUs
- Parking and driveway requirements need to be clarified. Section 25-6-471(B) of the code grandfathers non-complying properties built prior to the establishment of parking requirements, but this is not widely known
- Owner occupancy on the property is generally viewed as a benefit by staff
- Apply the ordinance citywide
- Possible amendments will be vetted through a stakeholder process as directed by City Council

The attached map indicates the dispersion of SF-3 parcels that could accommodate an accessory dwelling unit based on zoning district and lot size.

TENTATIVE SCHEDULE

- 8/19/14: Briefing at Codes and Ordinances Subcommittee (no action)
- 8/28/14: Public Meeting: Discussion of ADUs, OTC, room 325, 7pm
- 9/16/14: Briefing at Codes and Ordinances Subcommittee (action)
- 9/23/14: Planning Commission (action)
- 10/2/14: Council (adoption)



RESOLUTION NO. 20140612-062

WHEREAS, the Imagine Austin Comprehensive Plan prioritizes the need for a mix of housing types across the city, including both rental and homeownership opportunities for singles, families with and without children, seniors, persons with disabilities, and multi-generational families; and

WHEREAS, accessory dwelling units (“ADUs”) can provide new housing units without changing the feeling or texture of established neighborhoods and allow more efficient use of existing housing stock and infrastructure; and

WHEREAS, ADUs can help homeowners make ends meet while providing affordable, central-city rental opportunities for single young people, seniors, and multi-generational families by providing a mix of housing that responds to changing family needs and smaller households; and

WHEREAS, 34% of Austinites live in single person households; and

WHEREAS, currently ADUs of up to 850 square feet are allowed on lots of at least 7,000 square feet by right, or on lots that are 5,750 square feet if that neighborhood has opted in to the Secondary Apartment Special Use Infill Option through their neighborhood plan; and

WHEREAS, currently, if an ADU is SMART Housing certified in a neighborhood planning area that has adopted the affordable housing option, it may be allowed increased impervious cover and increased gross floor area; and

WHEREAS, a 500 square foot ADU is likely to be relatively affordable; and

WHEREAS, Portland and other cities have reduced obstacles to ADUs by means such as waiving development fees and parking requirements in an effort to encourage the development of ADUs; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

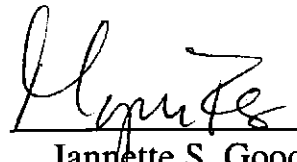
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Construction of this ordinance should take into account the effect of similar ordinances in peer cities on the supply of housing, particularly affordable housing, and on the character of single-family neighborhoods.

4. The City Manager is directed to present the proposed ordinance to the City Council within 120 days.

ADOPTED: June 12, 2014

ATTEST:


Jannette S. Goodall
City Clerk

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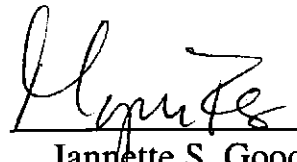
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