

Examples of Diverse Housing Options

Three Innovative Types of Units

I. Accessory Dwelling Units (ADUs)

ADUs are smaller units located on the same property as a primary residence that are fully self-contained with their own bathroom and kitchen/kitchenette. They be used where zoning prohibits other ways of adding additional housing like single-family residential districts. California allows up to two ADUs per lot without needing a special permit of prior government approval.

Raleigh Pre-Approved ADU Program – Raleigh, NC launched an ‘ADU Gallery’ where property owners can purchase pre-approved plans for ADUs as part of an effort by the city to encourage the construction of ADUs to boost housing supply. Plans cost between \$400-\$1400 and can speed up the process of getting an ADU approved and constructed. Owners still have to go through a site assessment but due to the plans, the building code issues will essentially be pre-reviewed already. Raleigh also relaxed restrictions on ADUs in 2020.

Los Angeles ADU Standard Plan Program – After passing legislation that legalized the development of ADUs on lots traditionally zoned for single-family homes, the Mayor’s Office launched an initiative pre-approving a set of designs for ADUs to speed up the permitting process.

Stockton Free ADU Permit Ready Plans – Similarly, the city of Stockton developed three floor plans for property owners to access free of charge.

Seattle ADUniverse – The City of Seattle rolled out a website called ADUniverse that offers ten pre-approved ADU designs and other information to help property owners navigate the process of adding a unit to their lot. The program faced controversy when architects accused the city of failing to compensate them for their labor to create the pre-approved designs. The program came on the heels of legislative reform that increased the number of unrelated persons allowed per lot, larger allowed ADU size and higher height limits, ADUs could cover larger percentage of lot, elimination of off-street parking requirements for new ADUs, removal of owner occupancy requirements, and new floor-area ratio limits to prevent the development of McMansions.

II. Single-Room Occupancy

- **Hennepin County, Minnesota Task Force** – Defined Single Room Occupancy as multi-family or converted single family homes with quality single rooms, shared kitchens, and shared or individual bathrooms, with rents affordable to households with incomes at or

below 30% of the area median income, rented to single adults experiencing homelessness or housing instability with enough income to afford those rents, without on-site services, or if-possible adjusted rent subsidies.

- **Findings:**

- Projects preferred in and near commercial nodes near stores and resources utilized by the target renters, including but not limited to locations that have high frequency transit access, with the development type/size fitted to the neighborhood
- **Zoning and code:**
 - Ensure healthy and safety of SRO tenants, remove all other barriers to developing SRO housing
 - create a rental license for SRO housing
 - limit SRO ownership to entities whose current rental properties all meet the highest performance criteria (i.e. Minneapolis “Tiers”)
 - Allow SROs in districts allowing multi-family housing and expand multi-family housing district
 - Designate a municipal team for SRO development review and approval
- **Construction and Design:** Prefer existing mid-sized newer hotels, motels and office buildings in appropriate zoning if possible, total development cost should be less than developing studio apartments, early involvement by operators and future rents to identify key livability needs
- **Operation and management:** Engage high-performing rental property managers with a track record in relational management, rent payment flexibility and demonstrated effectiveness engaging low-income households, should pay special care to how tenants are selected to prevent racial disparities and discrimination, consider nonprofit and government ownership
- **Finance:** Seek patient/non-amortizing capital, requiring minimal layers, and allow sufficient reserves, work with existing funders to explore removing barriers to SRO eligibility and competitiveness; recognize the impact of property taxes on feasibility and seek alternatives

[City of Minneapolis Unified Housing Policy](#) – Prohibits demolition/condemnation/elimination of SRO-type housing for any project receiving City financial assistance, as defined above, unless demolition/condemnation/elimination is unavoidable, in which case replacement of such units will be required as part of the project finance plan

III. Micro-units

[City of Miami](#) – The City of Miami was the first in South Florida to pass a micro-unit ordinance. The City Commission voted unanimously in favor of allowing the development of micro-units in the Transit-Oriented Development (TOD) areas of the city which are areas where there are significantly less automobiles and more bike and public transit usage. The units are only allowed in these areas, can be as small as 275 square feet, and require the city’s administrative approval.

[City of Little Rock](#) – The City of Little Rock is planning on building a micro-home village of 80 homes, a community center with a kitchen, offices, bathrooms, and an emergency shelter with 20 beds. There will also be animal kennels, a garden, and a security building. The \$3 million cost will be covered by a mix of city and federal funds. The purchase of the property is \$200,000 and an RFP will be released for nonprofits to manage the site.

[New York Kips Bay](#) – A residential building with 55-micro apartments ranging from 260 square feet to 360 square feet. The furnished apartments include 9.5 foot ceilings, a full bathroom, and a kitchen with modern appliances. The program was piloted in 2012 when the city waived a law prohibiting constructing homes smaller than 400 square feet to test the viability of SROs. 14 of the units are affordable and will be given through a lottery, eight are given to homeless veterans as part of a federal program and 32 will go for market rate and include cable TV, Internet and a housing keeping and concierge service.