

Broward Housing Council Workshop Innovations in Affordable Housing: Raising The Bar Accessory Dwelling Units (ADU's): Alternative Solutions

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What is an ADU?

• Florida Statutes (Section 163.31771(2)(a)) define ADUs as "an ancillary or secondary living unit that has a separate kitchen, bathroom, and sleeping area existing either within the same structure, or the same lot, as the primary dwelling unit."



- Accessory dwelling units (ADUs) are additional living quarters typically on single-family lots that are
 independent of the primary dwelling unit. An ADU can be an apartment within a primary residence or it
 can be an attached or freestanding home on the same lot as the primary residence. Accessory dwelling
 units are commonly referred to as granny or mother-in law flats and are also sometimes referred to as
 accessory apartments, garage apartments, carriage houses, and backyard cottages.
- ADUs were a common feature of early 20th century development in America but their use dwindled with the onset of the single-family suburb. ADUs were rarely included as an eligible use in municipal codes regulating land use, zoning, and general land development standards.
- Florida is one of only a few states to pass legislation that incentivizes local governments to create ADU permitting ordinances. In 2004, the Florida Legislature passed Section 163.31771 of the Florida Statutes to "promote the use of accessory dwelling units as a tool to help local communities address deficits in the supply of affordable rental housing for very-low-, low-, and moderate-income residents."
- In enacting this statute, the Legislature found that the median price of homes in Florida had increased steadily over the last decade at a greater rate of increase than the median income in many urban areas. The Legislature also found that the cost of rental housing had increased steadily to the point that there was a "critical shortage of affordable rentals in many urban areas in the state." While the statute does not require local governments to adopt ADU ordinances, it does promote ADUs as a tool for affordable housing development for very-low, low, and moderate-income persons.



ADU Regulations

Regulation of ADUs is within the purview of zoning and land use planning. Local governments can allow ADUs while providing helpful regulations to ensure that ADUs enhance rather than detract from the character of a neighborhood. Some examples include the following:

- <u>Construction</u> Allowing the construction of ADUs concurrently with new primary residences or as part of a subdivision or master planned community maximizes the efficient use of land without needing additional infrastructure.
- <u>Occupancy</u> An ADU is more useful to homeowners if occupancy is not restricted to family members or temporary, non-paying guests.
- **Parking Requirements** A successful ADU ordinance balances congestion concerns and the concern that parking may be too burdensome for a homeowner due to cost and lot configuration.
- Size, Setback, Minimum Lot Size, and Other Structural Requirements These regulations can bring desired community aesthetics while also allowing the greatest number of lots to contain lawfully permitted ADUs.



Benefits and Value

ADUs provide an affordable housing alternative by tapping into Florida's large stock of single-family homes. Changing demographics make ADUs an attractive alternative to the elderly, persons with disabilities, families in transition, and to others needing safe, decent housing.

- <u>Affordability</u>- ADU's are a valuable affordable housing tool for low- and moderate-income individuals. Because they do not require additional land or major new infrastructure, ADUs are cheaper to build than the traditional single- family home. Further, the rental income from the ADU can subsidize the cost of the primary unit making ADUs an affordable housing tool for both the renter and the homeowner.
- <u>Care for the Elderly and Persons with Disabilities-</u> ADUs can provide an opportunity to live on the same lots as their parents or other caregivers and can assist the elderly to "age in place." ADUs are particularly well suited for lower-income elderly persons because in addition to receiving a source of income they may not otherwise receive, the elderly homeowner may obtain companionship and needed services from the tenant in the ADU. AARP and the American Planning Association have endorsed ADUs as a valuable tool for elderly Americans. If an ADU is constructed for family members of at least 62 years of age, Florida Statutes, provides that a county may provide for a reduction in the assessed value of homestead property after the new construction.



Benefits and Value

- <u>Family Flexibility</u> ADUs can also provide for family flexibility. If a young adult is not financially able to move out and wants to maintain a semblance of independence, he or she can live in an ADU on the same lot as their parents coming and going as they please and entertaining their own guests, while remaining tightly bound to their family. Once the young adult moves out, the parents can then utilize the ADU as an affordable rental unit for other individuals. An ADU may also be used by older family members as a "granny flat." In this arrangement, a family can care for their elderly parents or grandparents who are now in close proximity. ADUs allow for family flexibility in that multiple family members can live on the same lot in separate units. A family member living in an ADU also reduces the competition for the scarce inventory of affordable rental apartments in the community.
- <u>Environment/Infill Development</u> For many communities, undeveloped land close to the city center is hard to come by. ADUs are a smart growth tool because they are typically infill units built where there is existing infrastructure, making greater use of the already developed land. When ADUs are built near employment centers, more people will have the opportunity to live closer to where they work reducing transportation costs and the associated environmental impacts. Additionally, as ADUs are smaller than single-family or even some multi-family units, their overall impact on the environment is also lessened. It takes less building material to construct an ADU and costs less in utilities for daily operation.



Benefits and Value

- <u>Integration of Income Levels</u> The Department of Economic Opportunity, noted in its 2007 report to the Florida Legislature, ADUs can be integrated into a community resulting in the development of "mixed-income neighborhoods rather than enclaves of affordable housing."17 Integrating lower-income families within mixed-income areas can create positive benefits in terms of employment, mental health, and educational opportunities. With the creation of ADUs as infill development in single-family districts, lower-income households can enjoy a greater quality of life in areas of town which may have previously been closed off to them.
- Workforce Housing Development With ADUs, the lower paid workforce can live closer to their places of work. Rather than being forced to commute long distances for their jobs, people can live affordably within the community. Because ADUs do not require additional land, they can be incorporated into existing, built-out neighborhoods in parts of the community that are closer to employment centers. Proximity to employment can result in very substantial savings when it is possible for a two-person household to share one car and save the expense of owning a second car.



Barriers

Most regulatory barriers to ADUs deal with local land regulations and include things such as

- Zoning
- Land use
- Vacation rentals
- Density
- Parking requirements

There are also market barriers, such the perception that ADU's decrease a homes value (it doesn't), vacation rentals concerns and NIMYism.



ADU's and Tiny Homes

ADUs and Tiny Homes are alternative housing solutions. ADUs are always accessory to the primary unit. Tiny homes can stand alone. As a result, different regulations apply. Tiny homes and ADUs differ by:

- <u>Definition</u> A tiny home can be an ADU if built in the backyard of a single-family home and under the same ownership. An ADU can be considered a tiny home based the size of the unit. If a tiny home is built as a backyard unit, it will need to follow ADU regulations. Otherwise, local governments tend to regulate tiny homes separately.
- <u>Size</u> Tiny homes are generally smaller in size than the typical ADU. A tiny home is usually defined as a habitable
- structure of less than 500 square feet. This square footage definition depends on the jurisdiction. ADUs by contrast, are typically up to 1,000 square feet or larger in some circumstances. Thus, when local governments regulate stand-alone tiny homes without reference to a primary unit, they tend to max the size requirement at 400 or 500 square feet. If it is considered an accessory dwelling unit, the tiny home can be larger in size.
- <u>Mobility</u> Tiny homes can be built on wheels. Tiny homes on wheels (THOW) are typically allowed in areas
 zoned for mobile homes. If a tiny home is on wheels, it likely cannot be an ADU as local governments generally
 require ADUs to be on a foundation. THOWs will need to be registered with the Florida Department of Highway
 Safety and Motor Vehicles.



For additional information on ADU's check out the Florida Housing Coalition's ADU Resource Guide

https://www.flhousing.org/wp-content/uploads/2019/08/ADU-Guidebook.pdf