# Accessory Dwelling Units (ADU) Code Proposal Update

## Public Meeting March 27, 2024



## Welcome

- Public Participation Professor & Students
  - Dr. Jonathan Davis (Moderator)
  - Andre-Paul M. (Student)
  - Nikita S. (Student)
- Comment cards
- Q&A





## **Presentation Overview**

- What is an Accessory Dwelling Unit (ADU)?
- Current City of Tempe Regulations
- Summary results from first round of outreach and research
- Highlight Preliminary draft ADU Code
- Next steps & timeline
- Questions for residents & public input





Source: Morgan Taylor Homes



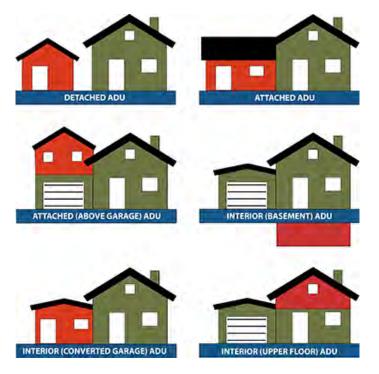
# What is an Accessory Dwelling Unit (ADU)?

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# What is an Accessory Dwelling Unit (ADU)?



An Accessory Dwelling Unit (ADU) is an independent, rentable dwelling unit located on the same lot with a standalone singlefamily home.



Source: American Planning Association

## Objective of the Proposed Text Amendment



- The City is considering updates to the ADU section of the Zoning and Development Code to expand ADU's applicability to single-family residential zoned properties (AG, R1-15, R1-10, R1-8, R1-7, R1-6, R1-5, R1-4 and R1-PAD). This is the largest land use category in Tempe with approx. 39% of the total.
- Staff has conducted research related to ADUs and is gathering further stakeholder input for a potential Code Text Amendment.
- ADUs are expected to expand affordable housing options, provide extra income opportunities for homeowners and facilitate multi-generational living

## State Legislature Efforts to Allow ADUs



- HB2720 Awaiting AZ State Senate Vote
- This Bill would:
  - Require Municipalities with population 75,000+ to adopt ADU regulations where a single-family dwelling is allowed.
  - Allow at least one (1) ADU on all single-family properties, and
  - Allow at least one additional ADU as a restricted-affordable unit;
  - Permit lesser of 1,000 sf or 75% of the main dwelling area;
  - No additional parking allowed.

# **Current City of Tempe ADU Regulations**

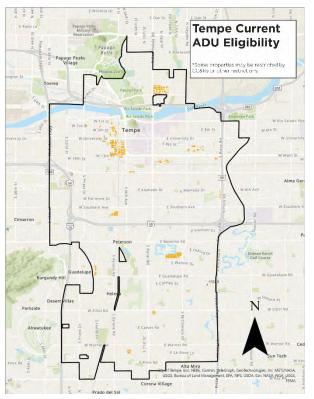
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# **Current City of Tempe Regulations**

Adopted April 2019 (Ordinance No. 02019.08)

The property must:

- Be zoned for multi-family residential
- Have an existing single-family use

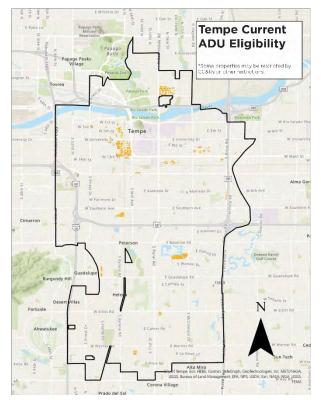




# **Current City of Tempe Regulations**

## **Development Standards:**

- Maximum 800 square feet livable area
- One (1) ADU allowed per lot
- No additional vehicle parking required
- No more than two (2) bedrooms







# Public Input: October 2023 – Feb 2024: What we heard







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# Public Input: First Round

- 10/16/2023 Public Meeting at Tempe Public Library
  57 Attendees
- 10/17/2023 Public Meeting via Zoom
  43 Attendees
- 10/16/2023 10/31/2023 Public Survey
  201 Responses
- 11/01/2023 Neighborhood Advisory Commission
  Advised to proceed with research and outreach
- 11/20/2023 City Council Work Study Session
  - Directed to proceed with additional research and public outreach
- 01/13/2024 Breakfast with Berdetta
  - Presentation and discussion, 123 Attendees 2







# **Public Input Common Themes**

- ADUs can help improve housing supply
- ADUs provide opportunities for income streams for owners
- Possible investor-led boom in ADU resulting in concerns for traffic congestion and disruption in neighborhood character
- The cost of construction for an ADU should be minimized
- Short term rental of ADUs could be a problem

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Photo source: designandremodelingteam.com





# **Common Themes from Public Input**

- More than 67% of respondents think ADUs will improve housing affordability
- More than 72% say the City should consider allowing ADUs in single-family zoned properties
- More than 80% feel that ADUs should be allowed both in large and traditional lots. Some wanted no lot size restriction.
- 24% of respondents do not want the city to consider expanding where ADUs are allowed.

FAQ and the complete

**Public Input Summary.** 

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Photo source: botanistofthevalley.com





# Common Themes from Public Input

- 65% said ADUs should allow between 800-1,000 sft of livable space
- 55% wanted no parking requirements, while 20% wanted one additional parking space for ADU
- More than 55% wanted to restrict short-term rental in ADUs



Photo source: bwslaw.com

Visit tempe.gov/adu for FAQ and the complete <u>Public Input Summary</u>.

# **Ongoing Staff Research**



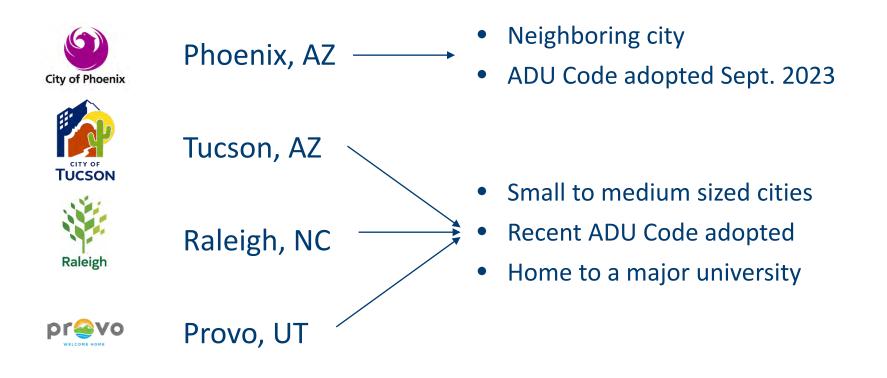




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# **City Interviews**





# City Interviews: Phoenix, Arizona



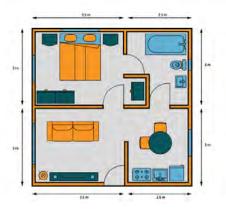
- Allowed in single-family zoning districts with an existing residence
- Max. ADU size = 75% area of the main residence AND Lots less than 10,000 sft. = 1,000 sft. ADU Lots more than 10,000 sft. = 3,000 sft. ADU
- Restricts short-term rental of the ADU (modified from original)
- No owner occupancy requirements
- No additional parking required
- Majority of the public supported the ADU code amendments

#### Accessory Dwelling Units (ADUs)

#### What is an Accessory Dwelling Unit (ADU)?

ADUs, often referred to as guest houses, casitas, or granny flats are separate, selfcontinued living areas that are either fully detached structures or attached to an existing home, with its own external entrance.

An ADU usually contains all of the amenities to operate as a fully independent, operational dwelling, including a kitchen, bathroom, living area and sleeping quarters.



Source: City of Phoenix

# City Interviews: Tucson, Arizona



- Allowed on all one and two-unit residential lots
- Max. ADU size = 10% of the lot size (max. 1,000 sft).
  All lots are allowed an ADU of at least 650 square feet
- Max. height = 12' when primary unit is single story, or same height as the existing two-story building on site for two story ADU
- No restrictions on short-term rentals
- No owner occupancy requirements
- One parking space required for ADU, but offer many waivers
- Majority of the public supported the ADU code amendments





# City Interviews: Raleigh, North Carolina

- Allowed in residential & mixed-use districts
- No minimum lot size for ADUs. Limited by stormwater retention and development standards
- No restrictions on short-term rentals
- No owner occupancy requirements
- No additional parking required

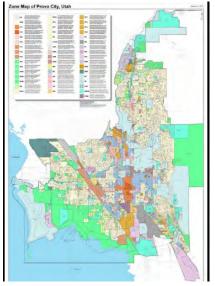




# City Interviews: Provo, Utah

- Utah HB-82 required at least 33% of residentially zoned acreage to allow ADUs
- Allowed in single-family residential district
- ADU square footage and height not to exceed main dwelling
- Four total parking spots required for a lot with an ADU
- Required owner occupancy of the primary unit or ADU
- Maximum ADU occupancy three unrelated adults
- No shipping containers allowed for ADU construction
- Strict requirements make permitting difficult. Possibly several illegal ADUs existing







# Research on Pre-Approved ADU Plans

- Architectural plans for ADUs that have already been reviewed and approved by a local government's Building department. Design/architecture firms submit plans for consideration.
- Pre-approved ADU plans on their website for purchase from a private design firm
  - Plan cost ranges from \$500 to \$1,200
- Pre-approval is for Building Code only and will still require a site plan that meets other requirements (zoning, setbacks, etc.)



Source: Tucson.com

Visit <u>tempe.gov/adu</u> to view the Council Memo on Pre-Approved ADU Plans.



## **ADU Permitting Numbers**

## Tucson, AZ

- 61 applications from Jan Dec 2022 Raleigh, NC
- 183 applications and 86 ADUs completed since late 2020
  Boulder, CO
- 200 applications and 96 completed ADUs from Feb 2019 to July 2022

Berkeley, CA

• 112 ADUs permitted and 72 completed in 2022











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# Preliminary Draft ADU Code Updates at a Glance



### Current Code



No restrictions for short term rentals

No additional parking required

Maximum square footage is 800 sq. ft.

Cannot have both ADU and Guest Quarters on one lot

No owner or occupancy requirements

Guest Quarters on all single-family residential lots 8,000 sq. ft. or larger











### **Proposed**

- Property can be single-family or multi-family residential zoning
- The City can allow or restrict ADUs as short-term rentals
- Parking requirements based on # of bedrooms on lot
- Maximum square footage to 1,000 sq. ft.
- No changes

Property must be owned by the same owner for the preceding three (3) years

Guest Quarters allowed in AG – Agricultural zoning districts



## **Guest Quarters**:

- Eliminate Guest Quarters regulations from R1- zoning (single-family residential), only allowed in ADU regulations
- Opportunity to convert existing Guest Quarters into ADUs, with compliance of standards
- The current proposal would allow Guest Quarters regulations only on AG (Agricultural) zoned properties (typically 1 acre lots or larger)



## No proposed changes to:

- Maximum height
- Setbacks front, sides, rear...
- Lot coverage requirements



**On-site parking:** 

- If the ADU + primary residence have:
  - 5 or less bedrooms = 2 req. spaces
  - 6 or more bedrooms = 3 req. spaces
- Owners can seek to remove the additional required space though the Use Permit process through a public hearing



## **Short-Term Rentals**:

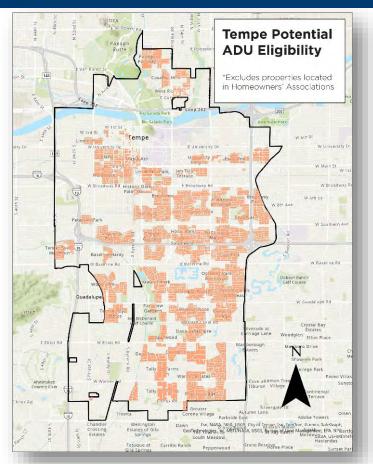
- Proposal to restrict ADUs from being used as a short-term rental (renting for less than 30 days).
- However, the property owner may still list the primary residence or entire property for short-term rental

# Potential ADU Eligible Lots w/ Single-Family



Total parcel counts, excluding properties in Homeowners' Associations:

- Tempe North of US 60 12,909
- Tempe South of US 60– 10,902
- Total (All Tempe) 23,811









## **Next Steps**

## More Info and survey: tempe.gov/ADU Opens March 27 – Closes May 1





# Aug. – Nov. 2023: Research and Preliminary Public Input (Completed)August-OctoberInitial topic research and project preparationOctober 16-30Public comment and survey

October 16	Public Meeting at Tempe Library
October 17	Virtual Public Meetina

*Nov. 20 City Council Work Study Session requesting guidance* 

#### Dec 2023 – Feb 2024: Expanded Research (Completed)

- Expanded research and interviews with additional cities and stakeholders
- Creation of educational materials, presentations and project resources
- Present and share info at the Jan. 13 Breakfast with Berdetta

#### Continued...

## Timeline & Next Steps: August 2023 to September 2024

#### March through April 2024: Public Input, Meetings and Outreach (Upcoming)

#### **4 Public Meetings**

- March 27, 2024 Public Meeting Tempe Public Library
- March 27, 2024 Virtual Public Meeting Via Zoom
- April 2, 2024 North Tempe Public Meeting North Tempe Multi-Generational Center
- April 8, 2024 South Tempe Public Meeting Arizona 811
- Plus! Online Survey with feedback on Draft ADU Concepts (March 27 May 1, 2024)

#### In-person outreach, locations TBD Neighborhood meetings and presentations, locations TBD

#### Presentations and feedback at:

- Neighborhood Advisory Committee
- Development Review Committee Study Session
- Historic Preservation Committee
- Mayors Youth Advisory Council
- Sustainability and Resilience Commission
- Transportation Commission

#### Continued...



### May 2024 - Use compiled feedback to draft final ADU update language

• Boards and Commissions and additional stakeholders

### June 2024 - Release final proposed language and Collect Public Input

• Target June 20, 2024, City Council Study Session meeting for report follow-up

#### September 2024 - Hearings and adoption

- Development Review Commission on July 23rd or Aug. 13th
- Neighborhood Advisory Council Aug. 7th (If requested to receive a formal recommendation)
- City Council \*\*\*TBD (Intro & 1st hearing) August/September
- City Council \*\*\*TBD (2nd & Final hearing ) August/September

# **Primary Staff Contacts**



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## **NEIGHBORHOOD SERVICES**

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# **Questions and Public Input**









## Why is Tempe considering updates to ADU regulations?

- ADUs are supported by numerous adopted city plans to increase affordable housing stock, support multi-generational housing, and provide extra income for homeowners.
- Aligns with state and nationwide interest in updating local ADU codes.

## Are ADUs affordable for renters?

- Per Wegmann and Chapple (2012), ADUs typically rent for less than other housing types in the same area
- AARP notes that ADUs are an affordable housing option in most locations



### Are ADUs affordable for homeowners to build?

- Urban Land Institute (ULI) found that building an ADU cost \$156,000 in Arizona on average.
- The cost of an ADU in Tempe is between \$180,000 \$260,000 according to builders.

## How are enforcement matters addressed with an ADU?

• The City of Tempe has enforcement tools in place to help address a myriad of complaints. Noise or loud parties are addressed with the Police Department; any excessive trash or overgrown weeds, or in the alley, are enforced by the Neighborhood Enhancement Division. More information on ADU FAQ webpage...







#### Will the property owner be required to live in either the ADU or main residence?

- The current draft does not propose any occupancy requirements to construct an ADU
- Most US cities researched do not require the owner to occupy the site.
- Maintain a property owner's right to allow entire property to be rented, avoid enforcement and costs associated with occupancy monitoring.

## How do ADU parking regulations impact congestion?

- ADUs in an area should have minimal traffic impacts
- Occupants (e.g., students, retirees, and seniors) often walk, bike, or use scooter or public transit.
- Most US cities do not require additional parking for ADUs



# Will construction of ADUs put a strain on existing infrastructure?

• City of Tempe Municipal Utilities staff have confirmed that water and sewer infrastructure can accommodate ADUs. In some cases, water lines may need to be upsized, but this cost is the responsibility of the property owner.