## Accessory Dwelling Units (ADUs)policies and racial equity analysis backyard cottages and in-law apartments

Seattle Renters Commission Susie Levy and Aly Pennucci

#### Agenda

- 1. Introductions and background
- 2. ADU Policy Goals
- 3. ADU Land Use Code Changes: Update
- 4. ADU Racial Equity Toolkit
- 5. 2019 Strategies beyond the Land Use Code
- 6. Questions and feedback

#### What are ADUs?

#### small, secondary units associated with a single-family home

backyard cottages

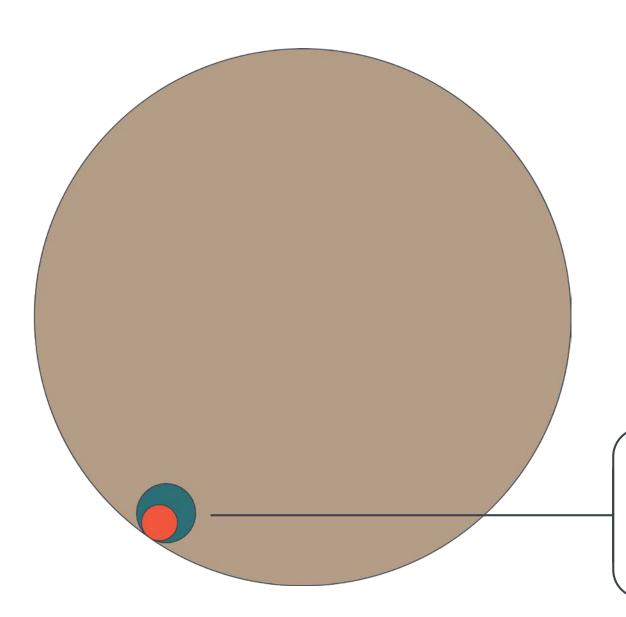
#### carriage house

#### garden apartments basement suite



# **Our ADU Policy Goals:**

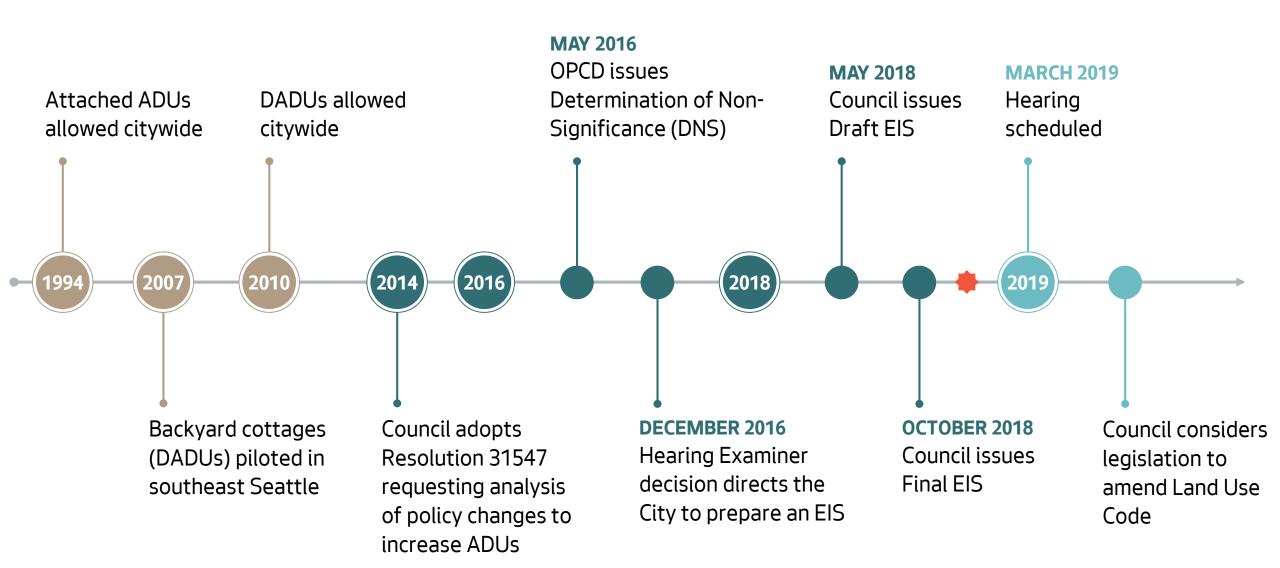
Increase production to create more housing choices in Seattle's singlefamily zones Support low-income homeowners and homeowners of color to benefit from ADUs Generate rent-restricted ADUs so low-income renters can benefit from housing opportunities



ADUs allowed since 1994, but **less than two percent** of Seattle properties have an ADU.

579 backyard cottages and 1,592 in-law units among 135,000 lots in single-family zones.

#### Timeline



#### **ADU EIS objectives**

Remove regulatory barriers to make it easier for property owners to permit and build AADUs and DADUs

## 2

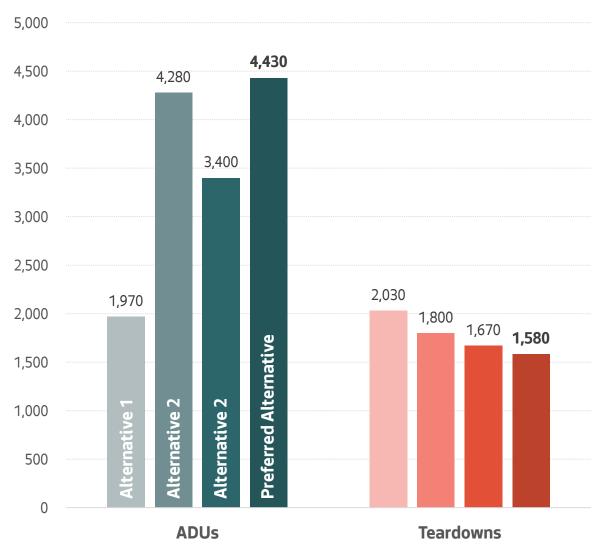
Increase the number and variety of housing choices in single-family zones

#### **EIS alternatives**

	Alternative 1 (No Action)	Alternative 2	Alternative 3	Preferred Alternative
Number of ADUs allowed per lot	1 AADU or 1 DADU	1 AADU and 1 DADU	1 AADU and 1 DADU, or 2 AADUs	1 AADU and 1 DADU, or 2 AADUs A second ADU can be added if a lot has been in the same ownership for at least one year
Parking requirements	1 off-street parking space required for an ADU	No off-street parking required	Same as Alternative 1	No off-street parking required
Owner-occupancy requirements	An owner must occupy the house or ADU for six months of the year	No requirement	Same as Alternative 1	No requirement One year of continuous ownership required to establish a second ADU
Min. lot size for a DADU	4,000 sq. ft.	3,200 sq. ft.	3,200 sq. ft.	3,200 sq. ft.
Maximum ADU size	AADU 1,000 sq. ft. DADU 800 sq. ft. includes garage & storage areas	AADU 1,000 sq. ft. DADU 1,000 sq. ft. excludes garage & storage areas	<b>AADU</b> 1,000 sq. ft. <b>DADU</b> 1,000 sq. ft. includes garage & storage areas	AADU 1,000 sq. ft. DADU 1,000 sq. ft. excludes garage & storage areas
Maximum DADU height	Maximum height limits vary by lot width and range from 15 to 23 feet	<ul><li>1-3 feet higher, depending on lot width</li><li>1-2 additional feet for green roof</li></ul>	1-3 feet higher, depending on lot width	1-3 feet higher, depending on lot width 1-2 additional feet for a DADU that incorporates green building strategies
Rear yard coverage	40 percent	60 percent if the DADU is 15 feet or less in height Rear yard coverage for other structures cannot exceed 40 percent		60 percent if the DADU is 15 feet or less in height, subject to limitations on tree removal
Maximum household size	8 unrelated people	8 unrelated people If the lot has 2 ADUs, the limit is 12	Same as Alternative 1	8 unrelated people If the lot has 2 ADUs, the limit is 12
Maximum FAR limit	No FAR limit applies to development in single-family zones	Same as Alternative 1	Development limited to 0.5 FAR or 2,500 square feet, whichever is greater Floor area below grade or in a DADU is exempt	Development limited to 0.5 FAR or 2,500 square feet, whichever is greater Floor area below grade or in an ADU is exempt

#### Estimating ADU production and single-family teardowns DEVELOPMENT OUTCOMES, 2018-2027

- Analyze historical data on single-family development
- **2** Create a baseline forecast of 2018-2027 development in Alternative 1 (No Action)
- 3 Develop forecasts for action alternatives, accounting for effects of policy changes



# What is a Racial Equity Toolkit (RET)?

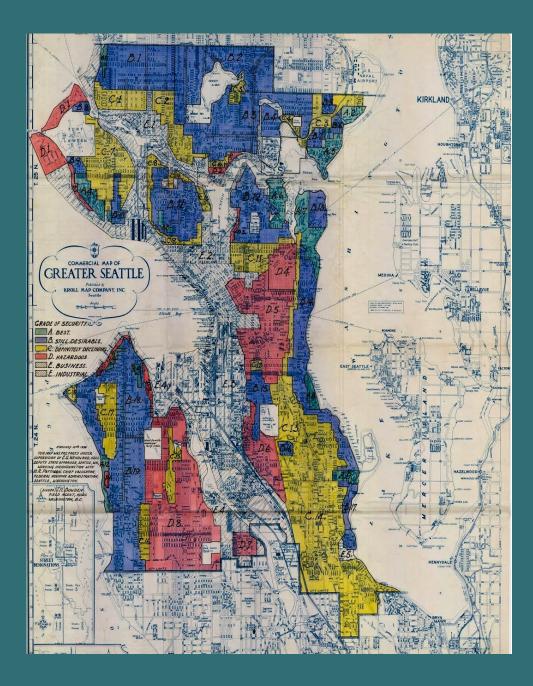
Helps us assess the racial equity impacts of policies, programs, and investments Guides us to consider existing racial inequities and to identify equity outcomes Directs us to develop strategies to advance opportunity and minimize harm for communities of color

# **Step 1: Setting Outcomes**

- Increase housing choice for people of color (POC) renters across the city in single-family zoned areas
- Avoid increasing displacement risk of POC homeowners and renters
- Decrease disparity of who is benefiting economically from ADU policy

# Step 2: Involve stakeholders. Analyze data.

# Background data: ADUs in context

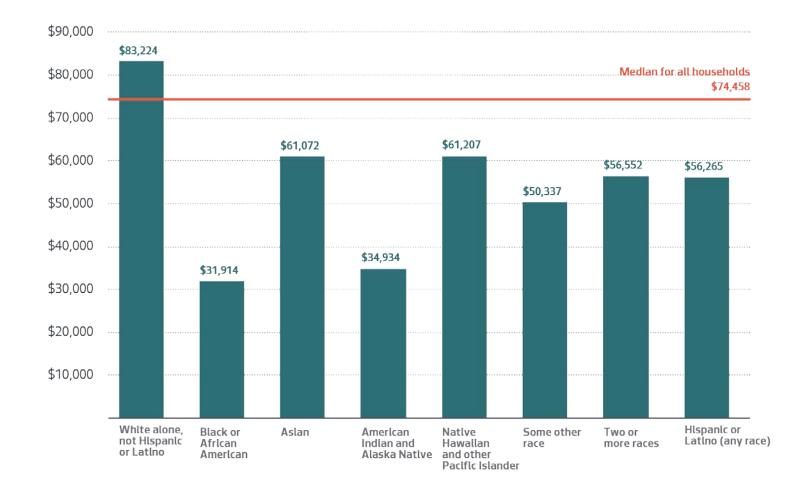


#### Access to homeownership varies by race

Housing Tenure by White alone, non-Hispanic 51% 49% the Householder's **Racial or Ethnic** Householders of color Group, Seattle 34% 66% Black or African American 24% 76% Asian 44% 56% Native Hawaiian 19% 81% and Pacific Islander American Indian 26% 74% and Alaska Native Other and two 27% 73% or more races Hispanic (any race) 25% 75% owner renter 0% 20% 40% 60% 100% 80%

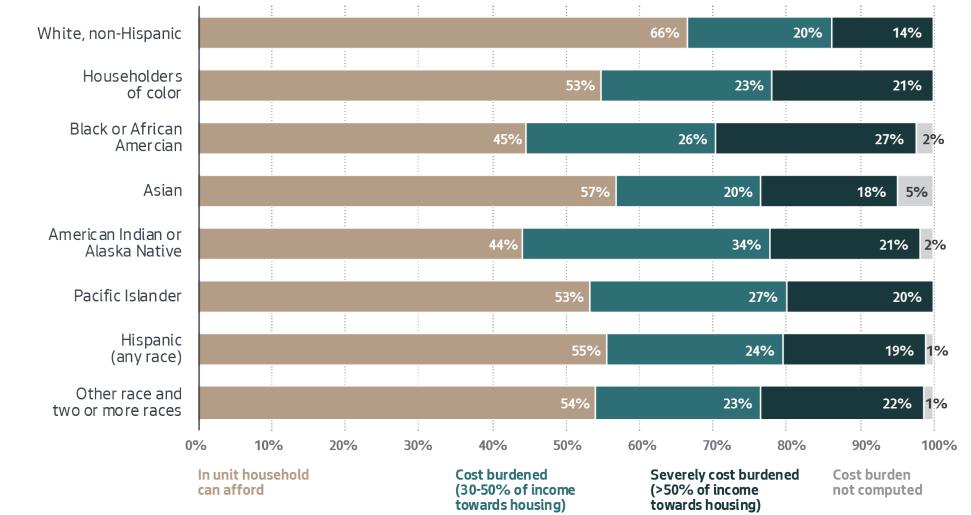
#### **Disparities in income by race**

#### Seattle Median Income by Race and Ethnicity



### Housing Cost Burden by Race

#### Housing Cost Burden by Race and Ethnicity of Householder



## Looking to other cities:

- Austin: Alley Flats
  Initiative and City of
  Austin's S.M.A.R.T.
  Housing Program
- Denver: West Denver Single Family Plus (WDSF+)
- LA: LA-Más
- Portland: Dweller



## Strategies we're exploring

- Providing homeowners with better access to financing
  - Working with local lenders to create an ADU/DADU specific loan product that is accessible to a range of households
  - + Expanding the City's existing Home Repair Loan Program
- Creating resources to help homeowners evaluate their options for creating an additional unit
- Developing pre-approved backyard cottage designs to save homeowners time and money in the design and permitting process
- Assisting homeowners in navigating the permitting and construction process

Requiring rent-restricted ADUs for income-qualified renters along with these benefits

#### Learning from community

+ How do you see ADUs benefiting or harming your communities?

+ What opportunities do you see? What challenges?

## Learning from community

- Focus groups:
  - + **Duwamish Valley Affordable Housing Coalition (South Park)-** Six members of the coalition attended
  - + Seattle Renters' Commission- the housing supply subcommittee
  - + SouthCORE -a coalition of south-end community organizations hosted by Puget Sound Sage including: African Diaspora of Washington State; Asian Counseling & Referral Services; El Centro de la Raza; Eritrean Association of Seattle; Ethiopian Community Services; Filipino Community of Seattle; Got Green; HomeSight; Horn of Africa; InterIm CDA; One America; Puget Sound Sage; Fair Work Center; LGBTQ ALLYSHIP; Tenants Union; Rainier Beach Action Coalition; Urban Impact; UNITE-HERE Local 8; GABRIELA; SCIDPDA; Somali Health Board; UFCW 21; Vietnamese Friendship Association

### Learning from community

We conducted sixteen 30minute phone interviews with low-income homeowner who have used our Office of Housing homeownership stabilization programs

ΗI, AMY! **WOULD YOU LIKE TO** HOUSE A FAMILY MEMBER? **GENERATE RENTAL INCOME?** ABOUT BACKYARD THE CITY OF SEATTLE COTTAGES & BASEMENT WANTS TO HEAR FROM YOU APARTMENTS!

# Step 3: Determine benefit and/or burden

#### Lessons learned: focus groups

- Displacement is a key concern and there is need for urgent actions to address the crisis in communities most at risk.
- Need to consider neighborhood-specific anti-displacement strategies and investments in affordable housing.
- Interest in building ADUs focused on housing family and community members to help keep people in place—profit was not a key motivator
- Even with financial support, the cost of an ADU seems out of reach for the lowest income community members who are barely getting by

#### Lessons learned: phone interviews

- There is interest from low income homeowners, including POC homeowners, in building ADUs.
- ▶ Homeowners are seeking **flexibility** in using their home as needs arise over their lifetime
- Multiple homeowners envisioned a government supported program to help them navigate the permit, financing, and construction process, even if just to let them know if a project is possible and financially feasible.

# Step 4: Advance opportunity or minimize harm

What is the City's overall comprehensive anti-displacement strategy? How might homeowner stabilization fit into that?

# Step 5: Evaluate. Raise racial awareness. Be accountable.

## Step 6: Report back

## 2019 Strategies

Pilot program to create more habitable space Community outreach resources

Urban Sustainability Accelerator

## Closing

For more information or if you have questions:

#### http://www.seattle.gov/council/meet-the-council/mike-obrien/accessory-dwelling-units

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