ADU-Trends, Challenges, and Opportunities

Age-Friendly Olmsted County ADU Forum

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01. Results of AARP’s 2021 Home and Community Preference Survey

02. AARP 2020 Model ADU Ordinance

03. AARP Advocacy Efforts, and Wins

04. Challenges and Opportunities
What People 50+ Think About Where They Will Live

- **49%** Believe they will move to allow them to age independently
- **29%** Move to a different community
- **55%** Would consider leaving their community to find one that is safer
- **18%** Move into a different residence within their current community

Source: 2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+
Sharing a Home

As you grow older would you consider sharing your home with another person? Would sharing your home with another person be something you would consider if...?

Already share or would consider sharing their homes as they age; a majority would consider it if they needed help with everyday activities.

Who to share a home with?

- **69%** Family Member
- **54%** Friend
- **6%** Stranger

Source: 2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+
Nearly half of those polled said they would consider alternative living options, including an accessory dwelling unit, or ADU.

Sixty percent (60%) of adults said they would consider living in an ADU, and those 50-plus said they would consider making that move for the following reasons:

- **Near** someone but maintain their space: 69%
- **Support** doing daily activities: 68%
- **Save money**: 48%

Source: 2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+
Nearly three-fourth of those polled said they would create an ADU for a place for a caregiver to stay.

According to the 2021 AARP Home and Community Preferences Survey, adults aged 18 or older who would consider creating an ADU said they’d do so in order to:

- **Create a place for a caregiver to stay**: 74%
- **Provide a home for a loved one in need of care**: 86%
- **Provide housing for relatives or friends**: 84%

Source: 2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+
Older Adults & ADUs

- Independent living space
- Care of loved ones
- Downsize
- Extra Source of Income
- Increasing Affordable Housing Options
- Intergenerational Housing

Source: 2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+
National ADU Production Landscape

Number of ADUs listed on MLS for the first time across the United States, 1997-2019

First-time listings of ADUs increased on average 8.6% year-over-year since 2009.
From 2000 to 2020

Model ("optimal") provisions only.

Substantial revisions to model statute and ordinance language and to the commentary.

Case studies and references and resources eliminated – consult AARP ADU resources and the web now.
Poison Pills: 2020 Model Ordinance

1. Owner Occupancy Requirements
2. Parking Requirements
3. Conditional Use Permitting for ADUs
Poison Pill

Owner Occupancy Requirements

1

Requiring homeowner to live in primary home, or alternatively, in either the ADU or primary home.

The Model Act & Ordinance eliminate this requirement.

Arguments against owner occupancy provisions:

- Impact on ADU construction
- Being treated differently
- Covenants or conditions give pause to homeowners and institutions financing home purchases
Poison Pill

2

Parking Requirements

- Requiring one or more parking spaces on site.
- The Model Act & Ordinance eliminate the parking requirement.
- Arguments against parking requirements.
  - Parking requirements inhibit ADU construction.
  - The cost of building off-street parking spaces.
  - Location of the primary residence and topography may make the construction of one or more parking spaces impossible.
Requiring applications for ADUs to be reviewed through conditional use permit procedures.

The Model Act & Ordinance eliminate this requirement.

Arguments against discretionary design standards.

- Discretionary standards & Public hearing: Recipe for obstruction.
- Cost of hiring attorneys or other experts.
- Delays associated with hearings and appeals.
Additional Topics Covered in the 2020 Model Ordinance

Application & Review Standards

Short Term Rental Use of ADUs

Building Code Reforms

Incentives for Certain types of ADUs
<table>
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<tr>
<th>Location</th>
<th>ADU Campaign</th>
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<tbody>
<tr>
<td>City of Des Moines, Iowa</td>
<td>• ADU Campaign through AARP’s Community Challenge Grant in 2020</td>
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<td>• Build awareness and educate lawmakers and residents</td>
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<td>• De Moines Councilmembers used the ABCs of ADUs</td>
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<td>Oregon (HB 2001)</td>
<td>• 2019 bill focusing on missing middle housing</td>
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<td>• Promoting zoning for duplexes and cottage clusters and increasing density</td>
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<td>• Paved way for ADUs. Recently passed a Rural ADU Bill (SB 391)</td>
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<td>City of Lexington and Fayette, Kentucky</td>
<td>• 2018 ADU campaign through AARP’s Community Challenge Grant</td>
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<td>• Community engagement sessions with community members</td>
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<td>• Development of an ADU manual for residents.</td>
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Connecticut (HB 6107):
- ADU ‘by-right’
- Give the local government local exemption power

City of Louisville, Kentucky
- Passed amendments to the Land Development Code
- First time since the 1960s
- By right, owner occupancy, no short-term rental

Utah (HB 82)
- ADU needs permit
- Short term rental with permission only for 30 days
- Owner occupancy
- Parking Requirements

City of Philadelphia, Pennsylvania
- Permit ADU in 4 out of the 10 Council Districts (D1,2,3, and 7)
- First time ADUs allowed anywhere other than historic structures
- Permit required, no parking requirement
- Further advocacy required for citywide mandate.
New York State (Introduced)

Maryland (Statewide Discussed and Annapolis Introduced)

Wilmington, NC (Introduced)

Kansas City, MO (Draft Legislation)

Georgia (Discussed)

City of Coeur d’Alene, ID (Discussed)

Kansas (Discussed)

Virginia (Discussed)

Auburn, ME (Discussed)

Isanti County, MN (Discussed)

New Hampshire (Discussed)

ADU Legislation

Introduced or Discussed
Challenges & Opportunities Ahead

ADU Financing
Lack of ADU financing
One great example is California called the CalHFA ADU Grant Program

Revisit Legislative Efforts
It is important to keep the ADU discussion alive.
For example, AARP PA is still campaigning to fight for a city wide ADU mandate

National Discussion
The Biden administration is looking to address affordable housing. HUD has recognized ADUs as an important tool to increase housing options. Recently, the White House released a fact sheet on September 1, 2021 stating the federal government will work with state and local governments to boost housing supply, including ADUs.
Access the full video at
https://videos.aarp.org/detail/video/6269140008001/housing-for-older-adults-and-the-importance-of-livable-communities
Thank you!
Questions?

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