

HOUSING OPTIONS:

Homesharing and Accessory Dwelling Units

A concise resource guide for local governments



Thomas Jefferson
Planning District Commission

Introduction

Housing is generally the largest component of a household budget. Housing is considered “affordable” if housing costs take up no more than 30% of a household’s income. Households paying more than 30% of their incomes for housing costs are considered cost-burdened, which can lead to instability and increase the risk of homelessness. These households often need to make tough choices, cutting back on other essential household expenses such as food and health care to make ends meet.

Housing is considered “affordable” if housing costs take up no more than **30%** of a household’s income.

When affordable housing is not available close to jobs and services, many residents will choose to live some distance away from their jobs to reduce housing costs. This increases transportation costs, commuting time, and the risk of getting to work late or missing days of work. Businesses strongly consider workforce issues when deciding where to locate, and look for adequate affordable housing as part of that decision. A range of housing options that provide choice, affordability and accessibility supports community health and prosperity.

Developing new affordable housing is challenging

This booklet presents two alternatives to new development to provide affordable housing: **Homesharing** and **Accessory Dwelling Units (ADUs)**. Both approaches can improve affordability for the Homeprovider and for the Homesharer or renter, while fitting into existing neighborhoods without changing their character.



Photo: radworld (Creative Commons)

Homesharing is about connection and interdependence. The Homeprovider contributes affordable rental housing. The Homesharer provides support by handling some household chores and paying rent. Both parties give and receive companionship, security, and a reduction in housing expenses.



Photo: St. Ambrose Housing Aid Center

Social isolation and loneliness have an adverse effect on health and wellbeing. Sharing housing is an approach to alleviate isolation, particularly for older people.



"Golden Girls" (NBC)



Photo: The Oregonian/2008

ADUs increase housing supply. They cost less than a new home on its own lot, providing an affordable housing option. ADUs can provide a convenient solution for seniors and people with disabilities who want to live close to family, while maximizing their independence.



Photo: Nicole Alvarez
(www.intentionallysmall.com)

ADUs can be designed to blend in with surrounding homes, preserving community character.



What is homesharing?

Homesharing is a living arrangement where two or more unrelated people share a home (house, townhouse, apartment, or trailer home). Each resident has his or her own private bedroom, but may share the common areas of the home (living room, kitchen, laundry).



“living arrangement where two or more unrelated people share a home”

What are the benefits of homesharing?

Homesharing offers benefits both to individuals and to the community.

Benefits of homesharing for individuals include:

- Reducing housing expenses
- Supporting aging in place
- Companionship
- Security
- Improved health, by counteracting the debilitating effects of isolation

Benefits to the community include:

- Cost efficient, affordable housing, utilizing existing housing stock
- Neighborhood and community stabilization, through improved property maintenance, foreclosure prevention, and reduction in housing cost burden
- Reduction in health care costs through prevention of premature institutionalization

Homesharing Barriers and Solutions

- **Zoning and Land Use Constraints:**
Restrictive ordinances can disallow renting in single-family zoning. Ordinances frequently limit the number of unrelated people living in a household.

Successful approaches:

- Allow for one or more lease per owner-occupied property in all residential zones



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- **Impact on Homeowner Eligibility for Other Benefits:**
Considering the home sharer's income as part of household income could put the homeowner above income-eligibility guidelines

Successful approaches:

- Revise guidelines to discount the home sharer's income when calculating total household income

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- **Misconceptions and lack of awareness about Homesharing:**
This can have a negative impact on potential applicants, as well as funders and partners, and necessitate robust marketing efforts by the Homesharing program

Successful approaches:

- Include Homesharing as a housing strategy in public discussions and documents
- Be a partner in creating pipelines for applicants as Homeproviders or Homesharers through outreach to employees
- Provide support to the local Homesharing program

What are Accessory Dwelling Units?

An Accessory Dwelling Unit (ADU) is an independent dwelling unit added to, created within or detached from a single-family dwelling.

“A secondary dwelling unit clearly subordinate to a primary single-family dwelling”



Hammond, Louisiana

What are the benefits of ADUs?

ADUs offer benefits both to individuals and to the community.

Benefits of ADUs for individuals include:

- Low-cost rental housing, providing the advantages of living in established homeownership communities, often with good access to amenities and transit
- Extra income for the homeowner to help cover mortgage payments, property taxes and other costs
- Support for aging in place, with the potential of some services provided by the ADU tenant, or enabling seniors to live in the smaller ADU and rent out the main house.
- Companionship and security

Benefits to the community include:

- Increased property tax base
- Cost efficient affordable housing, without public subsidy
- Preservation of older housing stock
- Neighborhood stability by enabling current homeowners to stay in place
- Workforce housing for employees within the community, including the public sector
- Compact development, utilizing existing infrastructure and fitting within the neighborhood character
- Retention of population groups that might otherwise be priced out of the housing market



Photo: Nicole Alvarez (intentionallysmall.com)

ADUs are sometimes referred to as “Granny Flats” or “Mother-in-Law Units.” ADUs provide needed housing that utilizes existing infrastructure.

ADUs offer additional choices for affordable housing. A strategy of proactively encouraging ADUs can be combined with other approaches to address community housing needs.



Photo: seattle.gov



Photo: rebiccharlotte.com



Photo: Brannon Labdell

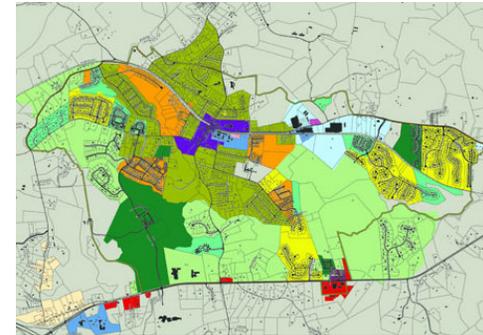
ADU Barriers and Solutions

— Zoning and Land Use Constraints:

Overly restrictive ordinances can disallow or discourage the development of ADUs

Successful approaches:

- Adopting ordinances that encourage ADUs through reduced regulatory restrictions.



— High Fees or Difficult Administrative Procedures:

Special use permits, public hearing requirements, multiple layers of approval, and costly review procedures can discourage ADUs, or result in unpermitted units that do not meet building codes

Successful approaches:

- Develop materials to assist home owners through the approval, design and construction process, such as an ADU Manual, design guides, model plans, and workshops
 - Offer expedited approval process for projects using standard designs
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– **Public Resistance:**

Concerns may surface regarding neighborhood character, traffic, parking, and pressure on public services

Successful approaches:

- Public education campaigns to increase awareness and generate community support
- Highlighting communities that have encouraged ADUs without negative consequences

– **Financing:**

The initial capital cost of developing an ADU may be prohibitive for some home owners

Successful approaches:

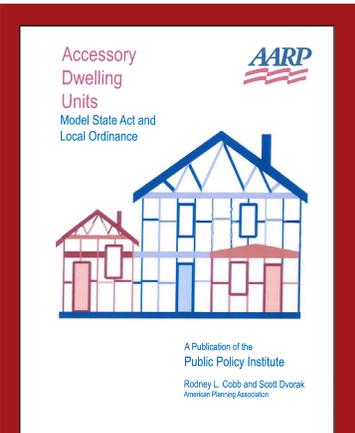
- Provide low or no-interest loans to homeowners
- Waive fees periodically or for units made available for low-income households

– **Illegal ADUs:**

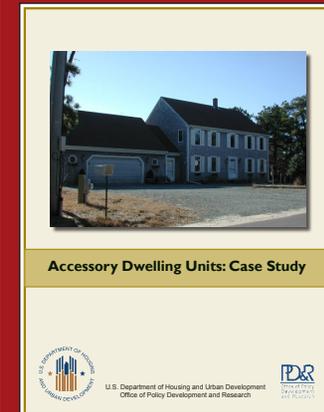
Most existing ADUs have not been permitted by the locality

Successful approaches:

- Implement an “amnesty” period to grandfather existing ADUs that comply with zoning laws, but have not been permitted
- Institute a financial assistance program to bring illegal ADUs into compliance with current requirements, coupled with a commitment to rent to low-income tenants
- Waive fees for inspection and provide assistance through the process to bring units into compliance



AARP has published a case study of ADU **Model State Act and Local Ordinances.**



HUD's Accessory Dwelling Units: Case Study profiles six communities that implemented successful ADU programs.

(listed in resources)

Conclusion

Homesharing and Accessory Dwelling Units (ADUs) are two approaches to provide affordable housing within a community. Many individuals and households have had roommates or boarders as a way to keep housing costs manageable. Backyard cottages and apartments within a home were common features in the mid-nineteenth century, but have been subject to greater restrictions in recent decades. Informal roommate arrangements and unpermitted accessory units crop up in communities, as practical ways to reduce living expenses.

Communities across the country have taken a more proactive approach to encourage these arrangements as part of their overall housing strategy. These communities have found that there are many advantages in doing so. Homesharing and ADUs both provide inexpensive ways to increase the number of housing units, by leveraging their existing housing supply. Successful programs have provided flexibility, simple guidelines, financial incentives, and a public education component.

Selected Resources

Online Resources

Online Guide to State and Local Housing Policy - *Ensure Zoning Policies Allow Housing Diversity, Accessory Dwelling Units*, Center for Housing Policy, 2008, available at:

http://www.housingpolicy.org/toolbox/strategy/policies/diverse_housing_types.html?tierid=42

A one-stop source about multigenerational homes and ADU's, edited by 3 volunteers in Portland, Oregon: www.accessorydwellings.org.

A video on ADUs is available from the home page, or at:

<http://accessorydwellings.org/video-introduction/>

A website showcasing well-designed and interesting small houses of all kinds:

<http://smallhousebliss.com/category/accessory-dwelling-units-adu/>

Shared Housing Resources, The National Shared Housing Resource Center:

<http://nationalsharedhousing.org/>

Selected Resources

Publications

Accessory Dwelling Units Case Study, U.S. Department of Housing and Urban Development/Sage Computing, Inc., June 2008. Case study of 6 communities that have successfully implemented ADU programs, available at:
<http://www.huduser.org/Publications/PDF/adu.pdf>

Accessory Dwelling Units: Issues & Options, Municipal Research and Services Center of Washington. MRSC Report No. 33, October 1995, available at:
<http://www.mrsc.org/publications/adu30.pdf>.

Newer examples are available at :
<http://www.mrsc.org/subjects/planning/housing/ords.aspx>

Accessory Dwelling Unit Manual, City of Santa Cruz, 2003, available at:
<http://www.cityofsantacruz.com/Modules/ShowDocument.aspx?documentid=8875>

Accessory Dwelling Units: Model State Act and Local Ordinance, by: Rodney L. Cobb, American Planning Association, Scott Dvorak, American Planning Association, from: Public Policy Institute (part of the Research Group at AARP), April, 2000, available at:
http://assets.aarp.org/rgcenter/consume/d17158_dwell.pdf

Accessory Dwelling Units, QuickNotes, American Planning Association, PAS QuickNotes No. 19, available at: <https://www.planning.org/pas/quicknotes/pdf/QN19.pdf>

Strategies for Scaling: Shared Housing Best Practices, Challenges & Recommendations, Affordable Living for the Aging, 2012, available at:
<http://www.alaseniorliving.org/files/attachments/Strategic%20Guide%20Portrait.pdf>

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