



DRAFT POLICY RECCONEDMATIONS
ACCESSORY DWELLING UNITS
AS OF JAN 2019

DRAFT

BACKGROUND AND CALL TO ACTION

The Mountain Housing Council of Tahoe Truckee puts forth the following policy recommendations for accessory dwelling units as well as tiny homes on wheels. We understand that due to recent State Laws (1069, 2299, 2406) jurisdictions are required to update policies and ordinances to allow for more flexibility for ADU's. However, we believe that state laws are not enough to incentivize homeowners to invest in building a secondary unit on their property. The Mountain Housing Council believes that ADU's and tiny homes on wheels are one way to generate a more diverse and affordable product for locals. As such, we have outlined a set of policy recommendations in order to increase the incentives for those willing to invest and deed restrict a rental to locals.

We ask that these policy recommendations be considered by all jurisdictions and agencies responsible for setting and approving land use planning standards for development in the Tahoe North Tahoe region. The region as defined by the boundaries of the Tahoe Truckee Unified School District including: Kings Beach, Tahoe City, Westshore, Olympic Valley, Northstar, Truckee and Donner Summit. These recommendations are being made because:

1. Accessory dwelling units provide a strategy for creating local housing that is affordable by design and creates a diversity of housing stock in short supply currently; and
2. XXX

DEFINITIONS

An Accessory Dwelling Unit (also referred to as an ADU, second unit, in-law unit, or granny flat) has complete independent living facilities for one or more persons and generally takes one of four forms:

- **Detached:** The unit is separated from the primary structure

- **Attached:** The unit is attached to the primary structure
- **Repurposed Existing Space:** Space (e.g., master bedroom) within the primary residence is converted into an independent living unit
- **Junior Accessory Dwelling Units (JADUs):** Are no more than 500 square feet and are typically bedrooms in a single-family home that have an entrance into the unit from the main home and an entrance to the outside from the JADU. The JADU must have cooking facilities, including a sink, but is not required to have a private bathroom.ⁱ
- **Tiny Home on Wheels (THOW):** XX add definition

Benefits of Second Dwellings as a Local Housing Solution

- Second dwelling units (ADU's and tiny homes on wheels) are a critical form of infill-development, which is development on existing lots, with the benefits of containing urban sprawl and preserving open space.
- Second dwelling units are an affordable type of home to construct because they do not require paying for land or major new infrastructure. They can be built with cost-effective one- or two-story wood frame construction, which is significantly less costly than building new multi-family developments.
- Relaxed regulations and the cost to build a second dwelling unit make it a very feasible affordable housing option. A UC Berkeley study noted that one unit of affordable housing in the Bay Area costs about \$500,000 to develop whereas a second dwelling unit can range anywhere up to \$200,000 on the expensive end in high housing cost areas.ⁱⁱ
- A study of Babylon, Long Island, found that secondary units rented, on average, for 35% less than non-secondary unit apartments, despite the secondary unit renter households being, on average, larger and including more children than the non-secondary unit renter households. ⁱⁱ
- Second dwelling units can provide as much living space as new apartments and condominiums and their size serves very well for couples, small families, friends, young people, and seniors.
- Homeowners can construct a second dwelling on their lot or convert an underutilized part of their home such as a garage into a junior accessory dwelling unit. This flexibility benefits not just people renting the space, but the homeowner as well, who can receive an extra monthly rent income.

- Second dwelling units give homeowners the flexibility to share independent living areas with family members and others, allowing seniors to age in place as they require more care and helping extended families to be near one another while maintaining privacy.
- Adding second dwellings above new construction of garages can be done for only a moderate additional cost.

Current ADU + Tiny Homes on Wheels Policy in the Tahoe Truckee Region

add

Other Communities where Accessory Dwelling Units have been a Successful Solution

- Santa Cruz, a city in which only 6.9% of its city residents could afford a single-family home in 2006, saw its **legal secondary dwelling unit production triple** after implementing a comprehensive package of zoning reforms, pre-approved designs for expedited permitting, a how-to manual for homeowners, a waiver of development fees for low- and very-low income households, and a low-interest loan program. An average of 40 to 50 second dwelling permits have been approved every year since the start of the program. The Housing and Community Development Manager attributes the program's success primarily to zoning changes that were adopted to facilitate development of ADUs, such as the elimination of covered parking requirements.ⁱⁱⁱ



- The city of Durango, Colorado, confronting development pressures and concerned about housing, overhauled its Land Use and Development Code to call out Accessory Dwelling Units as an acceptable component of housing stock. The city established reasonable standards for building new ADUs: a limit on the number of occupants (no more than five unrelated people), rules about how small the living space could be (550 square feet), an owner-occupied home requirement (no absentee landlords renting out both the home and the ADU), and a ban on short-term vacation rentals such as through Airbnb. To address safety concerns about existing, but not legally approved ADUs, they launched an “Amnesty” Program for owners to register their ADUs. To combat opposition from citizens calling ADUs “slums”, the City launched a public education campaign to show that ADUs could be seamlessly woven into the existing urban fabric.^{iv}



Add others:

Local Challenges of Second Dwellings as a Local Housing Solution

- Many of the HOAs in the North Tahoe Truckee region do not allow second dwellings as residences.
- Requiring large minimum lot sizes and not allowing second dwellings on smaller lot sizes can severely restrict their potential development. For example, the TRPA only allows second dwellings on lot sizes greater than 1 acre. In addition, the local water board requires larger lot sizes for homes on septic systems.
- While deed restrictions keep second dwellings available for low-income residents or require owner occupancy (and avoid short-term vacation rental), they can disincentive homeowners from building second dwellings that would, by nature of their small size, be affordable for moderate to lower income households. In addition, monitoring deed restriction compliance can be burdensome for local jurisdictions.
- Homeowners do not see a return on investment for the cost to build second dwellings until a number of years later.

Recent Changes in State Law

SB 1069

- Reduces parking requirements: Allows off street parking to be tandem or in setback areas unless there are fire and safety concerns.
- Eliminates parking requirements if ADU meets any of the following requirements:
 - o Is within ½ mile of public transit
 - o Is part of an existing primary residence or existing accessory structure
 - o Is within an architecturally and historically significant historic district
- Limits the charging of impact fees.
 - o ADUs cannot be considered new residential uses for the purpose of calculating utility connection fees or capacity charges, including water and sewer service.
 - o ADU applicants cannot be required to install a new or separate utility connection or impose a related connection fee or capacity charge for ADUs that are contained within an existing residence or accessory structure.
 - o For attached and detached ADUs, this fee or charge must be proportionate to the burden of the unit on the water or sewer system and may not exceed the reasonable cost of providing the service.
- Local governments must ministerial^v approve an application to create within a single-family residential zone one ADU per single family lot if the unit is:
 - o contained within an existing residence or accessory structure;
 - o has independent exterior access from the existing residence; and
 - o has side and rear setbacks that are sufficient for fire safety.
- ADUS within existing space must be allowed in all single-family residential zones and no additional parking or other development standards can be applied except for building code requirements.

SB 2299

Requires a local government to magisterially approve ADUs if the unit complies with:

- certain parking requirements;
- the maximum allowable size of an attached ADU: The increased floor area of the unit does not exceed 50% of the existing living area, with a maximum increase in floor area of 1,200 square feet; and
- setback requirements.

AB 2406

Creates more flexibility for housing options by authorizing local governments to permit junior accessory dwelling units (JADU) through an optional ordinance. JADUs cannot exceed 500 square feet and must be completely contained within the space of an existing residential structure

ⁱ <http://hcd.ca.gov/policy-research/docs/2016-12-12-ADU-TA-Memo.docx.pdf>

ⁱⁱ <http://communityinnovation.berkeley.edu/reports/secondary-units.pdf>

ⁱⁱⁱ <https://www.huduser.gov/portal/publications/adu.pdf>

^{iv} <https://www.citylab.com/design/2016/05/how-one-colorado-city-instantly-created-affordable-housing/483027/>

^v A building permit is ministerial if the ordinance requiring the permit limits the public official to Determining whether the zoning allows the structure to be built in the requested location, the Structure would meet the strength requirements in the Uniform Building Code, and the applicant has paid the fees.

ADU Policy Considerations from MHC

NEAR-TERM POLICY RECOMMENDATIONS (3-6 months)

Policy	Roles	
1.		

Mid- TERM POLICY RECOMMENDATIONS (6-9 months)

1.		
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