

ADUs and STRs (and some ABCs)

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Goals of the session (questions? Virtual folks please use the chat button!)

- Provide a foundation of data to address common myths and concerns about ADUs and STRs
- Learn about the basics of creating your own ordinances (and possibly adjusting your existing ordinance)
- Learn from communities with an ADU ordinance
- Learn the pros and cons of STRs





Accessory Dwelling Units

Presented by:
Melanie Clark

April 7, 2023

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1. What are ADUs
 2. Pros and Cons of ADUs
 3. State Law

What are ADUs?

Statutory Definition

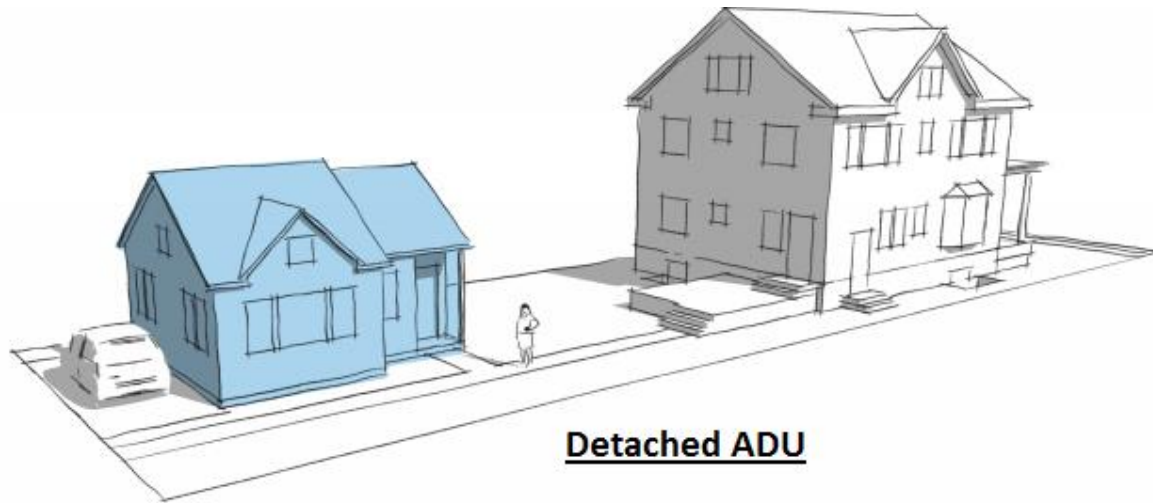
A habitable living unit added to, created within, or detached from a primary single-family dwelling and contained on one lot.

Utah Code § 10-9a-103(1).

What are ADUs?



What are ADUs?



What are ADUs?



What are ADUs?



Accessory Dwelling Units: Housing hiding in plain sight

What are ADUs?

Also Known As:

- accessory apartment
- alley flat
- back house
- backyard bungalow
- basement apartment
- carriage house
- coach house
- garage apartment
- granny flat
- guest house or cottage
- in-law suite
- laneway house
- mother-daughter house
- multigenerational house
- ohana unit
- secondary dwelling unit
- sidekick



Pros and Cons of ADUs

Pros

- Can provide rental income to mitigate increases in cost of living
- Affordability
- Enables family members together, but with their own space
- Can provide housing for a hired caregiver
- Younger residents may prefer smaller spaces with less maintenance
- Can help older residents remain in their community and “age in place”
- Larger client base for existing local businesses
- Lower carbon emissions as compared to single-family homes

Pros and Cons of ADUs

Pros

- Increase housing supply
- Efficient use of existing housing stock
- Can be designed to blend in with surrounding architecture and neighborhood
- No need for additional infrastructure (connect to utilities of primary dwelling)
- Alternative to major zoning changes
- Increases property value and property taxes

Accessory Dwelling Units: Case Study, U.S. Department of Housing and Urban Development Office of Policy Development and Research, Prepared by: Sage computing, Inc., June 2008, huduser.gov/portal/publications/adu.pdf

Pros and Cons of ADUs

Cons

- Parking and additional vehicles/traffic
- Introduce additional rental properties into a stable neighborhood
- Zoning enforcement difficulties

ADU's Summary Brief, Centerville City Utah, Community Development, [Utah.gov/pmn/files/346711.pdf](https://utah.gov/pmn/files/346711.pdf)

Pros and Cons of ADUs

What are the most significant challenges to the viability of ADUs in your city, town or county?

| Answer Choices | Responses | |
|---|-----------|----|
| Current ordinance issues or not allowed | 38.10% | 32 |
| Public interest and/or education | 30.95% | 26 |
| Code enforcement | 44.05% | 37 |
| Financing for ADU construction/remodels | 9.52% | 8 |
| Building code compliance | 39.29% | 33 |
| Parking | 41.67% | 35 |
| Other | 15.48% | 13 |

| Answer Choices | Responses | |
|---|-----------|----|
| Nimby-ism (public or neighbors against it) | 40.48% | 34 |
| Administration | 19.05% | 16 |
| Not offered by builders and/or trades not offering remodel services | 2.38% | 2 |
| Fees | 13.10% | 11 |
| Utilities | 25.00% | 21 |
| Assuring owner occupies one of the units (if required) | 51.19% | 43 |
| Total Respondents | | 84 |

Accessory Dwelling Units Use by Utah Cities, Towns & Counties, 2020 Survey, Salt Lake County Regional Development

State Law

Limits Regulation by Counties and Municipalities of Internal ADUs

General Rule:

One internal ADU in a primary detached dwelling must be a permitted use in any area zoned primarily for residential use

Utah Code Ann. §§ 10-9a-530(2) and 17-27a-526(2).

State Law

Can Entirely Prohibit Creating New Internal ADUs:

1. In zoning districts that are **not** primarily for residential use
2. In primary dwellings already containing an internal ADU
3. In attached homes and mobile homes and within detached garages
4. Within a zoning district that:
 - a. Geographically covers 25% or less than the total area zoned primarily for residential use
 - b. Geographically covers 67% or less than the total area zoned primarily for residential use if the main campus of a state or private university with a student population of 10,000 or more is located within the county or municipality
5. In a primary dwelling unit with a failing septic tank
6. On lots with 6,000 or fewer square feet

Utah Code Ann. §§ 10-9a-530(4) and 17-27a-526(4).

State Law

What Regulations are Permitted?

1. May prohibit installation of a separate **utility meter** for the internal ADU
2. May require that the ADU be **designed** so that the appearance of the primary dwelling unit doesn't change
3. May require one additional **on-site parking** space for the ADU (in addition to street parking)
4. May require **replacement of any parking spaces** lost if an ADU is constructed in a previous garage or carport
5. May require the owner to obtain a **license** for renting the ADU
6. May prohibit **renting** the ADU for fewer than 30 consecutive days
7. May prohibit rental all together if the primary dwelling unit is not occupied as the **owner's primary residence**

Utah Code Ann. §§ 10-9a-530(4) and 17-27a-526(4).

State Law

Enforcement

A municipality or county may hold a lien against a property violating ADU restrictions with the following procedure:

1. Provide written notice of violation to the owner (mailed and posted on the property)
2. Hold a hearing regarding the violation (only required if owner files a written objection of the notice being postmarked or posted on the property)
3. Owner fails to cure (14-day cure period for violating a 30-day rental requirement; 30-day cure period for all other violations)
4. Provide written notice of lien to owner (mailed and posted on the property)
5. Record a lien in the county records in an amount up to \$100 for each day the violation continues after the cure period.

Utah Code Ann. §§ 10-9a-530(5) and 17-27a-526(5).

State Law

Notice in Land Records

If a municipality or county issues a rental license or building permit for an internal ADU, the municipality or county may record a notice in the county records with a description of the primary dwelling, a statement that it contains an internal ADU, and a statement that the internal ADU may be used only in accordance with applicable land use regulations. If such a notice is recorded, a copy must be sent to the property owner.

Utah Code Ann. §§ 10-9a-530(6) and 17-27a-526(6).

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Bigger Issues

- Income versus Housing costs
- Rising interest rates, rising house prices
- More people renting now and in the future.
- The changing American Dream
- National conversation about whether Single Family zones are a thing of the past. Are they discriminatory?
- Headlines about cities that are walking away from zoning for SFDs only.



Typical Internal ADU Ordinance Sections

- Ownership? Can this be a duplex?
- Type allowed internal and/or detached
- Size (no longer allowed)
- Appearance
- Parking (one, just one!)
- Utilities
- Processing – Permitted use! Biz license is ok
- Impact fees
- Illegal Units



Ownership

- Decisions to make
 - Owner has to live in one of the units?
 - Or as a community are you unconcerned with absentee rental duplexes? *(more communities are ok with that these days)*
 - If owner is required to live on the property, how is this enforced?
 - *Suggestion – initial recorded agreement, Deed restriction (?), regulate through business licensing – annual review/certification, fines for complaints*



Type allowed

- Decisions to make
 - Only within the existing home
 - Attached (State law calls these internal), as an addition
 - Appearance issue
 - Detached
 - Height, setback, and appearance issues
 - Tiny homes, accessory structure conversions, trailers/storage containers
- *Easiest is just within the home, but is that flexible enough?*



Parking

- No decision – just one parking space can be required
 - Studies show that often is enough!
-
- *Common practice is one extra off-street space, usually not located in tandem with another parking space*



Utilities

- Decisions to make about sewer, water, electricity, etc.
- Separate or not?
 - More independent versus less
- Separate mailbox or not
- Separate house number (unit “B” (required for emergencies))



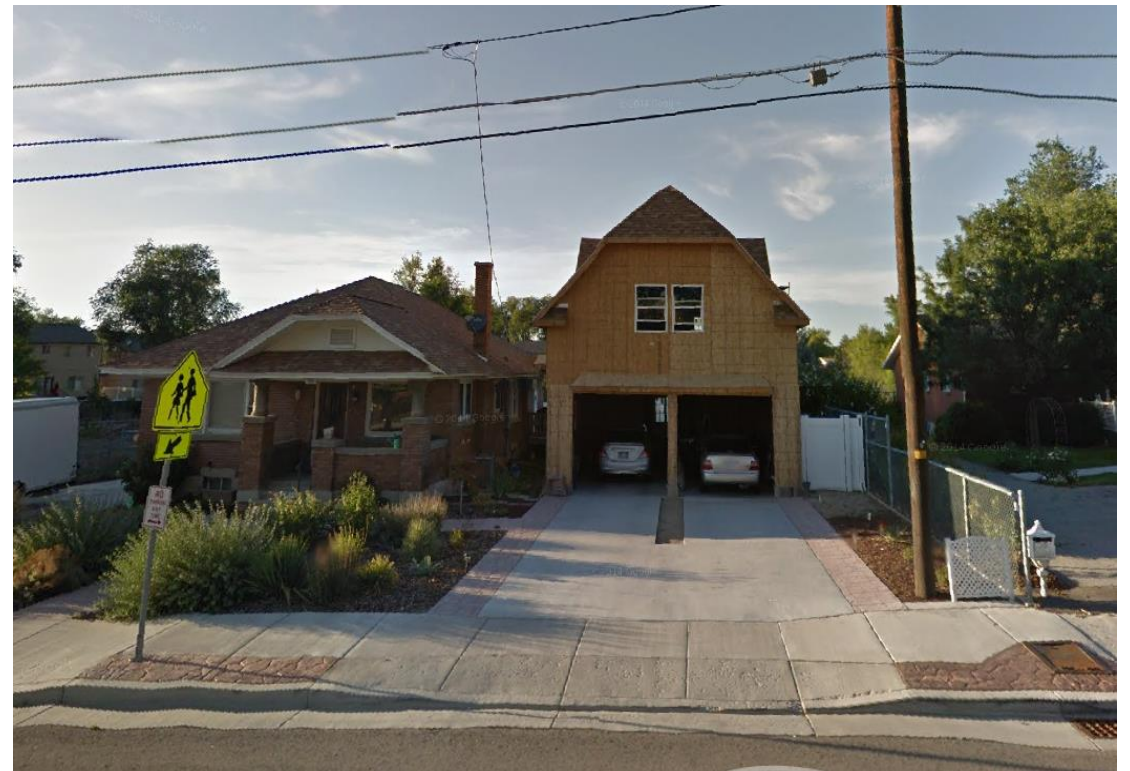
Building Code

- State has adopted the IBC. Cities have little ability to modify those requirements, but the State can
- Potential major building code issues
 - Life safety issues have to be addressed
 - Fire walls
 - Separate heating, functional escape windows
 - Need access to the electrical panel



Processing

- How you will process ADUs is another community decision
- State has mandated permitted use for internal ADUs, Conditional uses could be used for detached but....
 - Hearings or no hearings for detached?
- Standards set as part of a home occupation or is this a separate use?
- Area – cover the whole city or not?
- *Lots of standards? Why go through a public meeting process? If they meet the standards, why go through the neighborhood trauma? (CUs no longer require public hearings!)*



And those pesky impact fees?

- Want to encourage or discourage ADUs?
- Should they “pay their own way” or should they help us meet our affordable housing goals?
- What is their impact?
 - Like an apartment? Just like a larger SFD with a big family?
 - Usually impact fees are tied to the number of bedrooms and that translates to a number of people



How about illegal units?

- Useful to try and make the existing ones legal – if only to make them safe
- IBC is the biggest hurdle and can't be ignored
- Solves insurance issues for the homeowner
- *May be able to provide options for IBC requirements – stick to the major life safety issues. Takes a creative Bl.*

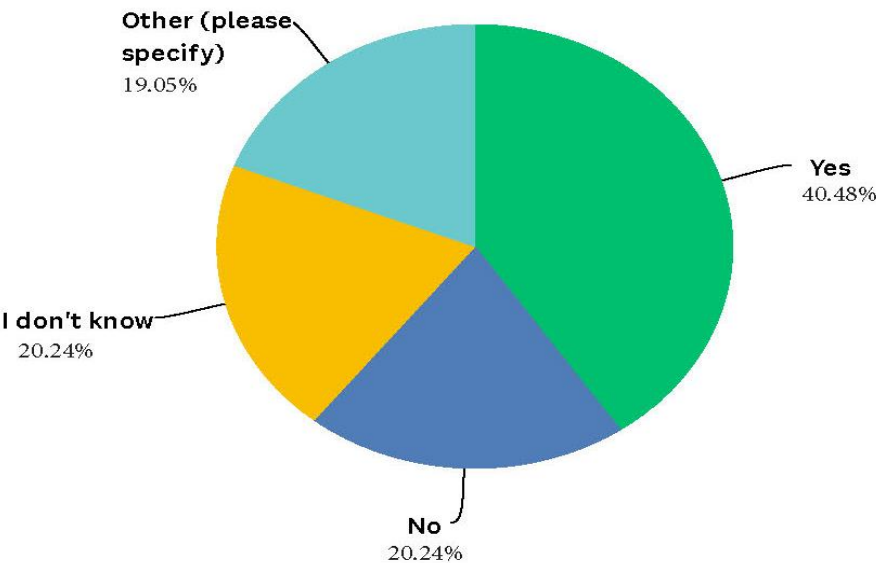


ADU Research

Accessory Dwelling Units use by Utah cities, towns & counties (2020 survey)

Q7 Does your city have illegal ADU's currently in the city, town or county?
If so please list comments below regarding issues.

Answered: 84 Skipped: 4



| ANSWER CHOICES | RESPONSES | |
|------------------------|-----------|----|
| Yes | 40.48% | 34 |
| No | 20.24% | 17 |
| I don't know | 20.24% | 17 |
| Other (please specify) | 19.05% | 16 |
| TOTAL | | 84 |

Millcreek issues

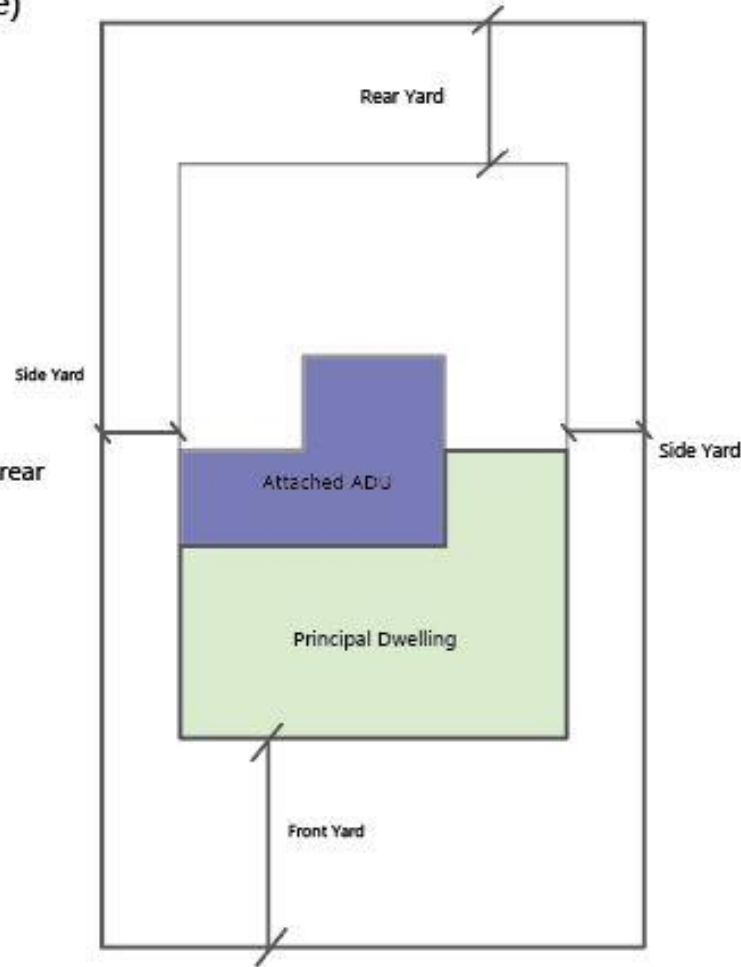
- Online surveys collected feedback, questions, concerns from over 300 Millcreek Residents.

Concerns were narrowed down to the following:

1. Parking & Traffic
2. Density versus neighborhood character
3. Rentals, including STRs
4. Permitting Process
5. Detached ADUs
6. Externalities (noise, air quality, *privacy*)

Development Standards for Attached ADUs (standards still subject to change)

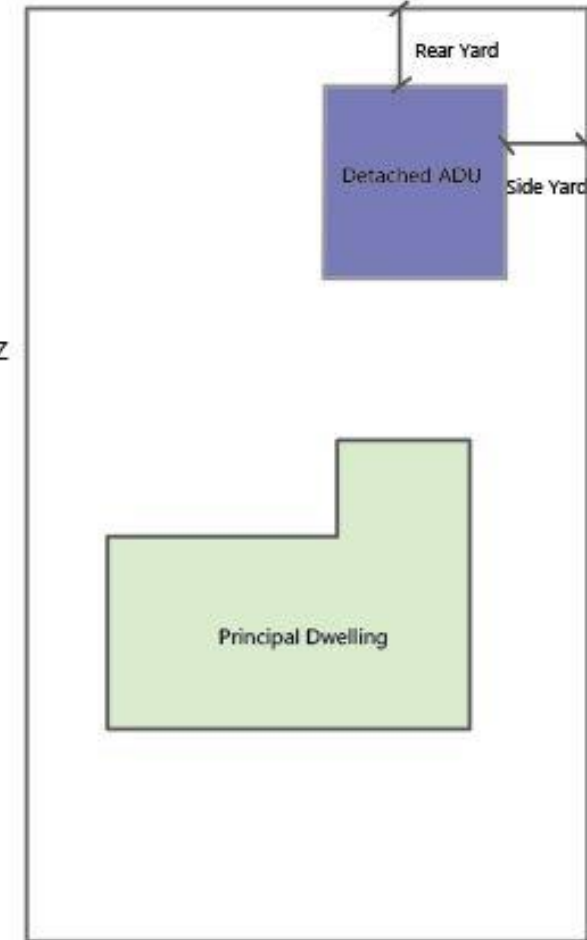
- Owner occupancy required
- Setbacks based on Chapter 19.14 and 19.71
- Lot must be 8,000 SF or greater
- Lot coverage is based on 19.14 and 19.71
- 2 Bedrooms allowed
- 1 ADU (attached or detached) allowed per lot
- Separate entrance may be installed on side or rear
- 1 off-street parking stall per bedroom
- Occupancy limited to 2 adults and children.
- Maximum size is 50% of main dwelling
not to exceed 850 Square Feet



Setbacks, lot coverage, height requirements for attached ADUs are the same as the principal dwelling which are based chapter 19.14 & 19.71 of the Millcreek Code.

Development Standards for Detached ADUs (standards still subject to change)

- Owner occupancy required
- 8.5 Feet from the side and rear property line
- 10 Feet from the principal dwelling
- Lot must be 8,000 SF or greater
- Lot coverage is based on underlying zone and RCOZ
- 2 Bedrooms allowed
- 1 ADU (attached or detached) allowed per lot
- Separate may be installed on side or rear
- 1 off-street parking stall per bedroom
- Occupancy limited to 2 adults and children.
- Maximum allowed lot coverage in rear yard is 25%
- Maximum height allowed is 20 feet
structure may not be two stories.
- Maximum size is 50% of main dwelling
not to exceed 850 Square Feet



We've had ADUs forever!

Pleasant Grove City

Daniel Cardenas, Community Development Director

Ownership

- Must be “owner occupied”
- Definition: “full time residency within the home by the bona fide property owner(s) as shown on the Utah County tax assessment rolls.”

Unit Types Allowed

- Incidental to Main Dwelling
 - Addition
 - Basement
 - Above an attached garage
 - Above a detached garage
 - Detached Structure
 - Tiny Home

Design Requirements

- Single-family residential appearance
 - Two doors on front façade only if one provides direct access to the basement
- Letter “B” in visible place along street frontage
- Separate utility meters allowed but not required
 - Both in owner’s name

Issues/Concerns

- Hard to enforce owner-occupancy with one-time registration
 - No annual renewal
- Difficult to enforce short term rentals
- Cluster Mailboxes
- Fear of Registering
- Public Perception

Positives

- Eases the burden of increasingly high home prices in the valley
- Increases Use of Existing Housing Stock
 - Makes good use of large, existing homes that empty when all children have moved out
- Reduces Sprawl
 - More effective use of infrastructure (Roads, sewer, etc.)
- Aging in Place
 - More affordable housing opportunities for young adults in the city they grew up in
 - Retire in Home/Extra income for retirees
 - Extra income for students and young families

ADUs and STRs

- Can I build an ADU to simply do a short-term rental?
- What prevents me from making it a short-term rental?
- How ya gonna catch me?
- What are the less positive aspects of doing a bunch of STRs?
 - Less affordable housing
 - Long term renters can't find a place – why?