

## If You're Going to Allow ADUs, Don't Make It So Hard to Build One

Daniel Herriges · September 11, 2018

Granny flats, garage apartments, mother-in-law suites: call them what you like. Accessory Dwelling Units (ADUs) are beloved in the planning profession and among affordable housing advocates, and for good reason. These modest homes, often the size of a studio apartment, can be found in the backyard of a larger house, attached to or above the garage, or attached to another home but with a separate entrance. They are a wonderful way to make it possible for more people to live in in-demand neighborhoods without dramatically changing those neighborhoods' visual character.

Whereas new apartment buildings or other larger structures can be met with fierce resistance from nearby homeowners, ADUs ought to, in theory, be more palatable to these residents than high-density infill in their neighborhoods. The reason is simple: a street lined with attractive single-family homes with ADUs half-hiding in the backyards still looks and feels and operates a lot like, well, a street lined with attractive single-family homes.



Neighborly single-family feel: now with room for more neighbors! (Photo by Daniel Herriges)

ADUs are a way to gently and incrementally make a neighborhood less exclusionary. They are

a relatively affordable rental option for those who do not wish to or have the resources to become homeowners. They are a valuable source of income for their landlords, who are usually established residents, as opposed to developers who may have no ties to the neighborhood or even the city. ADUs add pedestrians to the sidewalks, customers to local businesses, and dollars to the tax base that pays for city services. And they do all of this while making more efficient use of infrastructure that already exists.

ADUs are a quintessentially Strong Towns approach to urban growth and affordability issues: bottomup, decentralized, incremental, scalable and adaptable. They exemplify the principle of steady, distributed neighborhood change as the antidote to sudden, disruptive neighborhood change.

And yet, in practice, very few cities have seen a sizable number of new ADUs built in recent years. Most existing ones still date to eras like the 1920s, in which urban neighborhoods were still designed for walkability and without such restrictions as parking requirements, strict maximum densities and minimum lot sizes.

A key reason that ADUs aren't spreading like



wildfire, even when affordable-housing concerns are, is that most recent efforts to allow ADUs come with a long list of stipulations whose end

An ADU in Florida behind a 1920s Mediterranean Revival home (Photo by Daniel Herriges)

result is to make building one into a project that's prohibitively expensive, complicated, and/or risky for all but a few homeowners.

An ordinance on the table in Raleigh, North Carolina is a great example of this. <u>The Raleigh News-Observer's Anna Johnson explains:</u>

The recommended rules outline a special district that would allow backyard cottages, but only after a resident applies for it and a majority of 10 acres worth of the applicant's neighbors agree to the district. The recommendation also outlines how close the backyard cottage can be to other properties and how big it can be. It also regulates lighting and parking.

The rules wouldn't allow the cottages to be used for short-term rentals like AirBNB and would limit the occupancy to two adults.

Unfortunately, Raleigh is the norm rather than the exception when it comes to ADU rules. Most cities that have nominally allowed ADUs have saddled them with so many restrictions that nearly everyone who might actually put one on their lot is deterred from doing so. ADU researcher Martin John Brown runs through a litany of fine-print obstacles:

- ADUs not allowed "as of right": when a homeowner must go through a special "conditional use" or "discretionary action" process before their ADU can be permitted, it makes the whole ADU development project more of a gamble.
- Minimum lot size required: ADUs are often prohibited on smaller lots.
- Offstreet parking required for an ADU: in places with small lots, it may be impossible to find the room to place new dedicated parking spaces. Meanwhile, there is no evidence that ADUs contribute to neighborhood parking problems.
- Owner occupancy is required on the property: this requirement reduces the flexibility of future uses of the property, which may be a discouragement to development in the first place.
- ADUs must meet affordable housing terms (rare).
- Permits and systems development charges (SDCs) are extremely expensive.
- Design constraints: common and widely accepted conditions about ADUs concern their maximum area and height, their distance from property lines, their style in relation to the primary dwelling, etc. These may act as barriers for some homeowners.

We can observe something like a controlled experiment in ADU building by looking at Portland, Oregon and Vancouver, British Columbia: two cities which (despite the international border and a few hundred miles separating them) have similar climates, similar built environments, similar cultures of environmentalism and left-leaning politics, and similar housing affordability challenges. In a CityLab article from 2017 titled "How Cities Get Granny Flats Wrong," Bryn Davidson answers her title's question by means of photographic negative: explaining what Vancouver actually got *right*. Starting in 2009, the city allowed ADUs nearly citywide, on what totaled more than 65,000 lots. No additional parking was required, no public hearing or approval from neighbors, and no expensive or cumbersome design requirements. You can build an ADU on just about any residential lot in Vancouver, behind just about any style of house.

The result? ADUs have proved *spectacularly* popular in Vancouver. As the <u>Sightline Institute</u> documents, the city is adding more than 1,000 of these small, affordable homes every year, and the

total share of single-family houses with legal ADUs is up to a staggering 35%.

What about Portland, on the other hand? Portland was an early adopter when it came to allowing ADU construction: they've been allowed as-of-right (i.e. without going through a lengthy petition process and public hearing) since 1997. However, very few were built up through 2010. Since 2011, Kol Peterson documents, the number of permits per year has skyrocketed from under 100 to over 600. What changed in 2010 was simple: the city eliminated System Development Charges, a form of development impact fee, for new ADUs, shaving thousands of dollars off the cost of creating one. Since then, Portland has also loosened design and size requirements for ADUs.

The biggest hurdles to building an ADU may be things that don't directly have to do with the zoning code. The ease or difficulty of financing, access to design professionals and contractors (or easily replicable templates), and the knowledge and confidence required to undertake a major project in your own backyard all have roles to play.

The next frontier for cities that really want to enable gentle, incremental development in their neighborhoods should be finding ways to help with these challenges. For example, <a href="mailto:pre-approved">pre-approved</a> templates can take much of the uncertainty out of the permitting process. And novel business models can help with financing. A startup called Dweller <a href="will build an ADU for you on your land">will build an ADU for you on your land</a> and take a cut of the monthly rent.

ADUs are a scalable, incremental response to high demand and high prices in cities. But this is only true if we allow the conditions for people to build them at scale: by the hundreds, not the dozens.

(Cover photo: Radcliffe Dacanay via Flickr.)



## **Daniel Herriges**

Daniel Herriges serves as **Editor-in-Chief** for Strong Towns, as well as writing feature articles and speaking across the country on behalf of the organization. He has been a regular contributor to Strong Towns since 2015 and is also a founding member of the organization. His work at Strong Towns focuses on housing issues, small-scale and incremental development, urban design, and lowering the barriers to entry for people to participate in creating resilient and prosperous neighborhoods. Daniel has a Masters in Urban and Regional Planning from the University of Minnesota, with a concentration in Housing and Community Development.

Daniel's work with Strong Towns reflects a lifelong fascination with cities and how they work. When he's not perusing maps (for work or pleasure), he can be found exploring out-of-the-way neighborhoods on foot or bicycle. Daniel has lived in Northern California and Southwest Florida, and he now resides back in his hometown of St. Paul, Minnesota, along with his wife and two children.



