

RALEIGH URBAN DESIGN CENTER

REPORT 02:

ACCESSORY DWELLING UNIT PROGRAMS AND REGULATORY TOOLS



FALL 2020

ACCESSORY DWELLING UNIT PROGRAMS AND REGULATORY TOOLS

Summer 2020

PREFACE

The purpose of this study is to present research into best practices in approaches to Accessory Dwelling Units. The report provides a rationale for programs and regulatory tools the City of Raleigh can employ to facilitate construction of ADUs, particularly as affordable housing.

RALEIGH URBAN DESIGN CENTER

Charles Dillard, AICP, Urban Designer

Joe Michael, AIA Principal Urban Designer

Elizabeth Nooe, Associate AIA, Urban Designer

Lee Stevens, Urban Designer

URBAN DESIGN REPORT

03	Introduction
	Limits of Zoning Regulations
04	Programs
04	Permitting, Processing and Design Assistance
06	Demonstration/Pilot Project
08	Pre-Approved Plans
10	Affordability Bonus
12	Anti-Displacement Programs
14	Tiny Home Village
16	Annual ADU Monitoring
18	Regulatory Tools
18	Multiple ADUs
22	Setback Relief
24	Flag Lots

INTRODUCTION

Limits of Zoning Regulations

Raleigh's experience with ADUs has mirrored that of peer cities nationally. Particularly high demand cities like Asheville, Portland and Los Angeles have responded to the converging housing and climate crises by quickly adopting standards to enable ADU construction. Raleigh's 2020 UDO revisions are a significant regulatory step toward facilitating ADUs

However, flexible regulatory environments have not been effective in inducing anticipated demand. It is only through the application of **programs, policies and constant regulatory evolution** that cities have seen ADUs built in meaningful numbers and in ways that help combat the extreme shortage of housing.

This document is a summary of best practices from across the United States. The programs and regulatory approaches presented here are intended as precedents for future ADU approaches. Some of the tools are intended simply to increase supply, while others are meant to provide explicitly affordable housing.

Three cities - Portland, Seattle, and Los Angeles, have seen the most significant and meaningful increase in ADU construction. These cities are supported by permissive state law, particularly Los Angeles, where the State of California has created the nation's most pro-ADU state statutes in response to that state's housing crisis.

Even with programs and regulatory approaches that favor ADUs, the units account for only approximately **two percent of new housing units** in these three cities.

A two percent share of new housing units would put Raleigh among the nation's cities with the highest ADU uptake. With approximately 11,000 new housing units created in the city annually, this would mean over **200 ADUs** could be constructed throughout the city's residential zoning districts each year.

While not always affordable, ADUs are typically rented at or below market rate. Data from Portland shows that 15 percent of ADU inhabitants pay no rent, while in San Francisco, ADUs rent for 19 percent less than market rate rental units. Additionally, programs targeting affordability can provide guaranteed affordable housing. With a need for more than 60,000 units of affordable housing in 2019, Wake County has recommended ADUs as one tool in the effort to increase housing affordability and security.

ADUs are likely to be a small part of Raleigh's housing solution. However, ADUs fill a particular niche in the housing market, as detailed in this document. As such, this document lays out near term recommendations that can be accomplished within six months and longer term strategies that can be explored as desired.

PROGRAMS

Permitting, Processing and Design Assistance

Definition:

A broad set of programs that seek to reduce the cost and time commitment required to construct ADUs. Approaches include reduced or eliminated permitting fees, expedited processing, design assistance and education. Some municipalities have created “one-stop-shops” or guidebooks that serve to educate their communities about ADUs and the rules regulating them, help them identify opportunities for constructing ADUs on their property, and assist with design and permitting processes.

Rationale:

The nature of ADUs – small structures typically located in the rear yard of properties, is suited for small scale or novice developers. Guidebooks and one-stop-shops can be critical in educating communities, reducing risks, and building ADUs in meaningful numbers and in ways that strengthen neighborhoods and create a more equitable city.

Where Practiced

- **California** applied new ADU rules in 2020, one of which prohibits municipalities from charging impact fees for ADUs under 750 square feet. Impact fees for larger ADUs are mandated to be proportional to the size of the ADU in relation to the primary dwelling. Impact fees in California
- **San Francisco** created sf-ADU, a guidebook that “helps define the various physical forms for ADUs; multiple City Codes which regulate adding ADUs, and when such investment is financially feasible or beneficial to small property owners.” The guide includes typical floor plans, traditional and novel ADU formats, and pro forma examples.
- **San Mateo County, CA** established the Second Unit Resources Center, a hub for information on ADUs, local ordinances, and programs available to facilitate their construction. The site includes a calculator that allows prospective builders to estimate project costs, anticipated rents and expenses, and other financial considerations. The County also established in 2019 a One Stop Shop Program that provides up to 100 hours of project management to help design, permit and process ADUs.

Recommendations

- **Create an ADU Resource Guide to educate homeowners and the development community (Near-Term)**

Principles:

- *Format guidebooks and one-stop-shops to be engaging and easy to use*
- *Designate and train staff to coordinate and administer ADU Resource Center*

Equity Opportunities:

- *Supports inexperienced ADU builders*
- *Explore partnership with NCSU.*

For Further Consideration:

- *Determine staff capacity*

- **Explore building permit and facility fee reductions for ADUs (Medium-Term)**

Principles:

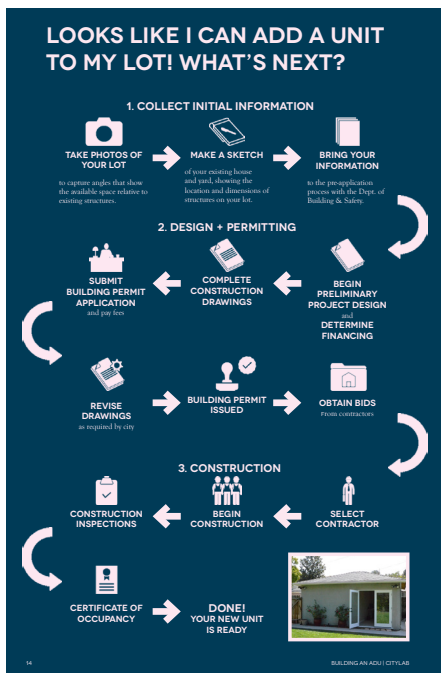
- *Eliminate fees for homeowners or where affordability is guaranteed*
- *Prioritize financial assistance to disadvantaged and lower-income developers*

Equity Opportunities:

- *Increased affordable housing stock*
- *Supports inexperienced ADU builders*
- *Lowers cost to entry*

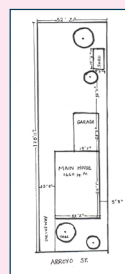
For Further Consideration:

- *Determine impacts of reduction scenarios*



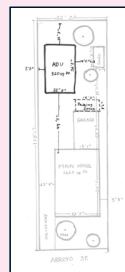
TIPS FOR DRAWING YOUR EXISTING LOT

Measure and draw the shape of your lot. Make notes of measurements on the sketch in terms of feet and inches. As precisely as you can, draw the outline of your current house with measurements. Measure and draw other permanent structures where they exist on your lot, such as a garage. Mark the location of the driveway, major trees, and all structures (even if they will be demolished).



SKETCHING AN ADU ON YOUR EXISTING LOT

Make a copy of the drawing of your existing lot and sketch a floor plan of the ADU you want to build. Show where you would park a car(s). *Tip: a typical parking space is 8 ft 6 in x 18 ft* Show any streets and alleys adjoining your lot. Measure and block out 5 feet from each property line (for the setbacks). Remember to leave at least 10 feet between the main house and your ADU, and avoid placing any structure(s) in the side and rear setbacks.



The Micro-Unit (2BR)

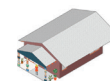
Homeowner
\$ 180,000
596 SF
2 Bed, 1 Bath



About the Home

The Micro-Unit plan focuses on creating the most efficient use of space – fitting the most comfortable, functional, and beautiful spaces into the least amount of square footage. The Living, Dining, and Kitchen areas all open up to the patio, allowing them to feel much larger and connected to the outdoors. This version includes two bedrooms, along with a built-in desk in the living room and a built-in window table in the kitchen.

Exterior Styles



Craftsman
This style is inspired by the Craftsman homes found throughout L.A., typically characterized by gabled roofs and wood detailing.



Modern
This style is characterized by minimal, clean lines and simple forms. Pictured here is a Sawtooth roof.



Spanish
This style is inspired by traditional Spanish architecture. It typically features a covered outdoor patio with columns, along with arched openings.

The Backyard Homes Project Homeowner Design Package FLOOR PLANS 7

ADU Guidebook City of LA/UCLA cityLAB

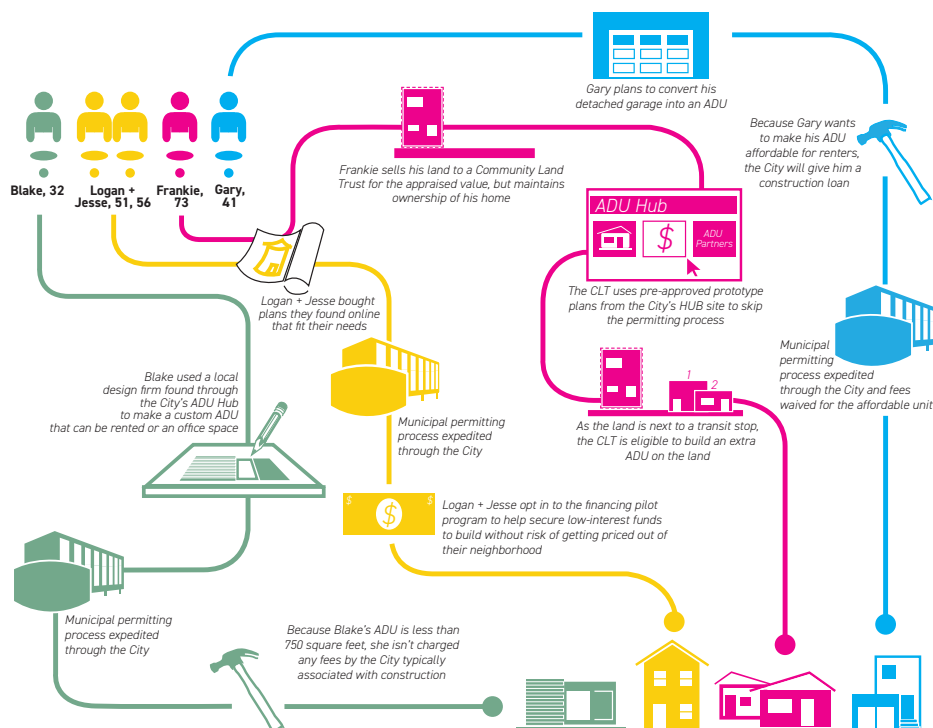
Following the 2017 passage of state laws around ADUs, the LA Dept. of City Planning partnered with UCLA's cityLAB to create this document that is intended as a guide for ADU developers, up to 78 percent of whom are homeowners. (accessorydwelling.org)

Homeowner Design Package LA Backyard Homes Project

Their Design Package provides building plans and budgets to meet a wide array of housing needs. (LA Mas)

ADU Guidebook Mock-Up

Many Raleigh residents have concerns about ADUs. Many ADU developers are unfamiliar with the process of designing and building. Even seasoned affordable housing developers may be unaware of programs supporting ADUs. A helpful and engaging guidebook and website can be a tool in building public trust and understanding. The diagram to the right is an example of a narrative-based approach that many cities have adopted.



PROGRAMS

Demonstration/Pilot Project

Definition:

A time-limited program to develop one or more ADUs, the primary purpose of which is to demonstrate the feasibility and impacts of ADUs. Demonstration projects can pilot potential long-term design standards or equity and affordability programs. Pilot programs can also test tenure models (e.g. community land trust) and financing products

Rationale:

Despite continued effort to facilitate ADU development nationally, construction has not occurred at the intended pace. Demonstration projects can be valuable experiments for communities interested in ADUs but unsure of how to regulate, incentivize, or finance them. Demonstration projects are frequently executed collaboratively by government, non-profit and private sector partnerships.

Where Practiced

- **Los Angeles** established a partnership between city government, non-profits and private sector firms to conduct a pilot project to design, permit, and build a new, two bedroom, two bathroom, 1,000 SF ADU within a historic district and on a hillside lot. The intentionally difficult program demonstrated how ADUs can be contextually designed, what regulations, policies and programs are needed, and how ADUs can be financed.
- **Los Angeles County's** ADU Pilot Program has a goal of demonstrating how ADUs can be a strategy to provide homes to the currently unhoused. The program streamlines the permitting process, provides technical assistance to homeowners, and most substantially, financial incentives for preserving and constructing accessory dwelling units in exchange for housing homeless families/ individuals.
- **Multnomah County**, Oregon conducted a pilot program, A Place for You to experiment with different ADU building models and permitting approaches. Funding from local government and charitable organizations (\$500,000) constructed four ADUs – two modular and constructed off site and two constructed on site using innovative technologies. Each of the ADUs will be the home for at least five years to a formerly unhoused individual or family. Following the five year period, the property owner has the option to purchase the unit at a reduced price.

Recommendations

➤ Study Pilot Program feasibility to test programs and regulations (Long-Term)

Principles:

- Facilitate permitting and approvals process
- Partner with non-profits and private sector
- Monitor experience to inform ADU regulations, policies and programs

Equity Opportunities:

- Program can require affordability
- Provides baseline ADU rental rate data to inform future affordability programs

For Further Consideration:

- Engage potential participating neighborhoods
- Identify community, non-profit and private sector partners

The programs recommended on the following pages could be tested as demonstration projects. Such projects provide valuable baseline data on ADU rental rates, construction costs, and length of approvals processes, as well as a greater understanding of design standards. Well-monitored demonstration projects can inform future programs, policies and regulations.



LA Pilot Program City of Los Angeles and partners

Highland Park ADU created through the LA pilot program. The program intentionally selected a sloped site in a historic district to determine ADU feasibility in difficult conditions. Promotional material for the program is to the right. The completed ADU is below. (Stephen Schauer)

PROGRAMS

Pre-Approved Plans

Definition:

Acknowledging the typically simple form and construction type of ADUs, municipalities in communities experiencing severe housing shortages have pre-approved building plans to reduce costs and ensure a quick and efficient permitting process. Pre-approved ADU plans can be provided free of charge or for a fee – typically a relatively small royalty fee to the ADU designer.

Rationale:

Pre-approved plans reduce costs and promote quick and efficient permitting and construction. This low-risk program type can facilitate development for some prospective developers who desire a more hands-off approach and/or lack the willingness or ability to manage a construction project. Raleigh's strong local design industry and NCSU's Design School are assets to consider in the creation of such a program.

Where Practiced

- **San Diego**, through its Housing SD program, accepts pre-approved ADU plans, in addition to fee waivers, expedited processing, and design standard relaxations.
- **San Jose's** pre-approved plans include a pre-fabricated modular unit.
- **Seattle** engaged its residents on design principles and criteria and invited designers and builders to submit plans. City staff selected the plans, which are available to residents for the price of a royalty to the designer.

Recommendation

> Create pre-approved ADU program (Medium-Term)

Principles:

- *Promote local designers and construction firms*
- *Ensure MWBE representation*
- *Pre-approve ADUs designed for accessibility*
- *Consider a range of design styles*

Equity Opportunities:

- *Supports local and MWBE firms*
- *Reduces cost and other barriers*
- *Reduces staff resources required to permit housing units*

For Further Consideration:

- *Engage design industry in program development*

Pre-approved DADUs ▶ Seattle

Seattle has pre-approved 10 ADUs and lists 153 others designs on its page. Each of the pre-approved designs is profiled, as shown to the right. Many also offer detailed PDF drawing and presentation sets that include renderings and diagrams. (City of Seattle)

Permit Ready ADU ▼ (PRADU) City of Encinitas

Residents can select from eight pre-approved plans that allow for customizing materials and door/window placement. Applicants must still acquire some permits to construct. (City of Encinitas)

PRADU Building Plans
You must print four full-size (24" x 36") sets of plans for your submittal.

<p>Design Path Studios - Studio</p> 	<p>Design Path Studios - 1 Bedroom 1 Bath</p> 
<p>Design Path Studios - 2 Bedrooms 2 Baths</p> 	<p>Design Path Studios - 3 Bedrooms 3 Baths</p> 
<p>DZN Partners - Studio</p> 	<p>DZN Partners - 1 Bedroom 1 Bath</p> 

Artisans Group

Seattle DADU

1 bed • 600 sq ft • \$1,000 to license

Detached one-bedroom ADU capable of being an accessible home, aesthetically flexible to work with varied neighborhood styles, and architecturally designed for understated awesomeness. The Seattle DADU is 600 square feet of graceful aging-in place and energy-efficient considerations ready to add value, possible passive income, and flexible, poetic living opportunities.

- One bed and one accessible bath
- Two available roof configurations (gable and shed)
- Stairless entry (optional)
- Curbless shower (optional)
- Three-foot wide doorways
- Open concept floor plan
- Energy-efficient insulated slab-on-grade foundation design
- Energy-efficient wall and roof design
- Ample natural light
- 9-foot walls and optional vaulted ceilings
- A cook's kitchen, despite its size



Seattle DADU — accessible one-bedroom DADU with gable roof



Seattle DADU — accessible one-bedroom DADU with gable roof



Seattle DADU — accessible one-bedroom DADU with gable roof



Seattle DADU interior — accessible one-bedroom DADU with vaulted ceilings (gable roof option)



Seattle DADU interior — accessible one-bedroom DADU with vaulted ceilings (gable roof option)



Seattle DADU interior — accessible one-bedroom DADU with vaulted ceilings (gable roof option)



Seattle DADU — accessible floor plan



Seattle DADU — accessible one-bedroom DADU with shed roof



Seattle DADU — accessible one-bedroom DADU with shed roof



Seattle DADU — accessible one-bedroom DADU with shed roof

Use this plan

Seattle DADU plan sets are available for purchase directly through Artisans Group. You may contact us directly through phone, by email, or by stopping into our Olympia office.

Artisans Group is a full-service architecture firm providing project feasibility, site planning, design customization, and project management. Our services are contracted at hourly rates of \$118 per hour for our standard professional and design services, and at \$148 per hour for working directly with a principal.

Connect with this designer

Artisans Group

artisansgroup.com

jason@artisansgroup.com

(206) 639-7098

View PDF

Contact Designer

PROGRAMS

Affordability Bonus

Definition:

A bonus amount of additional square footage or unit density. Typically, the bonus is granted in exchange for affordability guarantees.

Rationale:

Affordability bonuses facilitate cost-efficient affordable housing units. Bonuses can be granted in exchange for a range of benefits, including affordability and sustainability.

Where Practiced

- **Portland** – Residential Infill Project permits an additional 0.1 bonus FAR when at least one housing unit on a residentially-zoned property is affordable to at least 80 percent AMI. To promote neighborhood character preservation, Portland also offers the same bonus when infill units are added to a property whose existing home's façade remains.
- **Austin** – conducts the Affordability Unlocked program, which waives or modifies some development restrictions in exchange for providing low- and moderate-income housing. Bonuses include height and density increases, parking and compatibility waivers, and reductions in minimum lot sizes. While broad in nature and not targeted specifically to ADUs, the model could be used to facilitate infill development including ADUs.
- **Seattle** permits second ADUs only when developers agree to rigorous green building standards or commit to reserving the ADU for affordable housing.

Recommendations

> Study feasibility of Affordable ADU Bonus Program (Long-Term)

Principles:

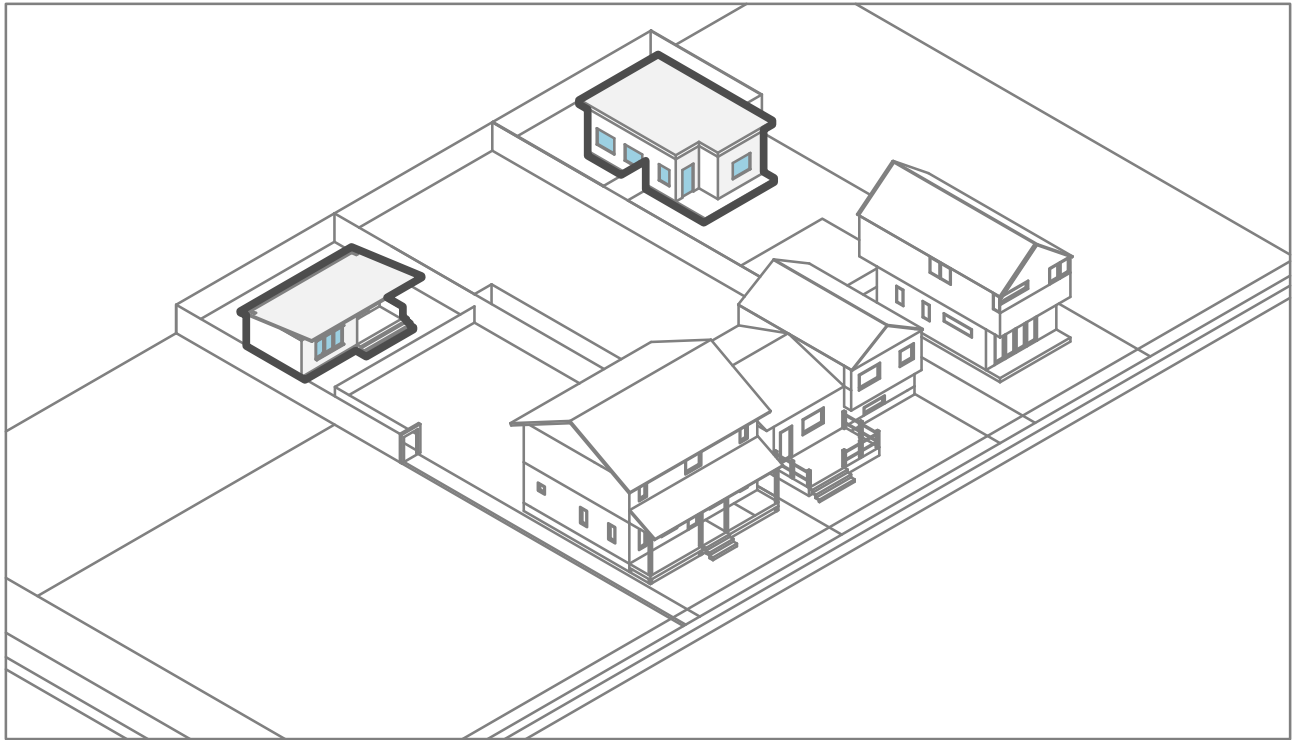
- Consider bulk and additional unit bonuses
- Consider reduction in min. lot area standards
- Prioritize areas with demonstrated demand

Equity Opportunities:

- Encourages construction of affordable housing

For Further Consideration:

- Additional study needed to determine feasibility
- Determine areas appropriate for bonus
- Engage affordable housing developers and advocates, in program creation



Seattle and Portland Affordability Bonuses typically permit one additional ADU in exchange for affordability guarantees



Affordability Bonuses

Seattle and Portland

These cities, among others, offer additional units or increased square footage standards when affordability is guaranteed. FAR and permeable surface standards still apply. Similar bonus programs exist to incentivize retention of existing built character and sustainable building practices.

PROGRAMS

Anti-Displacement Programs

Definition:

ADUs can be an effective tool in fighting displacement of renters and homeowners. Some programs are tailored to fixed-income homeowners in rapidly appreciating neighborhoods to help them remain physically rooted to their communities. Others are structured to promote aging-in-place.

Rationale:

Housing shortages create instability in neighborhoods. Homeowners on fixed or low incomes in rapidly appreciating neighborhoods are impacted heavily by rising tax rates. Older residents also may find their existing home inaccessible and desire a newly-built ADU that is designed to be accessible. A program aimed at fighting displacement, particularly in rapidly appreciating areas of Raleigh, can be part of the city's effort to ameliorate and prevent structural racism in the housing market.

Where Practiced

- **Seattle's** Home Repair Program (similar to Raleigh's Homeowner Rehabilitation Program) is piloting low-interest financing to homeowners at risk of displacement. The value of the property is leveraged without having to sell, while the homeowner also avoids assuming high levels of risk or debt.
- **Santa Cruz County** administers the My House My Home program in partnership with Habitat for Humanity. The county provides low, simple interest financing to help low-income senior homeowners build ADUs on their property. The loans are deferrable for up to 30 years or payable upon sale or transfer. In exchange, the owners agree to rent the ADU – or their primary home – to households earning at or below 60 percent of the area median income.
- **Los Angeles** is monitoring a three-year pilot program, the LA ADU Accelerator Program to identify housing opportunities for older adults facing housing insecurity. The city screens ADU owners and renters to ensure an easy and efficient experience. In exchange for participating, homeowners receive guaranteed timely rent and landlord support.

Recommendations

➤ Explore creation of Anti-Displacement Program (Long-Term)

Principles:

- Partner with non-profit housing providers
- Provide financing - loans, grants, underwriting
- Prioritize community ownership models (CLTs)
- Prioritize areas with significant displacement
- Pair with bulk and additional unit bonuses

Equity Opportunities:

- Encourages construction of affordable housing
- Helps residents stay in their communities

For Further Consideration:

- Additional study needed to determine feasibility

➤ Explore loan program to assist homeowners at risk of displacement with ADU construction (Long-Term)

Principles:

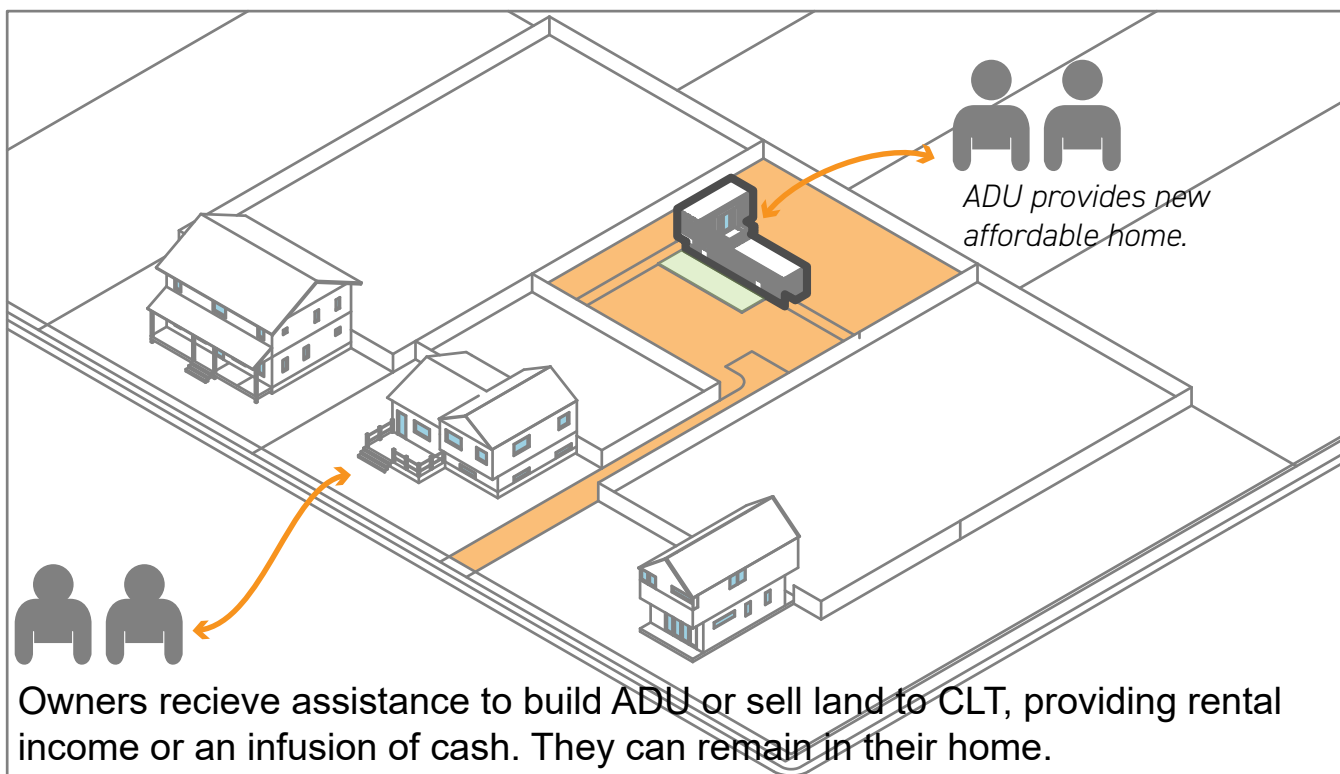
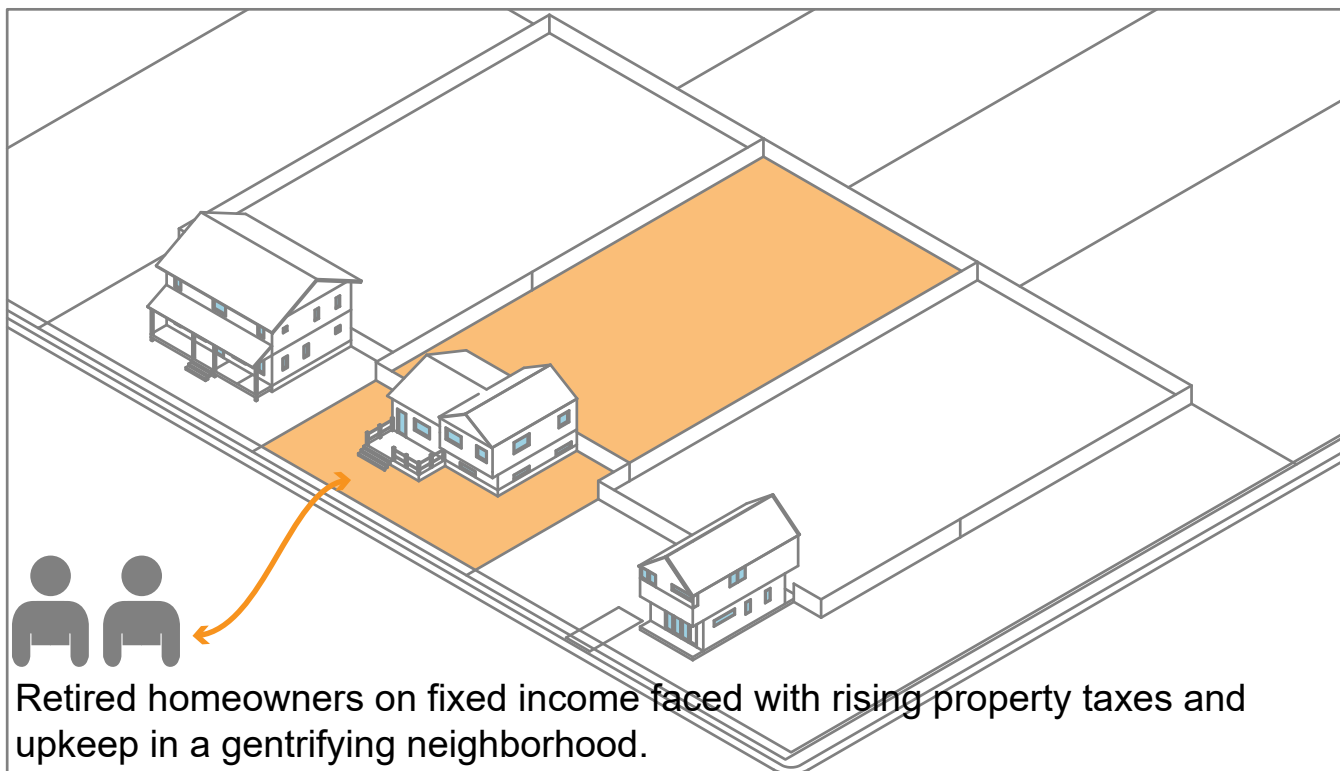
- Provide low-cost loans for ADU construction or conversion
- Require affordable rental rates
- Explore use of Homeowner Rehabilitation Program funds

Equity Opportunities:

- Encourages construction of affordable housing
- Helps residents stay in their communities

For Further Consideration:

- Additional study needed to determine feasibility



Anti-Displacement Programs

Seattle, Santa Cruz, CA

These pilot programs provide low risk ADU financing to homeowners at risk of displacement. Some owners decide to rent out the ADU, others live in the ADU and rent the primary home at an affordable rate. Such programs can also be used by Community Land Trusts to preserve and create perpetually affordable housing.

PROGRAMS

Tiny Home Village

Definition:

A small collection of tiny homes, typically arranged in a village format along with services and open spaces, that provides short- and medium-term housing for the unhoused.

Rationale:

The population of unhoused residents is growing. Tiny home villages can provide short- to medium-term housing for the unhoused. Site selection should ensure that residents are not isolated and can access services and participate in their communities. Tiny Home Villages are the emergency shelter most effective in limiting the spread of COVID-19.

Where Practiced

- **Seattle** partners with the Low Income Housing Institute to construct tiny home villages in response to the city's homelessness crisis. The 10 villages are located throughout the city on government, private, non-profit and church-owned properties. Sites range from 6,000 square feet to 30,000 square feet. In 2018, Seattle's villages served nearly 900 unhoused individuals, with village operating costs ranging from \$60,000 to \$500,000.
- **Austin** is home to Community First, a 27-acre tiny home village of 180 200-square foot homes and on-site employment opportunities. The village was constructed with \$18 million in charitable donations.
- **Bernalillo County** (Albuquerque) is creating a \$4.34 million tiny home village. The village contains a "community house" with bathrooms, kitchen and common space and a wraparound porch. The County's goals are to provide "safe, stable, and attractive" transition housing in a holistic neighborhood where residents can work and access services. The one-acre site hosts 30 124 square foot homes. The ultimate cost of the project was \$4.34 million.

Recommendations

- › Explore partnership with non-profit sector to construct Tiny Home Village program (Long-Term)

Principles:

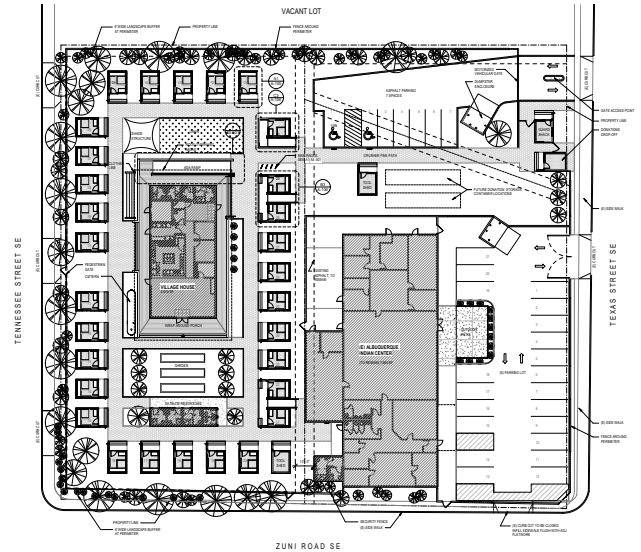
- *Locate close to services and amenities*
- *City in funding role*
- *Foster collaboration between public, private and non-profit sectors*

Equity Opportunities:

- *Housing for the unsheltered*
- *Emergency housing for NC communities displaced by climate change*

For Further Consideration:

- *Additional study needed to determine feasibility*



Seattle Tiny Home Village ▼ City of Seattle/Low Income Housing Institute

Tiny Home Village, Seattle, WA. Seattle's Low Income Housing Institute, with City of Seattle financial backing, has created 10 tiny home villages, housing hundreds of previously unsheltered households. (wbur.org)

Bernalillo Co. Tiny Home Village ▲ Albuquerque

The village's plan includes a "Village House" at its center to provide the community an on-site location for service provision. The village also includes gardens and detailed landscape design.



PROGRAMS

Annual ADU Monitoring

Definition:

The general prohibition of ADUs across the country contributes to a lack of knowledge regarding their impacts as well as their role within the housing market and physical environment. Some cities are instituting rigorous monitoring programs to better understand ADUs, their impacts and their role in providing needed density and greater affordability.

Rationale:

The city currently monitors a range of programs and services. Monitoring and annually reporting on ADU development, the units' role in the housing market, and their impact on the environment and communities allows for a measured introduction of ADUs into neighborhoods while facilitating their role in reducing the shortage of housing, particularly affordable units.

Where Practiced

- **Seattle**, through a mayoral executive order, initiated in 2019 an annual reporting process to monitor ADU build-out. City staff track ADU use, rental rates, affordability, parking, and impact on the city's open space, tree canopy and economy. The goal of the reporting is to allow for continual evolution of the city's approach to ADUs.

Recommendations

> Create ADU monitoring program (Near-Term)

Principles:

- Monitor number, location and uses of ADUs
- Monitor rental rates and contribution to affordable housing supply
- Monitor parking usage and provision
- Monitor impacts to green space and tree canopy
- Monitor impacts to stormwater infrastructure

Equity Opportunities:

- Improved understanding of ADU contribution to housing supply and cost
- Improved understanding of ADU use

REGULATORY TOOLS

Multiple ADUs

Definition:

A rule permitting multiple Accessory Dwelling Units on one property.

Rationale:

Permitting multiple ADUs on a lot allows for much-needed densification at a scale consistent with neighborhoods. However, such a rule is best administered within the framework of a Land/DU and/or Floor Area Ratio approach and is most appropriately applied only in areas close to high intensity urban centers and areas with demonstrated demand for greater unit density. It is also recommended that multiple-ADU developments should only be permitted as an incentive in the development of affordable housing.

Where Practiced

- **Portland** uses a Land/DU + FAR approach that creates a flexible development environment. The approach permits a homeowner or developer to allocate units in various forms and combinations. For example, a property owner in Portland's R7 district (analogous to Raleigh's R-6) with a minimum 5,000 SF lot can construct either a triplex, a duplex with one ADU, or a single family house with two ADUs.
- **California** state law (AB 68) requires that municipalities permit up to two ADUs on residential properties with zoning that permits multifamily dwellings (i.e. Missing Middle). Some municipalities permit two detached ADUs.
- **Seattle**, like California, permits one attached and one detached ADU on each residential lot.

Recommendation

- Explore UDO revisions to permit multiple ADUs in TOD-R and other high demand areas (**Long-Term**)

Principles:

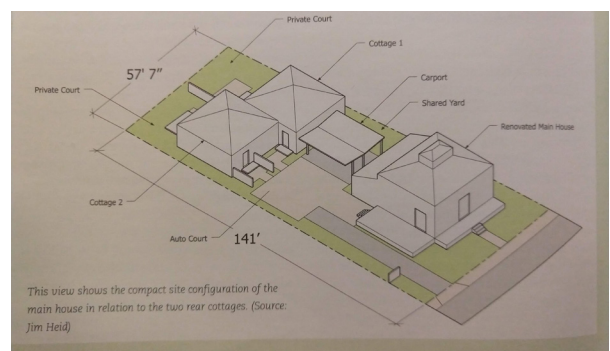
- A Land/DU approach is most flexible
- Apply citywide or in targeted areas with demonstrated demand
- Permit additional ADUs in affordability programs

Equity Opportunities:

- Increases supply
- More affordable housing in high-demand areas

For Further Consideration:

- Engage public on density standards and Missing Middle Housing

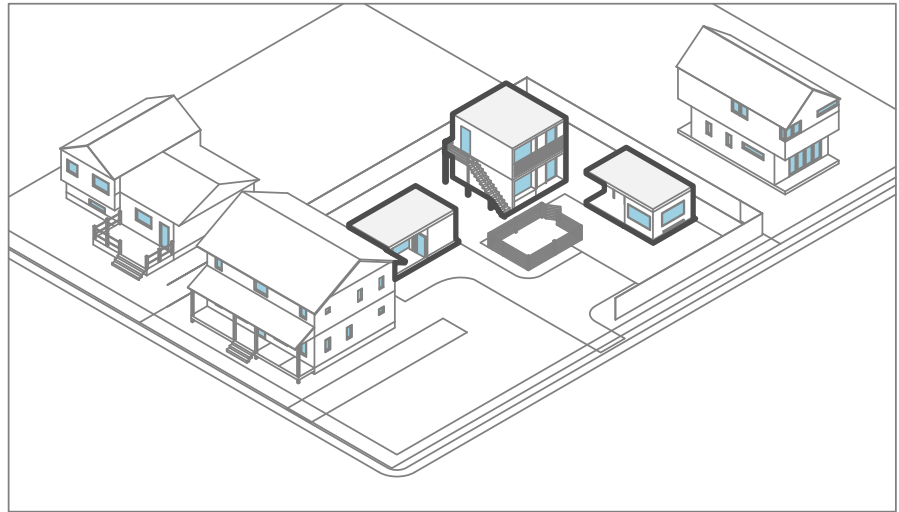


Duplex ADU, Healdsburg, CA. A renovation of two existing ADUs and one primary home. Jim Heild and Daniel Parolek

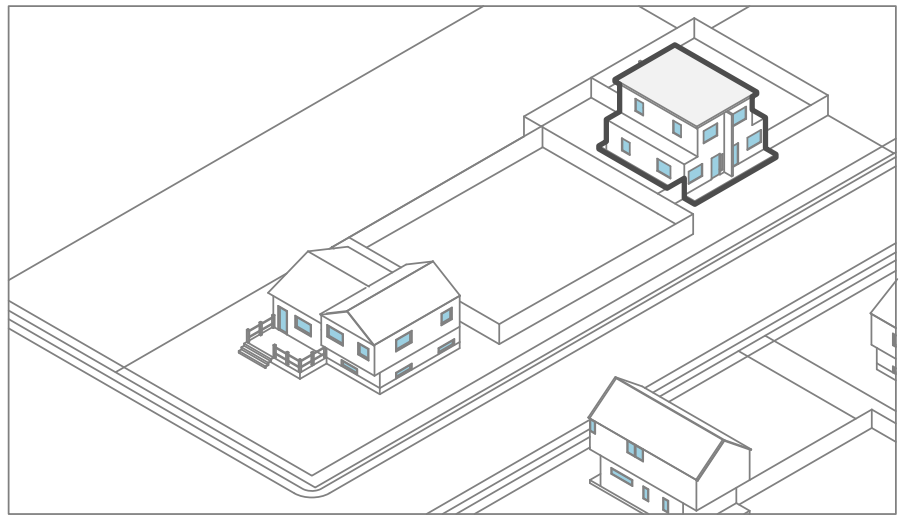
Multiple ADUs

Portland, California, others

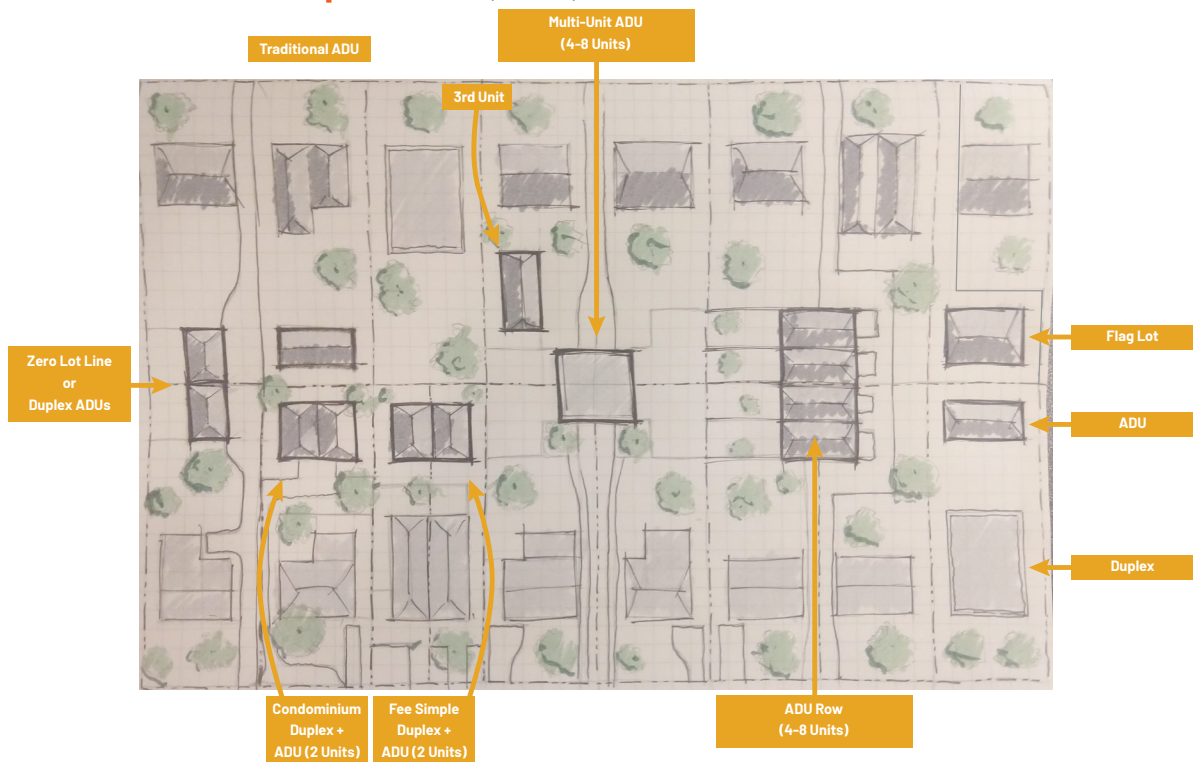
Portland and California now permit two ADUs on a lot. Many cities are permitting duplexes, triplexes and quads in residential districts. While multiple ADU developments should only be permitted after rigorous study and outreach, Raleigh's relatively large lot sizes offer opportunities for multiple ADU formats that do not exist in denser cities with smaller lots. Multiple unit formats can also be paired with affordability programs.



↑ ADU Court (4 Units)



↑ Duplex ADU (2 Units)



REGULATORY TOOLS

Setback Relief

Definition:

Many cities permit relief from side and rear setbacks in their densest residential-only zoning districts to allow zero lot line homes. Primary and accessory dwellings in Raleigh's oldest neighborhoods were commonly built up to the property line. Rigorous design standards are necessary to mitigate impacts to neighboring properties.

Rationale:

Zero lot line homes are a common reality in Raleigh today. Exemptions from side and rear setbacks in R-10 and TOD-R-mapped are encouraged, but only according to rigorous building and landscape design standards.

Where Practiced

- **Portland** permits structures in the setbacks in their three densest residential districts - roughly corresponding with Raleigh's R-6 and R-10 districts. Design standards ensure minimal impact to neighboring property owners.
- **Austin**, through its Affordability Unlocked Program, permits a reduction in front and rear setbacks by 50 percent in exchange for affordability.

Recommendation

- Explore revising UDO setback standards to permit limited exemptions for ADUs in high-demand areas (**Medium-Term**)

Principles:

- Establish maximum encroachment length
- Develop rigorous design standards to mitigate impacts to neighboring properties

Equity Opportunities:

- Reduces barrier to housing construction

For Further Consideration:

- Further study needed to determine feasibility and extent of setback exemptions
- Engage public on setback exemptions as part of Missing Middle housing outreach



▲ Boylan Heights garage within the side setback - existing non-conformity. Permitting new ADUs with similar scale and relationship to context would not be permitted today. Google



▲ Saunders Street existing non-conforming homes. When built according to rigorous urban design standards, homes can be placed closely together while retaining privacy and desirability. Google

REGULATORY TOOLS

Flag Lots

Definition:

A parcel behind one or more parcels that maintains access to a public street via a long narrow access way, typically a driveway. A flag Lot home is not technically an ADU, but typically is similar in form and scale. As such, flag lots can be a strategy to finance or sell ADUs.

Where Practiced

- Broadly applied
- **Durham**, in its Expanding Housing Choices initiative, relaxed standards for flag lots in recognition of their role in facilitating development of infill housing with traditional mortgage products.

Recommendation

- Explore revising UDO to permit Flag Lots (Long-Term)

Principles:

- *Permit larger unit sizes on flag lots*
- *Permit reduced pole width in areas with demonstrated demand for greater unit density*

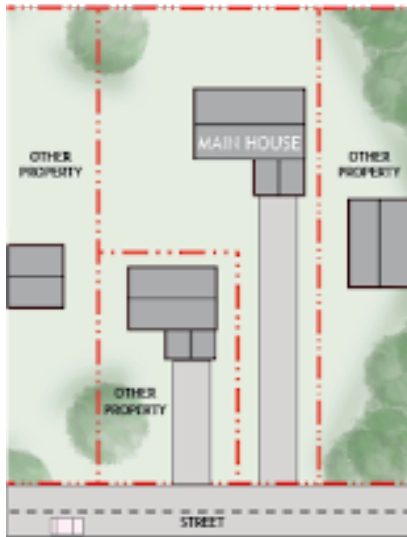
Equity Opportunities:

- *Facilitates traditional mortgage products for ADUs*
- *Affordable Ownership Opportunity*

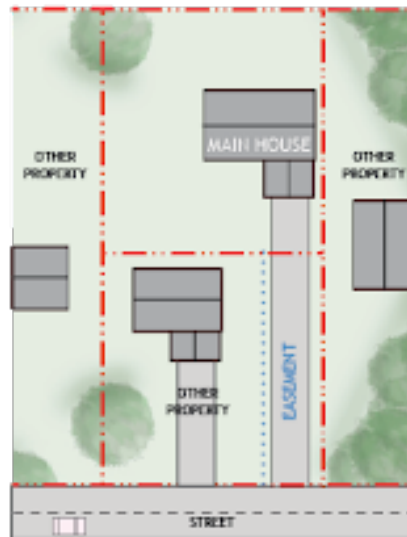
For Further Consideration:

- *Engage public on desirability of flag lots*
- *Continue study as part of Missing Middle housing reform*

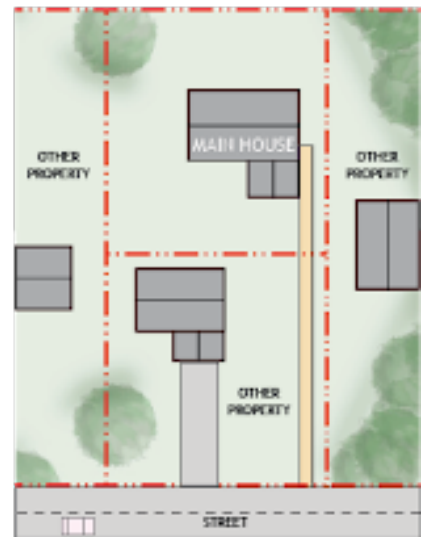
FLAG LOT



EASEMENT



LANDLOCKED*



- ▲ Flag Lots can allow for flexible subdivision of existing ADUs or to create land parcels that are well understood by the financial sector and for which traditional mortgage products exist. hawaiiadu.org

SUMMARY

Recommendations

This document provides a broad understanding of effective best practices in use nationally. ADUs are a small but necessary component of any city's housing strategy. These units are often an ideal option for homeowners at risk of displacement - whether they live in the ADU or in their current home. They are ideal for those who desire to "age in place" - they offer smaller, more accessible footprints in familiar neighborhoods. They are ideal for those who require additional care or temporary housing.

The broad range of recommended tools provided in this document could facilitate more equitable development in Raleigh's neighborhoods, frequently at a scale consistent with built context.

As stated in this report, many of the recommendations require additional study to craft specific programs or regulatory approaches.

Near-Term Strategies (6 Months)

- › Create an ADU Resource Guide to educate homeowners and the development community
- › Create ADU monitoring program

Medium-Term Strategies (1-2 Years)

- › Create Pre-Approved ADU Program
- › Explore building permit and facility fee reductions for ADUs

Long-Term Strategies (2 or more years)

- › Study feasibility of Pilot Program to test ADU design typologies
- › Study feasibility of Affordable ADU Bonus Program
- › Explore creation of Anti-Displacement Program
- › Explore loan program to assist homeowners at risk of displacement with ADU construction
- › Explore partnership with non-profit sector to construct Tiny Home Village program
- › Explore UDO revisions to permit multiple ADUs in TOD-R and other high-demand areas
- › Explore revising UDO setback standards to permit limited exemptions for ADUs in high-demand areas
- › Explore revising UDO to permit Flag Lots

