ADUs in Denver

Advisory Committee Meeting #1
Background and Introduction
Committee Introductions

Please introduce yourself and let us know what you like about your neighborhood:

City Staff
Councilwoman Kendra Black
Councilman Chris Herndon
Gosia Kung – Denver Planning Board

Gabriel Calderon Chelsey Hume Terra Mazzeo Sarah Senderhauf
Ozi Friedrich Lisa Kerin-Welch Brooke Murphy Rosemary Stoffel
Emily Goodman Pam Jiner Cesar Olivas Renee Martinez Stone
Naomi Grunditz Jennifer Steffel Johnson Suzanne Reede Michelle Ferrigno Warren
Mary Hawthorne Shawn Johnson Donna Repp Darcy Wilson
Meeting Overview

• Brief Review of Agenda + Format

• Discussion requests/guidelines
What is an ADU?

- An accessory of an existing home (the primary structure) NOT a separate property that could be sold on its own.

- A self-contained living space with its own kitchen, bath and sleeping areas.

- Sometimes called a granny flat, backyard cottage, in-law suite, attic loft, basement apartment or casita.

- Currently only allowed as ‘accessory to a primary single unit dwelling use’.
How does Denver define an ADU?

The Denver Zoning Code definition of an ADU:

11.12.7.1 Accessory Dwelling Unit
A second dwelling unit located on the same zone lot as a primary single unit dwelling use. An accessory dwelling unit is a type of accessory use. An accessory unit may be either “attached” or “detached”, defined as follows:

A. Dwelling, Accessory unit, Attached
An accessory dwelling unit that is connected to or an integrated part of the same structure housing the primary single unit dwelling (for example, an attached accessory dwelling unit may be located in the basement level of a structure also housing a single-unit dwelling use).

B. Dwelling, accessory unit, Detached
An accessory dwelling unit that is located within an accessory structure detached from the structure housing the primary single unit dwelling use.
Project Overview

What is **NOT** in the scope of this project?

We are **NOT** changing where ADUs are currently allowed. That process (re-zoning) will still be left to individual property owners, neighborhood planning processes, and individual City Council members to decide.
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Project Overview

What is the scope of this project?

**Remove barriers** to ADU construction and make sure they fit in with different types of neighborhoods and block patterns, like suburban lots without alleys.

**Proposed outcome:** revisions to the Denver Zoning Code which dictate the size, shape, and location of ADUs.
Project Overview

What is the Committee’s role?

The Committee will provide input to staff in:

- **Identifying barriers** to ADU construction (e.g., height, area, etc.)
- **Identifying alternatives** to existing code requirements
- Serving as a **sounding board** for alternative tools that best balance the overall project objectives
- **Creating** new ADU form standards
- **Advising City Council** on a staff-prepared proposal for a text amendment to the Denver Zoning Code
How is the Committee being asked to provide input?

• Identify areas of alignment and/or concerns regarding key challenges and potential tools for addressing them
• Represent the unique needs of your neighborhood context
• Working collaboratively with staff, committee members, and the community
• Serve as a voice for equity, consistent with adopted city policy
Why should we do this work?
As our city grows and changes, the way people live is changing too. Many people want...

- a **separate space** where elderly parents, in-laws or kids living at home can still have independence
- a space that may be rented out to **generate income**
- to rent a smaller, more **affordable space** in a neighborhood they love
- **flexibility** in their property and investment

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**Project Overview**

**Work-from-home?**

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**Accessory Dwelling Units**

Infographic by Ryan Sullivan / www.pasteinplace.com
Why should we do this work?

ADUs are part of the Blueprint strategy for helping existing residents to **remain and prosper in their neighborhoods**, to ensure that they can invest in their own property.

- Anti-displacement strategy
- Create new/missing housing options (like one and two-bedroom homes)
Why now?

Benefits of ADUs?
• No land cost
• Smaller SF = lower rent
• More efficient use of resources and existing infrastructure
• Built/owned by homeowner
Why now?

ADU re-zonings are increasing. Blueprint Denver 2019 recommends that ADUs are appropriate in all residential districts throughout the city.

Interest in ADUs have steadily increased across Denver, and are just beginning to be proposed in Suburban context neighborhoods.
2010 Census
Denver pop. 600,158

2020 Census
Denver pop. 715,522

2040 Estimation
Denver pop. 850,000

Why now?

Blueprint Denver
A BLUEPRINT FOR AN INCLUSIVE CITY

Population Growth

Denver saw periods of significant growth over its history. Since 2002 Blueprint Denver, the city grew by over 150,000 residents and this decade will see the largest increase in raw population ever. Along with many people moving to the city, Denverites are also living longer and continue to start families.

(Source: US Census)
Why now?

Most Metros Saw Steep Home Price Growth Last Year

Share of U.S. metro areas where home prices grew at least 10 percent annually

80%

Because we are in a housing crisis...

ADUs are one part of the solution

Source: CoreLogic, Moody's Analytics | By The New York Times

Bloomberg Wealth

A Typical U.S. Home Is Now Valued at $320,662 — 20% More Than a Year Ago

Low inventory and unrelenting demand are continuing to fuel price growth in the American real estate market.

Bloomberg Wealth: It's Never Been a Better Time to Be a Landlord

By Charlie Wells
August 28, 2021, 4:30 AM MDT
What is this effort building on?
Recommendations

**Diversity housing choice through the expansion of accessory dwelling units throughout all residential areas.**

**GOAL 1**

Accessory dwelling units (ADUs) can add variety to the housing stock in low-density residential neighborhoods without significantly changing the existing character. ADUs allow for greater density in the city, which is important to understand impacts in areas vulnerable to displacement.

A. Study and implement allowances for ADUs—Including those attached and detached from the primary home in all neighborhood contexts and residential zone districts. Use an inclusive community input process to respond to unique considerations in different parts of the city.

B. Identify strategies to prevent involuntary displacement—especially in areas that score high for Vulnerability to Displacement—in conjunction with expanding the allowance for ADUs.

C. Study and implement a program to expand access to ADUs as a wealth-building tool for low- and moderate-income homeowners.

D. Study and implement incentives or requirements for income-restricted ADUs, so they are more likely to provide affordable housing options, and tools to encourage the use of ADUs for long-term housing options, rather than short-term rentals.

E. A citywide approach to enable ADUs is preferred. Until a holistic approach is in place, individual rezonings to enable ADUs in all residential areas, especially where proximity to transit, are appropriate. Until there is a neighborhood plan supporting ADUs, rezonings should be small in area in order to minimize impacts to the surrounding residential area.

**Remove barriers to construct accessory dwelling units and create context-sensitive form standards.**

**GOAL 3, 5, 6**

The existing code already allows ADUs in some areas of the city. ADUs can be attached to the main house, such as in basement units, or detached. ADUs offer a housing option for residents looking for something smaller than a house, such as seniors who want to age in place. There are opportunities to remove barriers—especially since the city is considering a detached ADU in high- and lower-density zones for standards for detached ADUs by neighborhood type.

A. Evaluate existing barriers to ADU permitting and construction and revise codes and/or fees to remove or lessen barriers for homeowners. Consider programs and resources to help reduce barriers to ADUs for homeowners, especially in neighborhoods that score high in Reducing Vulnerability to Displacement.

B. Revise the zoning code to allow ADUs as accessory to more than only single-unit households.

C. Revise detached ADU form standards to be more context-sensitive, including standards for height, mass, and setbacks.

D. Establish context-specific patterns or templates to facilitate the approval process of detached ADUs.

**Increase the development of affordable housing and mixed-income housing, particularly in areas near transit, services and amenities.**

**GOALS 1, 2, 3**

Denver needs more affordable housing to serve residents across the full spectrum of housing need, from moderate-income homeowners to those without a home. Although housing an inclusive Denver provides many recommendations to achieve this, these are land use tools to make the development of affordable housing easier or more attractive.

A. Incentivize affordable housing through zoning, especially in regional centers, community centers and community corridors adjacent to transit. This could include a process—informal or more formal—where community input into criteria and design to meet higher density and minimum height bonuses in the zoning code, where additional height is allocated in exchange for income-restricted units. Incentives for affordable housing are particularly important for areas that score high in Vulnerability to Displacement and score high in Housing Diversity.

B. Implement additional parking reductions for projects that provide income-restricted affordable units.

C. Implement other incentives for affordable housing, such as kitchen building permit fees for projects that commit to a certain percentage of income-restricted units onsite.

D. Continue to advocate for changes to state law that remove barriers to access affordable housing options.

**Expand family-friendly housing throughout the city.**

**GOALS 1, 2, 10**

A recent boom in the construction of studio and one-bedroom apartments and rapid increases in housing prices mean that many families, especially lower-income and moderate-income households, are unable to live in Denver. To build a diverse community of all ages and to compete with housing options in neighborhoods outside of Denver, we need to build communities supportive of families—including seniors who want to age in place and families of different religions and cultures. This includes higher density areas, which can be family-friendly if the appropriate housing types and amenities are provided.

A. Implement tools to incent and incentivize the development of family-friendly housing. This could include incentives for affordable large units (those with three or more bedrooms), especially in multifamily developments.

B. Implement tools to incentivize the construction of family-friendly services and amenities, including daycares, playparks and community centers, especially in large redevelopment areas.
This project is directly implementing BP Denver 2019 Land-Use Recommendation #5.

Remove barriers to constructing accessory dwelling units and create context-sensitive form standards.

**GOALS: 1, 6**

The zoning code already allows ADUs in some areas of the city. ADUs can be attached to the main home, such as a basement unit, or detached. ADUs offer a housing option for residents looking for something smaller than a home, such as seniors who want to age in place. There are opportunities to remove barriers—especially since the cost of constructing a detached ADU is high—and to better calibrate form standards for detached ADUs by neighborhood context.

A. Evaluate existing barriers to ADU permitting and construction and revise codes and/or fees to remove or lessen barriers for homeowners. Consider programs and resources to help reduce barriers to ADUs for homeowners, especially in neighborhoods that score high in Reducing Vulnerability to Displacement.

B. Revise the zoning code to allow ADUs as accessory to more uses than only single-unit homes.

C. Revise detached ADU form standards to be more context-sensitive, including standards for height, mass, and setbacks.

D. Establish context-specific patterns or templates to facilitate the approval process of detached ADUs.
Expected Outcomes

With the help of the Committee, this project will result in:

- Proposed amendment to the Denver Zoning Code [expected public hearing early 2023] developed by City staff, based on committee and community input.

- A Strategy Report for City Council and the broader community.

- Info/memo for other City Departments on other issues that need to be addressed around ADU development.
Questions?
Input from the Advisory Committee

• Interactive activity about ADUs
• Committee questions/discussion
ADUs Background

- Evolution of ADUs in Denver
- Where they are being built
- To help you understand what the rules currently are
- What needs to change
ADUs (have always been) a part of Denver

Sheedy Mansion at 11th and Grant 1892

Grant Street Mansion and its carriage house 2021
Where are ADUs currently allowed?

- Any ‘Two-unit’ or greater district
- Only in Single-unit districts with ADU zoning (ex. U-SU-A1)

- Single-unit w/ADU
- Two-unit
- Multi-unit
- Mixed-use

(but only allowed with SU use)
Where are ADUs currently allowed?

- Any ‘Two-unit’ or greater district
- Only in Single-unit districts with ADU zoning (ex. U-SU-A1)

![Map showing the areas where ADUs are allowed and not allowed in Denver.](image)

- Single-unit w/ADU
- Single-unit (not allowed)
ADUs in Denver
Where are ADUs currently being built?

ADUs permits by year, since 2010
Only **385** total ADUs permitted
Current ADU form regulations:

- Sq. Footage of ADU
- Height
- Setbacks
- Lot Size minimum
- Location of Structure
- Building Footprint max
- Structure Length
ADU zoning basics - Use/Ownership

In a single-unit (SU) district, the owner must live on the property for there to be an ADU in use (attached or detached).

<table>
<thead>
<tr>
<th></th>
<th>Owner living onsite</th>
<th>Owner living off-site</th>
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<tbody>
<tr>
<td></td>
<td>Primary home</td>
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<td>Use as residential unit</td>
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<tr>
<td>Long term rental</td>
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<td>yes</td>
</tr>
<tr>
<td>Short term rental</td>
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City guidelines for short term rental licensing and use here:  
www.denvergov.org/str
ADUs in Denver Barriers

Some potential barriers to explore:

• **Size** limitations (650sf/864sf/1000sf)
• **Height** (1.5 stories/24ft)
• **Re-use** of existing structures
• Individual ADU re-zonings are coming, we have a need for the **appropriate zone districts** especially in the suburban context

1.5 story height limitation often forces the ground floor of an ADU to be **larger and more costly** than desired
How should ADUs vary by context?

- Currently ADU rules are the same citywide
- **Urban** – smaller lots typ. with alleys
- **Urban Edge** – mix of alley/no alley
- **Suburban** – different lot shapes, no alleys

The ADUs in Denver project will explore creation of a Suburban ADU form that people won’t mind having next door and would prefer over a scrape-and-replace of the primary structure.
Questions?
ADUs in Denver

Advisory Committee Input

• Activity on key issues, challenges, priorities, ideas
• Committee questions/discussion
Process Overview

2022

WINTER

PHASE 0
SETTING THE STAGE

PHASE 1
KICKOFF AND AGREEMENT

PHASE 2
EXPLORE THE ISSUES

PHASE 3
EVALUATE ALTERNATIVES

PHASE 4
RECOMMENDED STRATEGY

PHASE 5
DEVELOP TOOLS

PHASE 6
ADOPTION PROCESS

PHASE 7
IMPLEMENTATION

SPRING

MAR

2023

WINTER

FALL

SEP

JUL

AUG

JUNE

MAY

APRIL

JAN

DEC

NOV

OCT

MAR

JAN

FEB

We are here

ADUs in Denver

March 3, 2022
Process Overview

Community Advisory Committee Meetings – Generally on the 1st Thursday of the month, including April 7

<table>
<thead>
<tr>
<th>Phases 1 &amp; 2: Kickoff/Issues</th>
<th>Phase 3: Evaluate Alternatives</th>
<th>Phase 4: Recommended Strategy</th>
<th>Phase 5: Develop Tools</th>
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</thead>
<tbody>
<tr>
<td>1 Introduction/Background</td>
<td>3 Alternatives Review #1</td>
<td>5 Review Initial Strategy</td>
<td>7 Rev. Zoning Proposal</td>
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<tr>
<td>2 Explore the Issues</td>
<td>4 Alternatives Review #2</td>
<td>6 Review Final Strategy</td>
<td></td>
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</tbody>
</table>
**Process Overview**

### Other Community Outreach
- Outreach to existing organizations
- Focus groups to explore specific topics like suburban context, design issues, renter concerns, etc.
- Surveys and visual activities to gather community feedback/select alternatives
- Workshops to gather community feedback
- Open houses to inform stakeholders of progress or proposals
- Office hours to allow for customized updates/Q&A
Committee Charter

Advisory Committee role + expectations

- **Roles** – Committee, City Staff, facilitator

- **Process expectations** (how the Committee will do its work)

- **Questions, comments or suggestions?**
Public Comment

(15 min)
Next Steps

Meeting #2 – Explore the issues
(4/7/22)

What to do in the meantime?

• Think about the current barriers to ADU construction
• Think about general concerns with ADU development
• Think about ‘context sensitive’ issues and concerns urban/urban edge/suburban
• What kind of ADU would be appropriate in your neighborhood?