



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Brent Lloyd, Development Officer, Development Services Department  
Erica Leak, Development Officer, Housing & Planning Department

**DATE:** February 16, 2022

**SUBJECT:** Staff Response to Resolution No. 20211209-064:  
Work Required to Create & Implement a Menu of Pre-Approved ADU Plans

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On December 9, 2021, Council passed [Resolution No. 20211209-064](#) providing direction to the City Manager on a wide range of issues related to Accessory Dwelling Units (ADUs). This memo responds to the resolution's first direction, which is to "estimate the amount of staff time and resources that would be required to create a menu of pre-approved building plans for detached ADUs, as described in the [June 2021 staff memo](#) previously issued in response to Resolution No. 20200409-080.

### **Summary**

Using an interdepartmental process, staff in the Development Services Department and Housing & Planning Department identified five tasks that would be required to establish a menu of pre-approved ADU plans and estimated that completing them would take approximately 2,000 hours over the course of 20 to 30 months.

As detailed below, these tasks include soliciting community feedback, establishing design criteria, and reviewing ADU plans submitted for pre-approval, as well as ongoing program implementation. To provide context, this memo emphasizes key variables that could affect the estimated staff hours or total time required to establish the program as well as limitations on the use of pre-approved ADU plans.

### **Background**

#### ***— Review of Similar Programs in Other Cities***

Based on research into similar programs used by the cities of Seattle, Chico, and Encinitas, staff's June 2021 memo identified several steps that are necessary to develop a program for using pre-approved ADU plans. Staff's specific recommendations were based on the "[ADUniverse](#)" program recently launched in Seattle, which required the following steps to develop and implement:

- Creating criteria for ADU plans based on technical code requirements and public feedback
- Releasing an open call for plan submissions from design professionals
- Creating a selection committee to review 160 submissions
- Selecting 10 plans to be made available to homeowners for a flat fee
- Developing a streamlined permitting process for projects that use pre-approved plans

— ***Effectiveness of Pre-Approved ADU Plans***

Staff evaluated the overall effectiveness of Seattle’s ADUUniverse program and the extent to which a similar program could increase ADU production in Austin. On both points, the findings were mixed:

- Relative to the total number of ADUs permitted in Seattle in 2020-21, 36 used pre-approved plans from the ADUUniverse program. This accounts for a small percentage of overall ADU development in Seattle.
- Approximately half of Seattle’s ADU production consists of attached ADUs, which are allowed on a significantly broader scale than in Austin and are not eligible for the pre-approved program.
- Similar to Austin, production of ADUs in Seattle has been increasing steadily over the past decade with just over 500 ADUs in 2020, compared to approximately 340 ADUs built in Austin.

In considering the potential for using pre-approved plans, staff also noted the following limitations:

- Pre-approved plans can be designed to address technical code and structural safety requirements. However, because zoning regulations depend on site-specific conditions, not all ADU plans designated as “pre-approved” are buildable on a particular lot.
- The extent to which pre-approved ADU plans reduce costs to applicants depends on how ownership and liability are addressed, which would have to be considered in program design and implementation. In general, if ownership and liability remain with the architect who designed a plan, fees may be charged which partially reduce cost savings associated with use of pre-approved plans. (If Council provides direction to establish a menu of pre-approved ADU plans, the Law Department will address legal issues associated with ownership and liability.)
- Using pre-approved plans reduces design costs and design time, but does not reduce construction costs.

**Tasks Required to Establish Program for Using Pre-Approved ADU Plans**

In response to Resolution No. 20211209-64, staff determined that five tasks would be required to complete the steps identified in the June 2021 staff memo to allow use of pre-approved ADU plans. Following is a summary of each task, along with an estimate of total staff time likely that would likely be required to complete each task.

## TASK 1: SOLICIT COMMUNITY FEEDBACK FOR CREATION OF DESIGN CRITERIA

### Action Item from June 2021 Memo:

Engage with the community, specifically low- and moderate-income homeowners and renters, as well as design professionals, to develop criteria and priorities for ADU designs.

### Implementation Steps & Challenges:

To accommodate the needs of different audiences, Task 1 would require holding general meetings open to the community as a whole and a separate series of meetings focused on design professionals. Based on staff's experience with similar stakeholder engagement efforts, the following steps would be required:

- For community engagement, at least three charrette-style stakeholder meetings to establish desired goals and overall criteria for evaluating ADU plans submitted for consideration in the pre-approval program. Each meeting would need to be at least three hours and held in-person, at different locations throughout Austin (i.e., East, North, and South Austin).
- For engaging design professionals, at least two "focus groups" geared towards architects and builders, with particular emphasis on technical aspects of ADU construction and code requirements.

After completing the engagement process, staff would develop "ADU Design Criteria" for use in evaluating plan submissions. The criteria would draw on feedback received from the community and design professionals, as well as other factors identified by staff.

LDC requirements would be a primary consideration in developing Design Criteria. Therefore, should Council wish to establish a program for pre-approved ADU plans, staff would recommend waiting until the ADU-related code amendments initiated by Resolution No. 20211209-64 have been considered.

### Estimated Time to Complete Task 1:

Step	Number of Hours	Number of Employees
<u>Public Event Preparation</u> <ul style="list-style-type: none"><li>● Logistical planning</li><li>● Preparing necessary event support materials (presentations, handouts, etc.)</li><li>● Staff preparation and coordination</li></ul>	100 hours (20 hours per person)	5
<u>Public Event Marketing</u> <ul style="list-style-type: none"><li>● Promotional communications and social media posts</li></ul>	9 hours (3 hours per person)	3
<u>Three Public Events (Community)</u> <ul style="list-style-type: none"><li>● Setup</li><li>● Event</li><li>● Breakdown</li></ul>	225 hours (15 hours per person)	15

<u>Design Professionals Focus Groups Preparation</u> <ul style="list-style-type: none"> <li>● Logistical planning</li> <li>● Preparation of materials (presentations, handouts, etc.)</li> <li>● Staff preparation and coordination</li> </ul>	50 hours (10 hours per person)	5
<u>Design Professional Marketing</u> <ul style="list-style-type: none"> <li>● Promotional communications and social media posts</li> </ul>	6 hours (2 hours per person)	3
<u>Two Design Professional Focus Groups</u> <ul style="list-style-type: none"> <li>● Setup</li> <li>● Event</li> <li>● Breakdown</li> </ul>	60 hours (6 hours per person)	10
<u>Create Design Criteria</u> <ul style="list-style-type: none"> <li>● Develop a set of ADU design criteria using feedback received in Public Events (Community) and Focus Groups</li> </ul>	200 hours (40 hours per person)	5
<b>TOTAL for Task 1</b>	<b>650 hours</b>	-

**Anticipated Timeline for Task 1:**

Given the variables involved in planning and running the engagement process, staff estimates that completing Task 1 would take 3-6 months.

**TASK 2. SUBMISSION OF ADU PLANS**

**Action Item from June 2021 Memo:**

Issue a public call for ADU plans from local design professionals or organizations that meet the criteria developed.

**Implementation Steps & Challenges:**

Task 2 would require two steps to complete. The first step is to establish submittal instructions that, at a minimum:

- Specify technical standards (“Plan Submittal Requirements”) that must be met for plans to be considered for pre-approval designation, including required licenses or certifications, the format of required plan sheets, required drawing types, and other supporting documents;
- Address plan ownership and fee issues, as appropriate; and
- Outline the process and timeline for designers to submit plans for consideration.

The second step is to develop an open process for inviting members of the design community to submit ADU plans to be considered for pre-approved designation. This would require determining an appropriate method for soliciting and accepting submissions, such as an RFQ, RFP, or a more informal process.

Several factors related to overall program design may affect the estimated time required to complete Task 2, including:

- The need for interdepartmental coordination among staff in the City Clerk’s Office, CTM/IT, and the Law Department, as well as DSD and HPD.
- Determining how ownership/liability and fees for pre-approved ADU plans may be addressed in program design and implementation. Factors such as who owns pre-approved plans and how fees are determined would affect the benefit applicants and homeowners receive by using pre-approved plans.
- Ensuring that plans submitted for consideration meet applicable licensure and certification requirements, which vary significantly based on structural features and site conditions. (For example, in some contexts plans have to be prepared by a registered architect, a licensed engineer, or a certified building designer.)

**Estimated Time to Complete Task 2:**

<b>Task</b>	<b>Number of Hours</b>	<b>Number of Employees</b>
<u>Establish Plan Submittal Requirements</u> <ul style="list-style-type: none"> <li>● Technical requirements and submittal process</li> <li>● Ownership/liability issues (requires legal review)</li> <li>● Fees</li> </ul>	240 hours (20 hours per person)	12
<u>Develop Open Process for Submissions</u> <ul style="list-style-type: none"> <li>● Determine process for inviting, receiving, and reviewing/scoring submissions</li> </ul>	50 hours (10 hours per person)	5
<u>Submission Marketing</u> <ul style="list-style-type: none"> <li>● Promotional communications and social media posts</li> </ul>	9 hours (3 hours per person)	3
<u>Monitoring Submissions</u> <ul style="list-style-type: none"> <li>● Tracking submissions and answering questions</li> </ul>	15	1
<b>TOTAL for Task 2</b>	<b>314 hours</b>	-
<b>SUBTOTAL for Tasks 1-2</b>	<b>964 hours</b>	-

**Anticipated Timeline for Task 2:**

Given the variables involved in completing the required steps, staff anticipates that Task 2 would take approximately six months consistent with the following breakdown:

- 3 months to establish a submission and review process, as well as “Plan Submittal Requirements;” and
- 3 months for the design professionals to submit plans for consideration.

### TASK 3. REVIEW PLAN SUBMISSIONS

#### Action Item from June 2021 Memo:

Review and approve qualifying plan submissions.

#### Implementation Steps & Challenges:

Task 3 would require establishing a process for evaluating ADU plans submitted by members of the design community for pre-approval and determining which plans will receive the pre-approved designation. Three steps would be required to complete Task 3.

The first step is to determine which plans meet the minimum “Plan Submittal Requirements” established in Task 2. The second step is to evaluate plans that meet those requirements against the “Design Criteria” established in Task 1. Based on experience with similar programs, staff would recommend using a review committee comprised of community members with relevant expertise to evaluate submissions and choose up to 10 plans for further consideration.

The third step is for staff to review plans selected by the review committee for compliance with technical code and structural safety requirements. If plans require changes to address regulatory requirements, staff would provide comments to the design professional who submitted the plans and review any required revisions.

Several factors would affect the amount of time required to complete Task 3, including membership of the review committee and the speed at which the committee is able to make recommendations. Other factors include the quality of submissions received and the extent to which revisions are required to address regulatory requirements.

#### Estimated Time to Complete Task 3:

Task	Number of Hours	Number of Employees
<u>Evaluate Plans for Compliance with Submittal Requirements</u> <ul style="list-style-type: none"><li>Estimate assumes 100 plans submitted for consideration</li></ul>	150 hours (50 hours per person)	3
<u>Establish Review Committee</u> <ul style="list-style-type: none"><li>Determine appropriate composition of committee to provide feedback on plans</li></ul>	20 hours (10 hours per person)	2
<u>Coordinate Review Committee Process</u> <ul style="list-style-type: none"><li>Attend committee meetings to provide technical assistance</li></ul>	120 hours (40 hours per person)	3
<u>Reviews Selected Plans</u> <ul style="list-style-type: none"><li>Review plans selected by review committee</li><li>Coordinate any needed revisions with design professional</li></ul>	30 hours	1

<b>TOTAL for Task 3</b>	<b>320 hours</b>	-
<b>SUBTOTAL for Tasks 1-3</b>	<b>1,284 hours</b>	-

**Anticipated Timeline for Task 3:**

Staff estimates that completing Task 3 would take approximately six to ten months, based on the following breakdown:

- 1 month to evaluate plans for basic qualifications and establish a review committee;
- 4-6 months for the Review Committee to review and select final 10 plans;
- 1-3 months for Residential Plan Review to review plans and coordinate changes with design professionals.

**TASK 4. IMPLEMENTATION & LAUNCH**

**Action Item from June 2021 Memo:**

Partner with selected design professionals or organizations to establish pre-approved ADU plan guidelines for use and processes to complete design modifications and permitting processes. Use affirmative marketing to inform eligible homeowners facing displacement pressures of the ADU building plan options.

**Implementation Steps & Challenges:**

To implement a menu of pre-approved ADU plans, staff would need to determine how the standard review process (including fees) would differ for applicants electing to use pre-approved plans. The nature and extent of these changes would be informed by decisions made in Tasks 1-3.

Task 4 encompasses all the steps that would be required to implement these changes, including:

- Updates to the ADU permitting process, including application forms, to accommodate use of pre-approved plans. Since pre-approved plans would have to comply with zoning regulations, including Chapter 25-2, Subchapter F (*Residential Design and Compatibility Standards*), changes to the review process would likely be limited to technical code review.
- Determining appropriate changes to fees for applications utilizing pre-approved plans and obtaining Council approval of fee-schedule amendment.
- Affirmative marketing (including town halls) to inform homeowners, particularly those most at risk of displacement, that pre-approved ADU plans are available.
- Create and launch a website with information related to pre-approved ADU plans program.
- Training staff on review of pre-approved plans and updating the AMANDA system, as needed.

**Estimated Time to Complete Task 4:**

<b>Task</b>	<b>Number of Hours</b>	<b>Number of Employees</b>
<u>Determine Required Process Changes</u>	150 hours (25 hours per person)	6
<u>Update DSD Permitting Process</u> <ul style="list-style-type: none"> <li>• Changes to application forms</li> <li>• Updates to AMANDA</li> <li>• Changes to fee schedule</li> </ul>	160 hours (20 hours per person)	8
<u>Train Staff on New Procedures</u>	68 hours (4 hours per person)	17
<u>Changes to Fee Schedule</u> <ul style="list-style-type: none"> <li>• Determine appropriate changes in fees for applications using pre-approved plans</li> <li>• Present fee schedule changes to council</li> </ul>	50 hours (10 hours per person)	5
<u>Affirmative Marketing of New Program</u> <ul style="list-style-type: none"> <li>• Design and launch of new website</li> <li>• Preparing town hall agendas and presentations</li> <li>• Creation and scheduling of promotional communications and social media posts</li> </ul>	160 hours (40 hours per person)	4
<u>Three Virtual Town Halls to Market New Program</u>	90 hours (6 hours per person)	15
<b>TOTAL for Task 4</b>	<b>678 hours</b>	-
<b>SUBTOTAL for Tasks 1-4</b>	<b>1,962 hours</b>	-

**Anticipated Timeline for Task 4:**

Staff estimates that completing Task 4 would take approximately seven to nine months, based on the following breakdown:

- 3-5 months to determine and implement DSD process changes;
- 1 month for staff training;
- 3 months for marketing of the new program.

**TASK 5. ONGOING MAINTENANCE**

**Implementation Steps & Challenges:**

If a program for pre-approved ADU plans is adopted and implemented, staff would recommend several ongoing steps to evaluate the program’s success and identify needed changes:



- Maintain contact with participating design professionals to ensure continued plan compliance and identify needed revisions to pre-approved plans;
- Re-review pre-approved plans for compliance with changes to the Land Development Code and 3-year amendments to adopted technical code(s), including International Residential Code and local amendments;
- Identify circumstances in which a pre-approved ADU plan may be considered for removal from the program; and
- Consider options for allowing additional plan submissions in the future.

**Anticipated Time Required for Task 5:**

<b>Task</b>	<b>Number of Hours</b>	<b>Number of Employees</b>
On-going Yearly Maintenance	50 hours	1
<b>TOTAL for Task 5</b>	<b>50 hours</b>	-

Should you have questions, please contact Brent Lloyd at [brent.lloyd@austintexas.gov](mailto:brent.lloyd@austintexas.gov) or (512) 974-2974.

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