

Memorandum

Date: February 11, 2021

To: West Linn Planning Commission

From: Chris Myers, Associate Planner

Subject: Accessory Dwelling Unit Policy Discussion

City Council has prioritized a policy discussion around Accessory Dwelling Units (ADU) as part of the 2020 Planning Docket. The purpose will be to determine to what extent the City wishes to facilitate or complicate construction of ADUs and whether changes need to be made at the policy or code level.

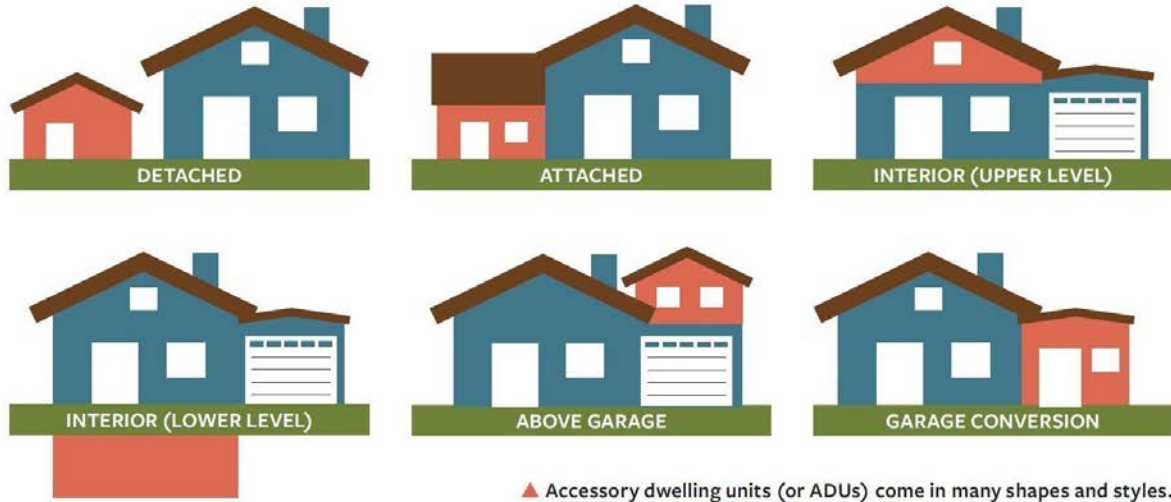
The City is required to allow one ADU to be constructed on all lots/parcels zoned for detached single-family residential use. This requirement will be expanded to duplexes as part of HB2001 implementation in June 2022. This is important information to consider as the ADU discussion evolves and policy decisions are made.

Staff has provided some basic information about ADUs, their potential benefits, and challenges with the City's existing policies and codes. The goal of the meeting will be for the Planning Commission (PC) to discuss this information and give some initial feedback to staff on where the next level of research and evaluation should be focused. Some questions for the PC to consider:

1. How much should the City of West Linn encourage construction of ADUs?
2. ADU vs. Duplex impacts to existing neighborhoods?
3. Should the City reduce fees, specifically SDCs, to potentially lower the cost burden?
4. Should the City further evaluate policy and code related to required street improvements to lower the cost burden?

What is an Accessory Dwelling Unit (ADU)?

An ADU is a self-contained living unit. It can be either attached to the primary house, such as an above-the-garage unit or a basement unit, or an independent detached structure such as a cottage or carriage house.



Benefits of ADUs:

Research and evaluation of ADUs in communities across the country has resulted in identifying several benefits from their construction, including:

1. Aging in place
2. Multi-generational housing
3. Housing for live-in help
4. Home office
5. Less expensive housing option for:
 - a. New college grads
 - b. Medically compromised adult children
 - c. Low income renters
6. Increase value of the property
7. Tax revenue for the City
8. Ensure safe construction of ADUs rather than trimmed down version without fire safe construction
9. Discreet density without changing neighborhood character

Staff's experience in West Linn is that ADUs are typically constructed in the community as an easy way to provide homeowners with flexible space for an on-site caregiver, space for family members to age in place, multi-generational housing, or as home office space. In short, ADUs offer the kind of flexibility that has become imperative in today's world of fluctuating work schedules and alternative family arrangements.

ADUs provide benefits for both society and individuals. As infill development, they make efficient use of existing infrastructure and help increase density without the large scale construction typically associated with higher density living. Because ADUs are relatively small

(West Linn code allows maximum of one-bedroom and total square footage of 250 minimum to 1,000 maximum) and their amenities modest, they provide more affordable housing options.

Challenges with building ADUs in West Linn:

Staff has identified two primary challenges with current policy and code relating to the permitting and construction of ADUs in West Linn:

1. Street improvements are required (curb/gutter/sidewalk/travel lane) if they don't already exist.
2. System Development Charges are required (approximately \$10-16,000).

System Development Charges (SDCs) or impact fees are especially hard on modest, low-cost ADUs. The cost of construction for ADUs can vary widely and a renovation to a plumbed basement will cost significantly less than newly constructed, detached, backyard ADU requiring new water and sewer infrastructure. As with any fee, The City of West Linn does not charge an ADU the full SDC amount for a single-family home, which is similar to most cities, but as with any fee, an impact fee creates a stronger disincentive the smaller the budget, because it adds on a larger percentage cost increase.

Heightening the sensitivity to added cost, ADUs are usually built by people who are not real estate development professionals. Coming up with the money to pay for ADU construction is a big stretch for most homeowners, and fees make it that much more challenging. Cash-strapped owners trying to create low-budget ADUs are most affected. When impact fees force them to take a pass, communities lose out on the benefits that ADUs can bring.

A further challenge to constructing an ADU is the potential for required street improvements. West Linn code requires a new dwelling unit to construct street improvements, including curb, gutter, sidewalk, and travel lane. Costs associated with this type of construction can vary widely based on lineal footage of improvements, necessary grading, ease of access, trees and boulders, and other related issues. On top of the construction costs, there are costs associated with hiring an engineer to develop the plans to meet City design standards.

Staff looks forward to engaging the Planning Commission in this policy/code discussion around ADUs and to also connecting the discussion to HB2001 implementation

If you have questions about the work session or materials, please feel free to email or call me at cmyers@westlinnoregon.gov or 503-742-6062. As always, please submit questions before the meeting to increase the efficiency and effectiveness of the discussion as it allows staff to prepare materials and distribute them for your consideration. Thanks and hope to see everyone next week.