

Vermont State Economic Development Committee

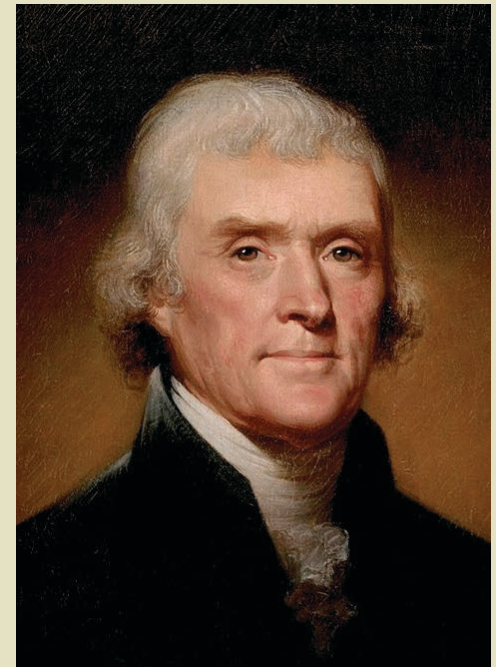


Presenter

Eli Spevak

January 28, 2022

Famous ADU dwellers



Today's ADU dwellers



Vermont ADU stories



Accessory Dwellings

A one-stop source about accessory dwelling units, multigenerational homes, laneway houses, ADUs, granny flats, in-law units...

Home

[What are ADUs?](#)

[See real ADUs](#)

[Build your own](#)

[What are the rules?](#)

[ADU Professionals](#)

[Research & Policy](#)

[Events](#)

[Contribute](#)

[Copyright & permissions](#)

[About us](#)



Brooks & Brian's ADU: Retirement Plan for Mom & Us

As Brian and Brooks explored various options for Brooks' mother's next housing situation, they determined an ADU would be the best option for both generations; an ADU would enable Brooks' mother to



Amy Magyar's ADU: Friend Next Door & Nest for Me

When Amy Magyar and her partner parted ways, her house felt too big. So she took out a home equity line of credit (HELOC) and transformed her carriage house into an ADU, doing most of the design and building herself, while preserving the building's historic character. Amy's

illings.org/2022/01/28/brooks-brian-adu-retirement-plan-for-mom-us/ nce as possible while having

Many historic styles (and different names)



Coach House (IL)



Casita (NM)



PHOTOGRAPH 3.
"Restored Alley Dwellings" in Brown's Court, S.E., 1970. Photograph by author.

Alley Housing (DC)



Photo 3. Barn at 275 Old Main Street, looking southwest.

Converted Barn (Cape Cod, MA)



Carriage House (NJ)

Detached ADUs



Tucked in the woods



Garage conversion



Corner lot ADU



Side yard house



Original small house becomes ADU of new/larger house



Back yard house

Other shapes, styles and sizes



Legalizing ADUs is just the first step.

Next is to help people actually build them.



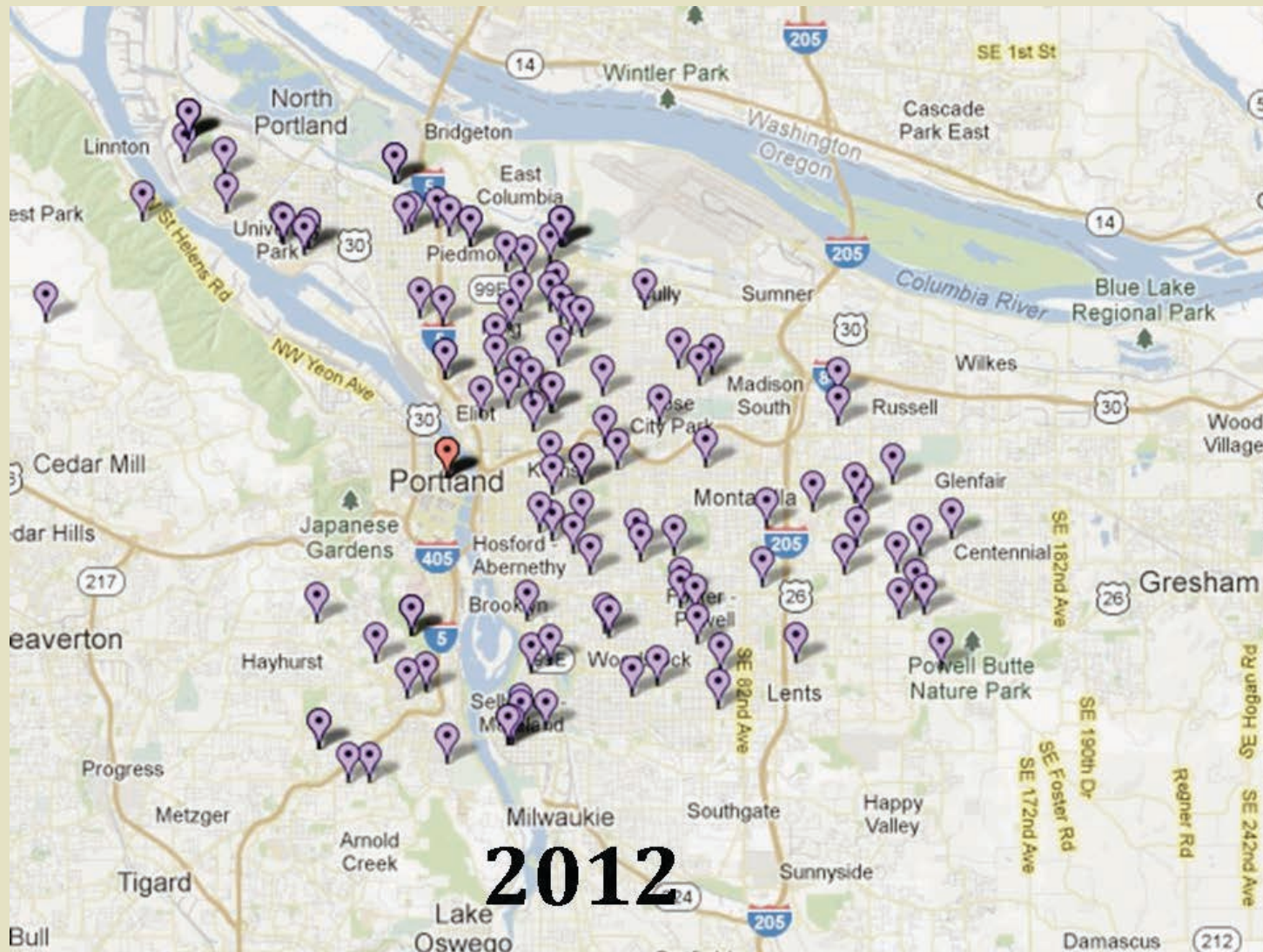
Get Real About *Who* Actually Builds
ADUs...

Amateur homeowner developers
(unlike pretty much any other type of housing)

Who builds (and lives in) ADUs?



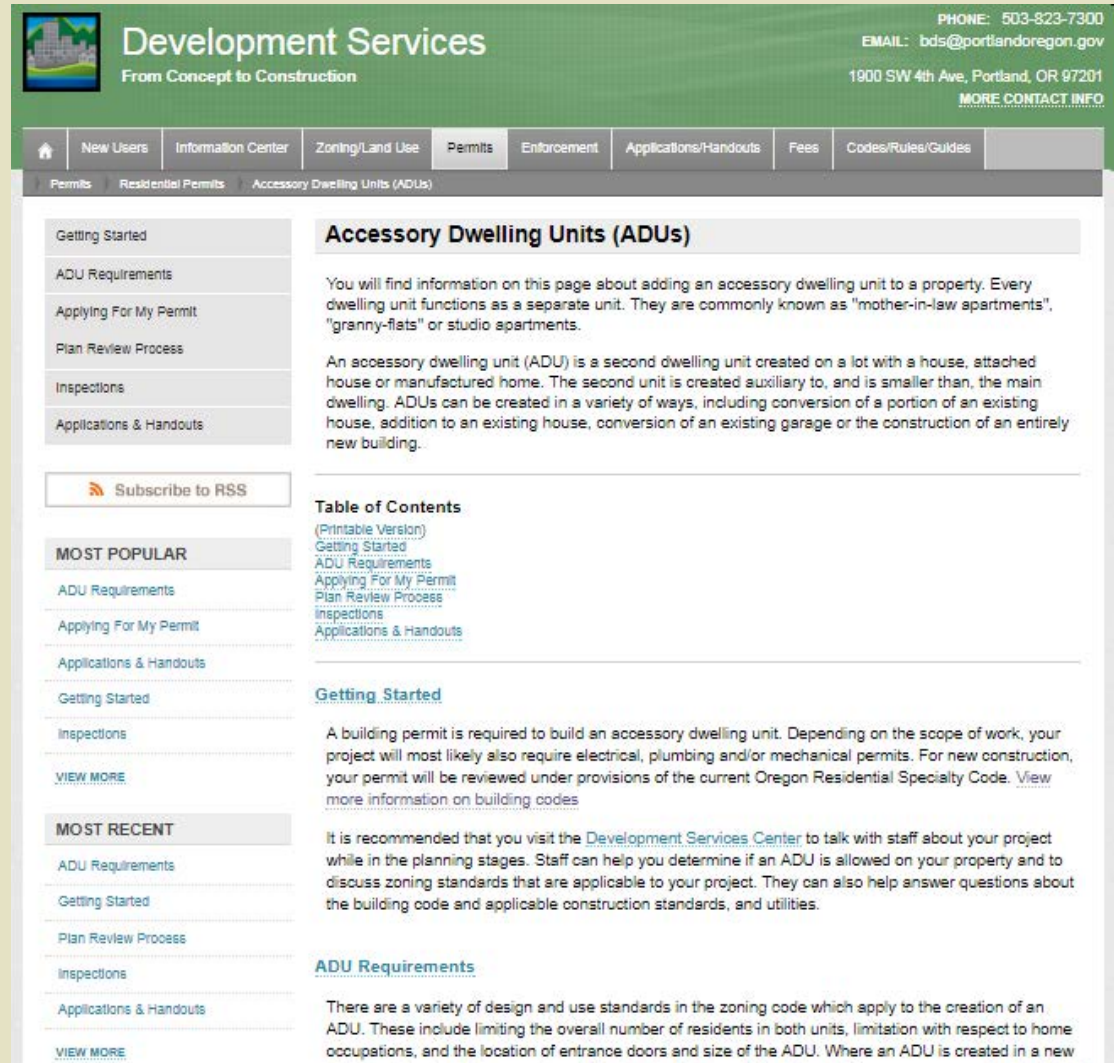
Get real about... local real estate & economic conditions



Post local rules for ADUs on-line

- Program Guide
- Zoning codes
- Building codes
- Fees
- Utilities
- Permit sets

Training for Realtors!



The screenshot shows the 'Development Services' website with a green header. The main navigation bar includes 'New Users', 'Information Center', 'Zoning/Land Use', 'Permits', 'Enforcement', 'Applications/Handouts', 'Fees', and 'Codes/Rules/Guides'. The 'Permits' section is active, and the 'Accessory Dwelling Units (ADUs)' page is displayed. The page content includes a sidebar with a 'Subscribe to RSS' button and sections for 'MOST POPULAR' and 'MOST RECENT' links. The main content area features an introduction to ADUs, a 'Table of Contents' with links to various sections, and detailed text under 'Getting Started' and 'ADU Requirements'.

Development Services
From Concept to Construction

PHONE: 503-823-7300
EMAIL: bds@portlandoregon.gov
1900 SW 4th Ave, Portland, OR 97201
[MORE CONTACT INFO](#)

Permits Residential Permits Accessory Dwelling Units (ADUs)

Accessory Dwelling Units (ADUs)

You will find information on this page about adding an accessory dwelling unit to a property. Every dwelling unit functions as a separate unit. They are commonly known as "mother-in-law apartments", "granny-flats" or studio apartments.

An accessory dwelling unit (ADU) is a second dwelling unit created on a lot with a house, attached house or manufactured home. The second unit is created auxiliary to, and is smaller than, the main dwelling. ADUs can be created in a variety of ways, including conversion of a portion of an existing house, addition to an existing house, conversion of an existing garage or the construction of an entirely new building.

[Subscribe to RSS](#)

MOST POPULAR

- [ADU Requirements](#)
- [Applying For My Permit](#)
- [Applications & Handouts](#)
- [Getting Started](#)
- [Inspections](#)

[VIEW MORE](#)

MOST RECENT

- [ADU Requirements](#)
- [Getting Started](#)
- [Plan Review Process](#)
- [Inspections](#)
- [Applications & Handouts](#)

[VIEW MORE](#)

Table of Contents

(Printable Version)
[Getting Started](#)
[ADU Requirements](#)
[Applying For My Permit](#)
[Plan Review Process](#)
[Inspections](#)
[Applications & Handouts](#)

Getting Started

A building permit is required to build an accessory dwelling unit. Depending on the scope of work, your project will most likely also require electrical, plumbing and/or mechanical permits. For new construction, your permit will be reviewed under provisions of the current Oregon Residential Specialty Code. [View more information on building codes](#)

It is recommended that you visit the [Development Services Center](#) to talk with staff about your project while in the planning stages. Staff can help you determine if an ADU is allowed on your property and to discuss zoning standards that are applicable to your project. They can also help answer questions about the building code and applicable construction standards, and utilities.

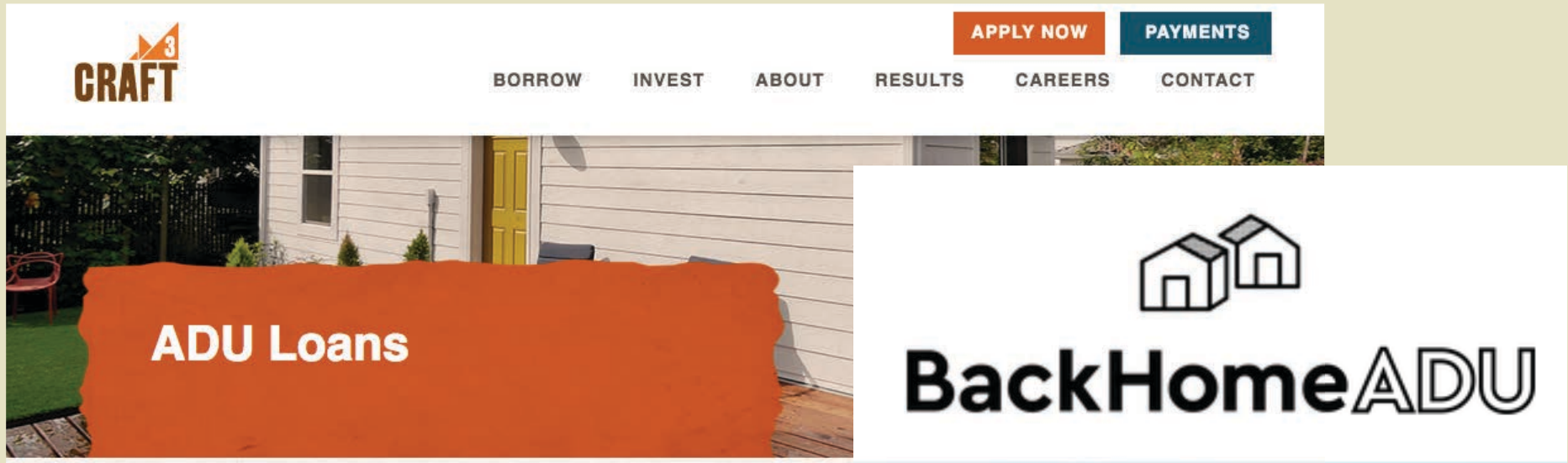
ADU Requirements

There are a variety of design and use standards in the zoning code which apply to the creation of an ADU. These include limiting the overall number of residents in both units, limitation with respect to home occupations, and the location of entrance doors and size of the ADU. Where an ADU is created in a new

National ADU trends



1. Affordable ADU Pilots



[← Back To Loans](#)

CRAFT3 LOAN

DETAILS

LOANS FOR ACCESSORY DWELLING UNITS (ADUS)

Rates & Terms

Annual Household Income	Interest Rate	Examples
At or Above 100 percent Portland Area Median Income (AMI)	6.49% (6.68% APR)	\$130,000 loan amount, \$984 for 240 months
Below 100 percent Portland	5.49% (5.68% APR)	\$130,000 loan amount, \$908 for 240 months

3.5% interest, 20 yr term.
80% MFI for 8 yrs

Portland, OR

Silicon Valley in CA

FINANCIAL PROGRAM: Construction Loan Terms

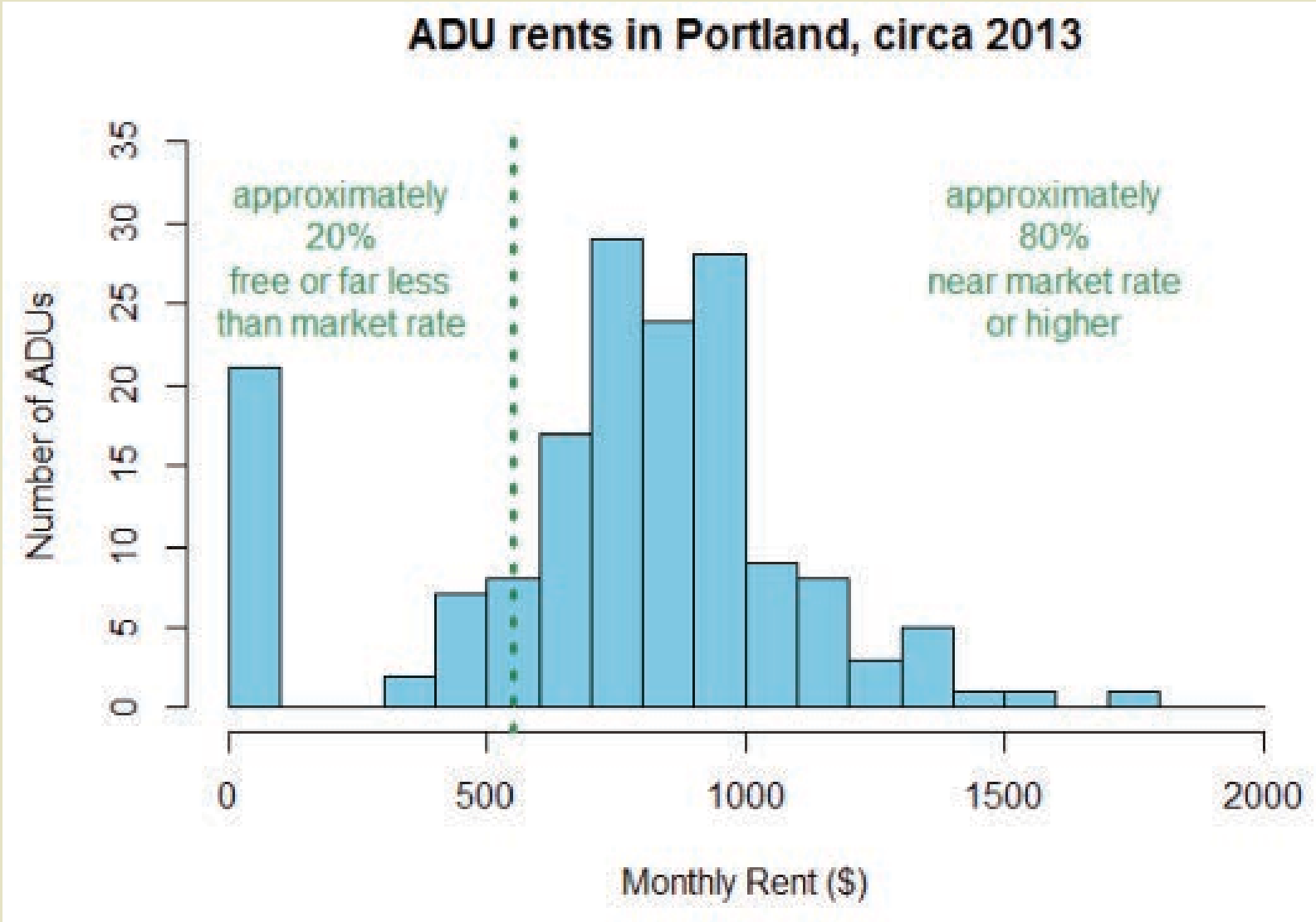
- Up to \$200,000 (Max. amount)
- Second mortgage/DOT
- 36 month term / 20-year amortization
- Interest 5% (int. only Year 1 and P&I Years 2-3)
- Eligible costs: soft and hard costs
- Up to 97% CLTV
- Minimum two year affordability restriction
- Tenant income restriction 80-120% AMI (\$72,750-\$110,400)
- Tenant may utilize up to 34% of income towards rent
- Rents capped at \$2,023 or fair market rent, whichever is less
- Loan amount will be sized based on rent



Carrie, Sterling, and their daughter Brenda's ADU w/ Habitat for Humanity

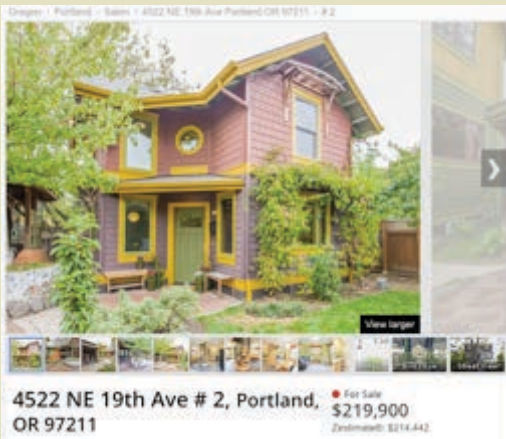


Market-based Affordable Housing



From Jordan Palmeri, Oregon DEQ

2. Separate ownership to create affordable starter homes



Sabin Green



Woodstock Gardens



Waterlily Homes (Austin, TX)



Applewood Corner



Everett Custom homes ADU



Waterlily Homes (Austin, TX)

Applewood Corner Condo



Applewood Corner

APPLEWOOD CORNER CONDOMINIUM

SITUATED IN THE NORTHWEST QUARTER OF SECTION 8,
TOWNSHIP 1 SOUTH, RANGE 2 EAST, WILLAMETTE MERIDIAN,
CITY OF PORTLAND, MULTNOMAH COUNTY, OREGON

DATE: SEPTEMBER 12, 2016 SCALE: 1"=10'
FOR: ORANGE SPLIT LLC

BOOK _____

PAGE _____

SHEET INDEX

SHEET 1: BOUNDARY DRAWING, LOWER FLOOR DETAILS, GENERAL AND LIMITED COMMON ELEMENT DETAILS, LEGEND, NARRATIVE, AND NOTES.
SHEET 2: UPPER AND LOWER FLOOR UNIT AND CROSS SECTION DETAILS, APPROVALS, DECLARATION, ACKNOWLEDGMENT, SURVEYOR'S CERTIFICATE OF COMPLETION, AND SURVEYORS CERTIFICATE.

NOTES

1. FLOOR ELEVATIONS ARE BASED ON CITY OF PORTLAND BENCH MARK NO. 941, A 2-1/2" BRASS DISC FOUND AT THE NORTHWEST CORNER OF S.E. WOODWARD STREET AND S.E. 74TH AVENUE. THE ELEVATION IS 230.104, CITY OF PORTLAND DATUM.
2. ALL UNIT BOUNDARY LINES ARE 90 DEGREES AT THE CORNERS UNLESS NOTED OTHERWISE.

LEGEND

○ = FOUND 5/8" IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "REPPETO & ASSOC. INC." HELD PER R2.
⊕ = CENTERLINE OF ROAD.
● = MONUMENT FOUND AS NOTED.
BS = BRASS SCREW
BW = 3/4" BRASS WASHER MARKED "LS 657"
CFL = CONCRETE FOUNDATION LINE
DN. = DOCUMENT NO. PER MCDR
FB = FOUND BY
GCE = GENERAL COMMON ELEMENTS
IP = IRON PIPE
IR = IRON ROD
LCE = LIMITED COMMON ELEMENT
LFE = LOWER FINISHED FLOOR ELEVATION
LVB = LOWER VERTICAL BOUNDARY
M = MEASURED
MCDR = MULTNOMAH COUNTY DEED RECORDS
PF = PICKET FENCE
SF = SQUARE FEET
UB = UPPER VERTICAL BOUNDARY
W = WITH
WF = WOOD FENCE
YPC = YELLOW PLASTIC CAP
() = RECORD INFORMATION
R1 = SN 48510
R2 = SN 64975
SN = SURVEY NUMBER, MULTNOMAH COUNTY SURVEY RECORDS.

NARRATIVE

THE PURPOSE OF THIS SURVEY IS TO CREATE A CONDOMINIUM ON THAT TRACT OF LAND CONVEYED TO ORANGE SPLIT LLC, AN OREGON LIMITED LIABILITY COMPANY AS DESCRIBED BY DEED RECORDED AS DOCUMENT NO. 2016-052856, MULTNOMAH COUNTY DEED RECORDS.

THE BASIS OF BEARINGS IS NORTH 89°51'00" EAST BETWEEN FOUND MONUMENT "A" AND "B" PER SURVEY NUMBER 64975, MULTNOMAH COUNTY SURVEY RECORDS.

HELD THE BOUNDARY RESOLUTION AND MONUMENTS PER SAID SURVEY NUMBER 64975, MULTNOMAH COUNTY SURVEY RECORDS TO ESTABLISH THE BOUNDARY OF SAID ORANGE PLOT LLC TRACT.

I certify that this tracing is a true and exact copy of the original plat.

REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON
JULY 17, 1986
STEVEN P. BUCKLES
2231
RENEWS: 12/31/17

I certify that this survey was prepared using HP#711 on Continental #JPC4M2 polyester film.

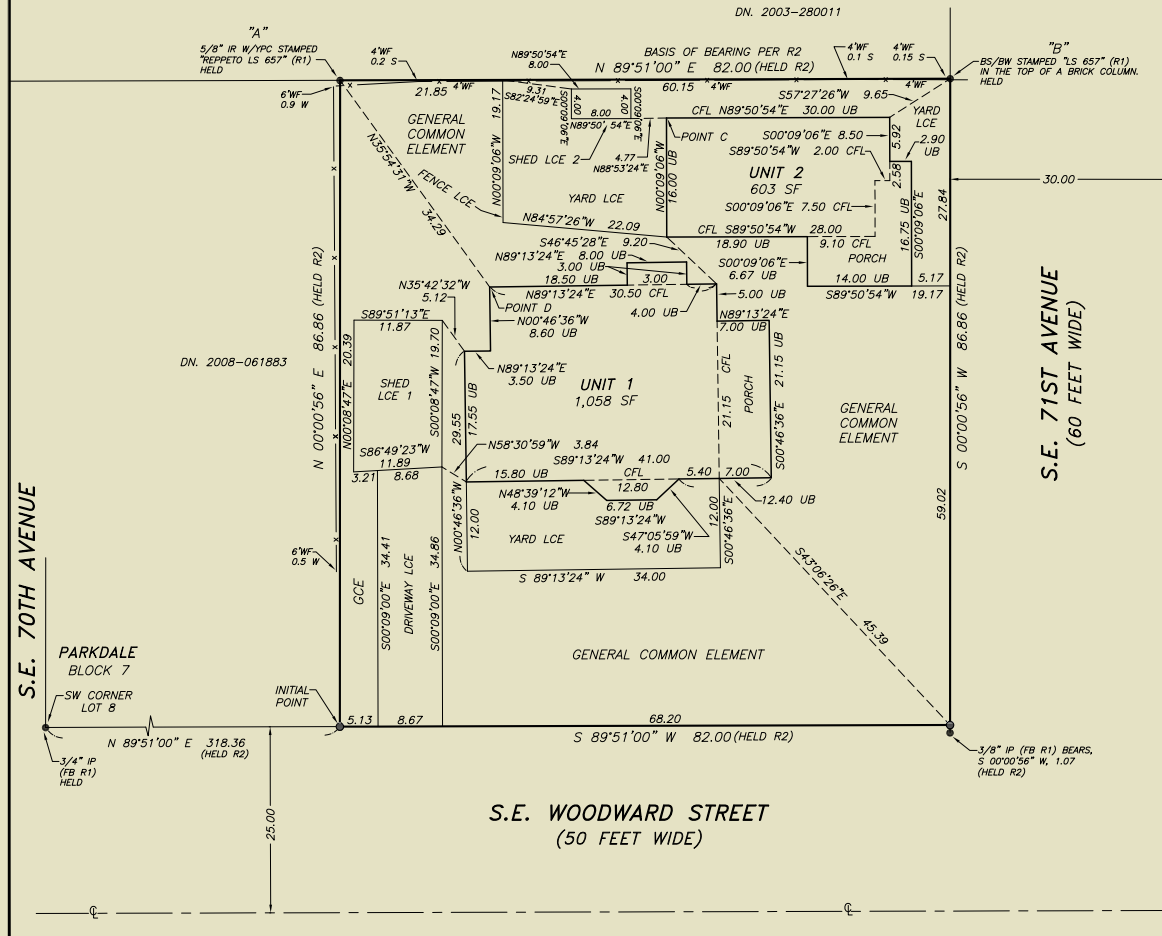
SHEET 1 OF 2

REPPETO & ASSOCIATES, INC.
LAND SURVEYORS

Plaza 125, Building G
12730 SE Stark Street
Portland, Oregon 97233
Phone: (503) 408-1507
Fax: (503) 408-2370

DATE: SEP. 12, 2016 FILE: 015066-CP.DWG

DRAWN BY: C.J.H. JOB NO. 015066



3. State laws require funding support for ADUs

- Utah: “ requires the executive director of the Olene Walker Housing Loan Fund to establish a two-year pilot program to provide loan guarantees for certain loans related to accessory dwelling units”
- California: “requires that cities and counties develop a plan that incentivizes and promotes the creation of ADUs that can be offered at affordable rent for very-low to moderate-income households.”
- OR – Provides funding for jurisdictions to comply

In just the past few years...

ADUs are allowed state-wide in:

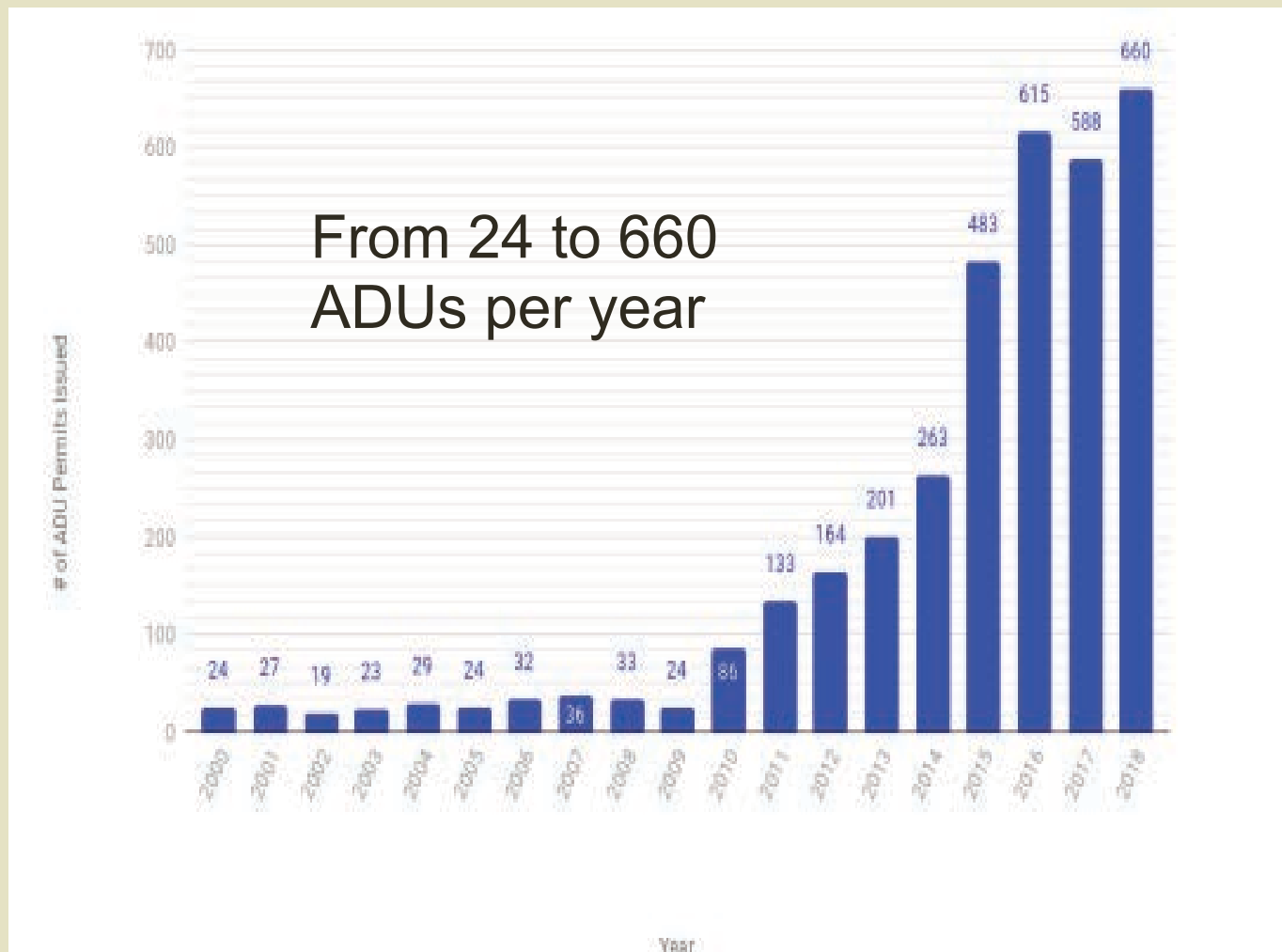
- Oregon
- Washington
- New Hampshire
- California
- Vermont
- Washington, DC
- Connecticut
- Rhode Island
- Utah

Cities welcome *both* an internal and detached ADU

- Vancouver, BC
- Tigard & Portland, OR
- Seattle, WA
- Fayetteville, AR
- Every city in California

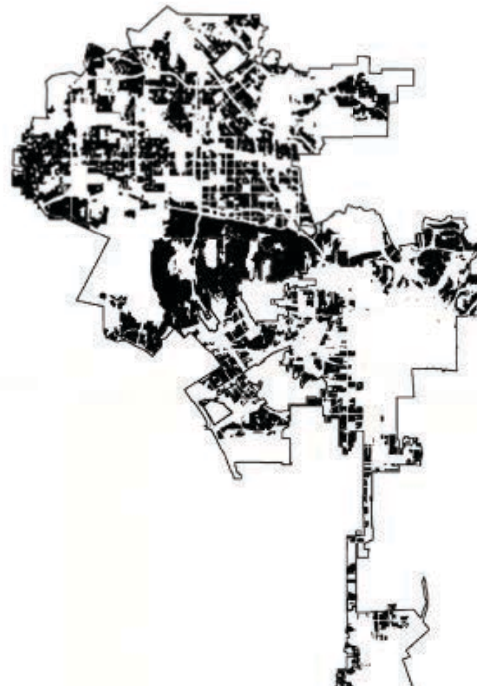
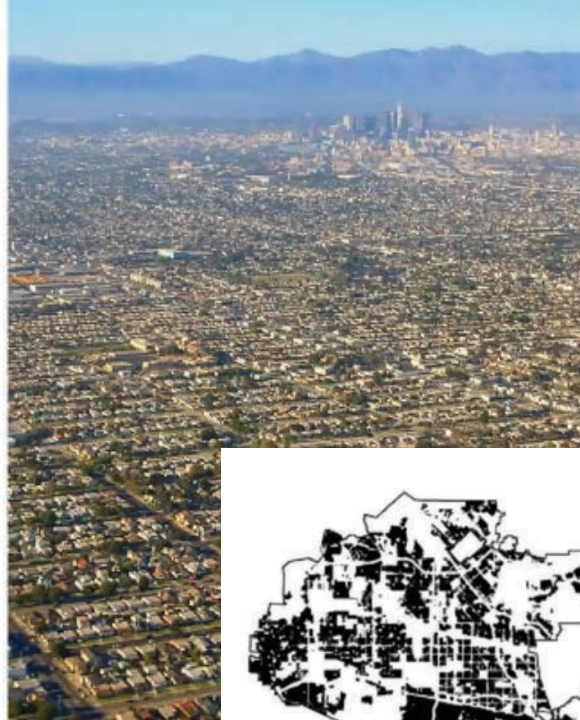
Portland, OR ADUs

2000 - 2018



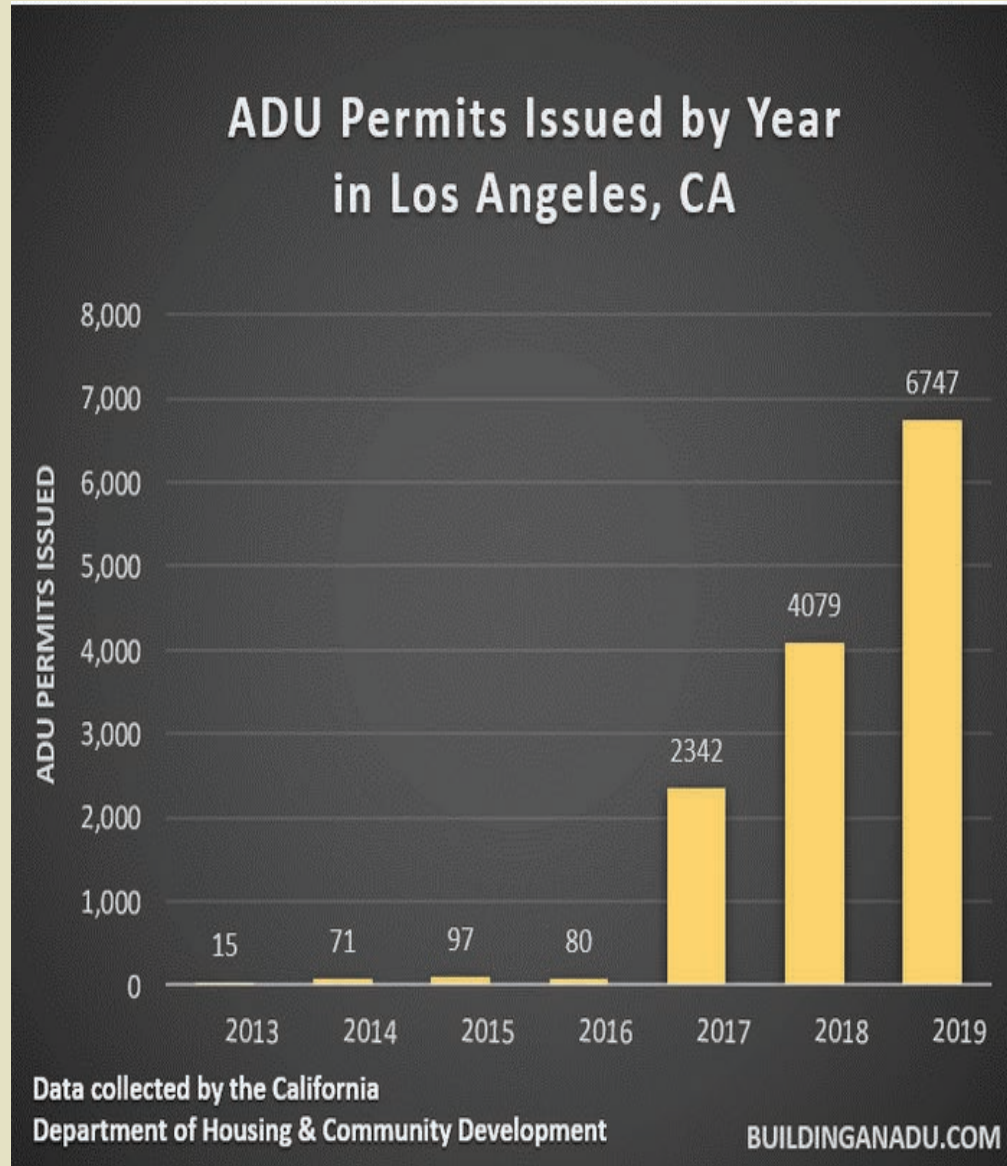
Los Angeles, CA

Los Angeles has
500,000+ single-
family lots.



50% of all
developable land
in Los Angeles is
zoned for single-
family homes.

Los Angeles, CA ADUs



2013 - 2019

From 15 to
6,747 ADUs
per year!

Oregon SB 1051: ADUs

- State requirement to allow ADUs in all cities over 1,000 residents
- Permitted outright for all single-family detached homes
 - Subject only to “reasonable siting and design standards”
 - Subsequent law ensures ADUs can be rented, built without new parking, and allowed by (new) HOAs



California ADUs

- Allow detached and interior (“Junior”) ADU on any lot, by right. Cap to total ADU living area of 1,200sf.
- 800sf min – or 1,000sf for 2BR ADUs
- Prohibits owner-occupancy
- Limits parking mins for ADUs
- Waive impact fees for ADUs under 750sf (and for larger ones, only charge if impacts fees are proportional to home size)

Comparing VT with other states

- 1st with state law requiring cities to allow ADUs (WA did it in 1993, but toothless)
- Other states have many more “pre-legal” ADUs (Chicago, DC, NYC, S. CA)
- In NE, more focus on owner-occupancy, family relations. In W, more focus on smaller & less expensive housing options in expensive/exclusive areas
- Density & housing costs less likely to drive high rates of ADU development than other states

Vermont's marked-up ADU Code

Title 24 : Municipal And County Government

Chapter 117 : Municipal And Regional Planning And Development

Subchapter 007 : Bylaws

(Cite as: 24 V.S.A. § 4412)

§ 4412. Required provisions and prohibited effects

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

(1) Equal treatment of housing and required provisions for affordable housing.

(E) Except for flood hazard and fluvial erosion area bylaws adopted pursuant to section 4424 of this title, no bylaw shall have the effect of excluding as a permitted use one accessory dwelling unit that is located within or appurtenant to ~~an owner-occupied~~ a single-family dwelling ~~on an owner-occupied lot~~. A bylaw may require a single-family dwelling with an accessory dwelling unit to be subject to the same review, dimensional, or other controls as required for a single-family dwelling without an accessory dwelling unit. An accessory dwelling unit means ~~an efficiency or one-bedroom apartment~~ a distinct unit that is clearly subordinate to a single-family dwelling, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all the following:

The property has sufficient wastewater capacity.

The unit does not exceed 30 percent of the total habitable floorarea of the single-family ~~dwelling~~ or 900 square feet, whichever is greater. Applicable setback, coverage, and parking requirements specified in the bylaws are met.

(F) Nothing in subdivision (1)(E) of this section shall be construed to prohibit:

a bylaw that is less restrictive of accessory dwelling units; or

a bylaw that requires conditional use review for one or more of the following that is involved in creation of an accessory dwelling unit: a new accessory structure; an increase in the height or floor area of the existing dwelling; or an increase in the dimensions of the parking areas regulates short-term rental units distinctly from residential rental units.

A few thoughts...

- “A bylaw may not require a SF dwelling with an ADU to be subject to review, dimensions ... beyond what’s required for a SF dwelling.”
- Change “clearly subordinate to” -> “shares a lot with” ... a single-family dwelling.
 - Note: a 700SF house could have a 900SF ADU
- Consider prohibiting owner-occupancy requirements (like OR and CA) or only allow owner-occupancy requirements where the ADU is used as a short-term rental (like WA bill)
- Prohibit bylaws from requiring additional parking for ADUs (or cap number of additional spaces to 1, or prohibit parking mandates near transit)
- Limit impact fees levied on small ADUs (if this is a local issue)