

ACCESSORY DWELLING UNITS AS AFFORDABLE HOUSING AND SMART GROWTH:
CASE STUDIES OF WINTER PARK AND ORLANDO, FLORIDA

By

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To my family

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LIST OF ABBREVIATIONS

AARP	American Association of Retired People
ADU	Accessory dwelling unit
APA	American Planning Association
CRA	Community reinvestment area
DCA	Department of Community Affairs
ECHO	Elderly cottage housing opportunity
HUD	U.S. Department of Housing and Urban Development
TND	Traditional neighborhood design
VA	Veterans Administration

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After World War II, several factors including the automobile, the Interstate Highway Act of 1956, cheap land, the GI Bill, and homeownership tax benefits contributed to suburbanization and a significant change in American neighborhood designs. Families moved from historic traditional neighborhoods that included accessory dwelling units (ADUs) to low density suburbs composed of strictly single-family detached residential units. Many cities with existing ADUs, including Winter Park, Florida, adopted zoning codes that restricted ADU rentals within single-family neighborhoods. New urbanist neighborhoods embrace the ADU as an alternative to the single-family home. How might the traditional ADU address planning issues such as sprawl, lack of sufficient affordable housing and housing for the elderly, and contribute to the supply of housing in built-out areas?

While the ADU provides several benefits, many concerns are also associated with this housing alternative. Residents who oppose ADUs are concerned about parking issues, excessive traffic, reduced privacy, introduction of renters in ownership neighborhoods, loss of single-family neighborhood characteristics, and lowered housing values. Recently, some states and municipalities changed existing ordinances and created legislation that legalizes the construction

of ADU rentals in an effort to solve housing issues. Several of the new ADU ordinances provide model frameworks for communities considering permitting ADUs.

This study's methodology uses census data and local planning documents to establish the need for additional housing units within the City of Winter Park. The City of Santa Cruz, California's ADU program and Orlando's Traditional City Code provide a model for crafting an ADU ordinance for the City of Winter Park. An ADU survey and interviews with local officials provided information about existing ADU characteristics and the community's acceptance of ADUs. Some Winter Park residents oppose ADUs because of the negative impacts associated with higher densities; however, the City could benefit from providing additional affordable units for workers, the elderly, and one-person households.

The Santa Cruz and Orlando models are excellent frameworks for the Winter Park ADU ordinance and program. Winter Park needs ADU design guidelines with prototypes that maintain the existing single-family neighborhood characteristics. An ADU ordinance within Winter Park will require an extensive community outreach program and public workshops that address resident's concerns including parking issues, privacy, and noise. The outreach program should create marketing tools that educate residents about the benefits of providing ADUs within communities lacking sufficient developable land and affordable housing opportunities. A well-designed ADU ordinance can remove existing regulatory barriers that prohibit ADUs and provide a planning tool that helps solve housing issues within Winter Park.

CHAPTER 1 AN ALTERNATIVE HOUSING UNIT

The need for innovative affordable housing solutions is growing. Low-income families below poverty level or even below 50 percent of the median income cannot spend more than 30 percent of their income on housing without considerable cost burden (Downs, 2004). Currently, 33 million households suffer from cost burden (APA, 2006). In 2005, the average worker needed \$15.78 per hour to afford rent for a two-bedroom apartment (APA, 2006). At the time, \$15.78 was more than three times the minimum wage of \$5.15 per hour (APA, 2006). Rental prices continue to rise and leave many American families without decent affordable housing. Communities with a variety of housing choices that provide options for people of all ages and income levels offer an affordable housing solution worth exploring.

In recent years, some state and local governments examined ways to affordably address population growth and housing issues within existing communities. Several states conducted housing studies and concluded that accessory dwelling units (ADUs) have the potential to provide a sufficient number of affordable rental units. An ADU provides a higher density alternative to the popular detached single-family dwelling unit. An ADU is defined as “an attached or detached residential unit which provides complete independent living facilities for one or more persons, including provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as a single-family home” (Sunnyvale Planning Department, 2003, n.p.). ADUs include renovated garages, renovated basements, attached sheds, backyard cottages, and elderly cottage housing opportunities (ECHO) (MRSC, 1995). Other terms used for an ADU are accessory apartment, guest apartment, in-law apartment, granny flat, family apartment, and secondary unit (Commonwealth of Massachusetts, 2007).

ADUs increased in popularity after World War I when wealthier homeowners built secondary units for automobile garages and chauffeur living facilities (Jackson, 1985). In some historic neighborhoods, carriage houses behind the main home provided affordable housing for workers (Santa Cruz, 2003a, p. 4). The ADU began to disappear after World War II when several trends led to urban sprawl and low-density suburban developments. The attainability of the automobile, the GI Bill, the Interstate Highway Act of 1956, and homeownership tax benefits encouraged families to purchase new detached single-family housing at the perimeter of urban areas (Jackson, 1985). People who wanted privacy and an escape from urban elements left the cities for suburban developments and natural environments (Fishman as cited by Lang, 2005). Characteristics of suburbs developed from 1945 to 1973 include low-density, architectural similarities, easy availability, economic and racial homogeneity, and located outside of the urban area (Jackson, 1985). Most suburban communities adopted zoning regulations that prohibited ADUs.

After World War II, the Veteran's Administration (VA) loan program helped returning soldiers and sailors purchase over 11 million new single-family suburban homes (Duany, Plater-Zyberk, & Speck, 2000; Jackson, 1985). New single-family housing units increased from 114,000 in 1944 to 1,692,000 in 1950 (Jackson, 1985, p. 233). Suburban developments, local governments, and municipalities widely adopted single-use zoning regulations as the solution to avoiding overcrowding, factories, and inner-city blight (Duany et al., 2000; Jackson, 1985). Today, several communities maintain the suburban zoning regulations that promote single-family neighborhoods. The post-World War II suburban growth pattern provided an escape from the inner city problems and urban elements, but did little to supply decent homes for the elderly, low-income, and one-person households.

Sprawling suburban neighborhoods are claimed to be an unsustainable form of development (Duany et al., 2000). ADUs within single-family neighborhoods can create an alternative and sustainable housing option for a diverse group of people without destroying the existing neighborhood characteristics. Recently local governments began accommodating design principles from the past. New communities designed based on smart growth initiatives and traditional neighborhood designs incorporate ADUs. Smart growth initiative goals and policies promote mixed-use zoning, high-density development, revitalizing older neighborhoods, reducing auto travel, and preserving open space (Downs, 2005). Smart growth development patterns use several principles of neighborhoods developed prior to World War II (Duany et al., 2000).

Creating neighborhoods with a variety of housing choices, including ADUs, provides options for older residents who wish to 'age-in-place', single parents, and young home buyers (Cobb & Dvorak, 2000). Typically, older residents living in suburban developments, zoned single-family residential, must leave their neighborhoods when they require smaller units for health or income reasons (Duany et al., 2000). Further, neighborhoods with diverse housing options allow the elderly, families, workers, and one-person households to live within the same community. ADUs increase age distribution and income diversity within single-family neighborhoods (Chapman & Howe, 2001).

States that adopted legislation to limit local government's ability to restrict ADU developments are California and Florida (Regulatory Barriers Clearinghouse, 2006). Local governments within these states also took aggressive positions on allowing infill ADUs. Most notably, Santa Cruz, California adopted an award winning ADU ordinance that provides technical assistance and construction loans using a grant from the California Pollution Control

Financing Authority (CCS, 2004.). Santa Cruz adopted the ordinance to address an existing housing shortage and encourage residents to build infill rental ADUs (Andrews, 2005).

Communities with ADUs provide an alternative to low-density, sprawling single-family neighborhoods that lack a diverse supply of housing types and rental options. This study reviews the Santa Cruz ADU ordinance's adaptability to the Central Florida Region, particularly Winter Park, Florida. The study also examines the probability that local residents would support an ADU program that promotes construction and rental of secondary units. Case studies of the City of Orlando, Florida and the City of Winter Park, Florida provide background information on the local communities' views regarding rental ADUs. Orlando and Winter Park historically permitted the rental and construction of ADUs. The City of Orlando's Code permits the construction and leasing of ADUs; however, the City of Winter Park's Code only permits ADUs as guest quarters without cooking facilities (Winter Park, 1993). According to the definition of an ADU, cooking facilities are among the features that make these units independent living facilities. Therefore, the City of Winter Park's zoning regulations attempt to restrict the establishment of ADUs.

This study's methodology includes an assessment of the City of Winter Park's housing needs, housing types, median household incomes, median rental prices, and the existing affordability gaps. Winter Park and Santa Cruz have similar community characteristics including college campuses, higher housing costs, and a shortage of developable land. The methodology also includes a case study of the City of Orlando's ADU supply to determine Orlando's success with ADU rentals.

The City of Orlando and the City of Winter Park contain pre-World War II neighborhoods built using traditional neighborhood design concepts. The cities' neighborhood

layouts provide excellent opportunities for a mix of housing types including ADUs, multi-family residences, and single-family homes. The neighborhoods are within walking distance of transportation, shopping, employment, and doctor's offices. Providing infill units throughout Central Florida's established traditional neighborhoods creates opportunities for new residents to enjoy the same quality of life as the existing homeowners and tenants living within these desirable neighborhoods.

This document contains a total of five chapters. The next chapter reviews literature related to ADUs and the benefits and concerns associated with ADUs. The document contains a chapter that describes the methodology used to complete the case studies. The fourth chapter describes both case studies and reports the findings and analysis based on census data, interviews, and ADU surveys. The final chapter concludes this study by making recommendations and reporting key findings related to previous work completed on this topic as well as noting opportunities for future research.

In the next chapter, the literature review documents previous research and studies completed on ADU housing. Until recently, researchers completed few studies on the "Not In My Backyard" issues associated with ADUs. The next chapter reviews several of the recent opinion studies, academic literature, and other topics related to permitting ADUs. The literature review also documents state legislation adopted to encourage local governments to amend existing zoning regulations that restrict ADUs.

CHAPTER 2 THE ADU SOLUTION

Reviewing the literature relating to ADUs and the movement to use ADUs to meet future housing needs reveals that ADUs have the potential to provide affordable infill housing without compromising single-family neighborhood characteristics; however, some local governments are reluctant to allow ADU because of residents' concerns. After reviewing literature related to the nation's housing needs, the ADU's relation to these needs and its definition are outlined. Smart growth initiatives and ADU ordinances are reviewed to understand how regulations can be crafted to accommodate this housing type and address certain housing problems. Other literature reviewed includes documents highlighting the benefits and resident concerns associated with ADUs. This chapter concludes with a description of the ADU ordinance implemented in Santa Cruz, California as a means to identify successful elements of an ordinance that accommodates ADUs.

The Accessory Dwelling Unit

Pre-World War II, communities developed using traditional neighborhood design (TND) elements (Duany et al., 2000). TND includes mixed-use, mixed-age groups, pedestrian-friendly communities with a variety of housing choices, including ADUs (Duany et al., 2000). Pre-World War II, ADUs were part of the traditional development within American communities. ADUs are a historic form of affordable housing (Duany et al., 2000).

For instance, in San Francisco, California, historically lower income residents and household help lived in ADUs (Spur, 2001). San Francisco residents built additional illegal units during World War II to meet the housing needs of workers taking defense jobs (Spur, 2001). The Bureau of Building Inspection estimated that in 1960 San Francisco had 20,000 to 30,000 secondary units (Spur, 2001).

After World War II, local governments and planners adopted residential zoning ordinances to limit or ban the use of ADUs in single family neighborhoods (MRSC, 1995). The intent of zoning is to protect the public from congestion, blight, and noxious industries (Jackson, 1985). However, zoning separated low-density, medium density, medical offices, general offices, restaurants, and shopping and helped foster sprawl near America's cities (Duany et al., 2000). Other factors that eliminated neighborhoods with housing choices include mass produced automobiles, cheap fuel, the GI Bill, cheap land, the federal highway program, and long-term mortgage loans (Jackson, 1985). When soldiers returned home from war, the marriage and birth rate rose, and homeownership became cheaper than renting (Jackson, 1985). Postwar communities, such as Levittown, New York, consisted of mass produced, detached, single-family and single-use zoned, suburban middle-class ranch houses with carports (Jackson, 1985). Adopting zoning regulations that restricted the construction and use of ADUs denied affordable housing options to generations of low-income Americans (Kelbaugh, 2001).

America still contains a number of older large homes; however, America's typical family size is shrinking (Kelbaugh, 2001). In 2006, single person households represented 27 percent of the nation's total households (APA, 2006). According to the 2000 Census, elderly households represented 22 million of the single person households and the number will double within 25 years (APA, 2006). The nation is facing a housing crisis, but not due to a shortage of single family homes. The 2004 American Community Survey documented 122.7 million units for 109.9 million households (APA, 2006). In 2005, the State of Florida documented 7,302,947 housing units for 6,337,929 households (City of Orlando, 2005). America has a housing problem because single-family homes do not meet the needs of every American family. Developers built an average of 1.9 million units each year from 2000 to 2004 (APA, 2006). U.S. government

housing policies encourage homeownership, which creates an excess housing supply of single-family homes and few affordable rental units (Downs, 2004).

The housing problem remains because America's units are too large, too expensive, and too distant from jobs. The Joint Center for Housing Studies estimated that over 100,000 low-cost units are lost each year (APA, 2006). The existing rental units are lost to redevelopment, gentrification, and deterioration (APA, 2006). The U.S. Department of Housing and Urban Development determined that "If one in every 10 of America's owner-occupied single-family homes built before 1975 were to devote space to an ADU, 3.8 million rental units would be generated increasing the supply of rental housing by 10 percent (NIMBY report as cited by MRSC, 1995). Thus, "Planners need to learn strategies which create affordable and diverse housing such as accessory apartments, cluster housing, elder cottages, manufactured housing, mixed-income households, shared residences, accessory dwelling units, single room occupancies, and provide regulations allowing these strategies" (APA, 2006, n.p.). To implement affordable housing strategies, planners need to use tools including comprehensive and strategic plans, zoning, regulatory tools, and development incentives (APA, 2006).

ADU Benefits

ADUs are a popular smart growth cost-effective technique for creating low- and moderate-income housing for homeowners and renters (MRSC, 1995). An ADU costs 25 to 40 percent less than constructing a new unit the same size (MRSC, 1995). ADUs increase the supply of affordable housing without government subsidies and provide the homeowner with extra income to meet ongoing housing costs (MRSC, 1995).

Most notably, ADUs provide alternative rental housing options within single-family neighborhoods (MRSC, 1995). ADUs blend into single-family neighborhoods and communities, which is a benefit compared to concentrated clusters of government affordable housing (MRSC,

1995). Integrating ADUs within single-family neighborhoods gives people an opportunity to live in better neighborhoods (MRSC, 1995). A neighborhood can absorb one ADU for every ten single-family homes without adversely impacting the single-family low-density neighborhood character (Duany et al., 2000). Diverse housing options within one neighborhood allows residents to upgrade or downsize their housing unit without leaving the community (Duany et al., 2000).

ADUs benefit the elderly by providing additional income and reducing the financial burden of larger homes (TALC, 2004). The elderly can downsize to an ADU without leaving the neighborhood (TALC, 2004). Adult children can build an ADU, which allows parents to live nearby (TALC, 2004). Other benefits associated with ADUs are the ability to live within more expensive desirable neighborhoods and the ability to exchange services with the person living in the other unit (TALC, 2004). Also, an elderly person might remain living within the main house with a paid caregiver residing in the ADU (Chapman & Howe, 2001). While ADUs significantly benefit the elderly, ADU ordinances should not contain age restrictive zoning (Chapman & Howe, 2001, p. 649). Adding age restrictions to the zoning code prevents other homeowners from building ADUs, which could later house the elderly (Chapman & Howe, 2001).

In Montgomery, New York a new ADU ordinance helped residents earn enough money to renovate the historic structures located on their property (Sherman-Presser, 2007). Kentlands, a new urbanist development located in Gaithersburg, Maryland, provides various housing choices including townhouses, mansions, and garage apartments (Duany et al., 2000).

According to the project's architect, "a woman living in Kentlands rents out her large house for an amount that covers the mortgage while she lives in the garage apartment rent free" (Duany et al., 2000, p.52). Incorporating ADUs into existing neighborhoods creates an environment

similar to new urbanism neighborhoods. While some residents argue that permitting ADUs lowers property values in single-family neighborhoods, research shows that people pay 15 percent more to live within new urbanist communities that provide single-family homes with ADUs (Duany et al., 2000; Lang, 2004). Thus, ADUs should actually increase the desirability and value of neighborhoods.

New housing developments that include ADUs incorporate more people into the same space and reduce the vehicle miles traveled by residents (New Urban News, 2001). The City of Durham, North Carolina amended its charter to permit ADUs with the Trinity Heights infill project (New Urban News, 2001). In an attempt to eliminate builder's concerns about ADU developments, the Trinity Heights developer offered financial incentives. Specifically, builders could delay paying the developer for lots provided they developed an ADU with the home on those lots; at the time of sale, the builder could pay the developer 17 percent of the selling price rather than the price of the lot (New Urban News, 2001). Amelia Park is a new development located in Fernandina Beach, Florida that includes an ADU upgrade option (New Urban News, 2001). People who plan to retire in Fernandina Beach are purchasing townhomes with ADUs in Amelia Park and renting out the main townhouse to pay the mortgage (New Urban News, 2001). The homeowners visit on the weekends and stay in the ADU (New Urban News, 2001).

ADUs provide several benefits to municipalities. Municipalities may charge additional property tax revenues when a homeowner adds an ADU and increases the value of the property (Commonwealth of Massachusetts, 2007). ADUs provide moderately priced housing for local employees without requiring local funding (Commonwealth of Massachusetts, 2007). Having a supply of moderately priced housing may help to attract new business and does not require municipalities extend utilities and services (Commonwealth of Massachusetts, 2007).

Community Concerns

Yet, several counties prohibit the construction or rental of ADUs due to residents' concerns. A study completed by Carlson and Mathur (2004) identified Montgomery County, Maryland, Somerset and Middlesex County in New Jersey, and Fairfax County, Virginia as places that restrict ADUs. Fairfax County only allows elderly residents to live within ADUs (Carlson & Mathur, 2004). Communities have different reasons for prohibiting ADUs. Concerns associated with ADUs include the belief that permitting higher densities changes single-family neighborhood character, increases parking and traffic congestion, and decreases property values (MRSC, 1995). For this reason, some homeowners chose to prohibit ADUs in an attempt to preserve single-family neighborhood characteristics and property values (MRSC, 1995). Prohibiting secondary units within single-family neighborhoods sometimes results in residents building illegal ADUs, which violate zoning restrictions and create community opposition (Andrews, 2005). In San Francisco, housing inspectors often respond to resident's complaints about illegal ADUs within their neighborhoods (Spur, 2001). When the inspectors find the unauthorized units, they remove the units from the housing stock through code enforcement (Spur, 2001). Code enforcement removes 50 to 100 illegal ADUs each year, which displaces elderly and low-income residents in need of affordable rental units (Spur, 2001).

Some communities prohibit ADUs based on concerns about overcrowding and congestion; however, an ADU study conducted in Seattle averaged 1.20 persons living within the surveyed ADUs (Chapman & Howe, 2001, p. 643). The Seattle study indicated that when zoning regulations permit ADUs, few residents actually convert or construct the units (Chapman & Howe, 2001). Over a 3 ½ year period, Seattle residents only created 101 ADU conversions. The study concluded that ADUs do not overwhelm or overcrowd neighborhoods based on the low number of garage conversions (Chapman & Howe, 2001). In an effort to control

overcrowding, some ADU ordinances include language limiting the number of persons per square feet or limiting the number of persons in both the main unit and the ADU to the municipalities' definition of a "family" (MRSC, 1995).

While ADUs provide benefits for the elderly, a Seattle study indicated that people over the age of 65 are not likely to own or rent a newly constructed ADU (Chapman & Howe, 2001). Also, ADUs are not always accessible for the elderly. The successful implementation of ADUs that allow the elderly to "age in place" depends on the communities' environmental features (Chapman & Howe, 2001). Some communities, such as Seattle, Washington, are built on sloped sites, and the ADU supply consists of basement conversions that are difficult for the elderly to access (Chapman & Howe, 2001). Thus, the success of ADUs for the elderly relies on accessibility and, if the elderly resident already owns the home, his or her willingness to have the ADU constructed on the property.

Linking growth management and affordable housing, Robert Lang (2004) , then Associate Editor of Housing Policy Debate, responded to California's ADU Assembly Bill 1866, "What California really needs is an accurate assessment of impact showing in which cases granny flats lower house values. Perhaps then the state could target the law to localities where house values are the least affected by accessory dwellings." (p. 170). Sirmans and Macpherson conducted a property value study using hedonic modeling. The study concluded that "granny flats or "in-law" suites reduce housing prices by 5.2 percent" (Sirmans and Macpherson as cited by Lang, 2004, p. 168). Sirmans and Macpherson's study contradicts the research that determined people pay 15 percent more to live within new urbanism communities (Lang, 2004). The difference in evidence regarding housing values could be contributed to two different housing markets: people

who choose higher densities and people who choose low-density suburbs (Lang, 2004).

Commenting on Sirman and Macpherson's study, Lang (2005) stated:

While a good New Urbanist or city neighborhood may attract plenty of buyers, suburban homes that have some urban elements may not be in high demand. Many places with urban feel and amenities, including mixed uses, attract city lovers. But a granny flat slapped on the back of a single-family detached suburban home does not a city make. (pg. 9)

Homebuyers in each housing market have biases towards the characteristics that violate the other market (Lang, 2005). Expensive suburbs create homeowners associations that restrict uses that resemble the city and help maintain the antiurban ideal (Lang, 2005)

During the completion of a U.S. Housing and Urban Development (HUD) report on granny flats, Lang was asked about his position on ADUs within his neighborhood (Lang, 2004). While Lang (2004) supports ADUs, he does not in his neighborhood because, he contends that adding extra units within single-family neighborhoods drops home values by 5 to 10 percent. Even if this is not a bias of the current homeowner, the next homebuyer may not purchase a home based on higher densities of ADUs within single-family neighborhoods (Lang, 2004).

Since ADUs are independent living facilities, local governments have the right to charge impact fees for creating an ADU. Some local governments charge impact fees in an attempt to discourage higher densities (New Urban News as cited by Koebel, Beamish, Danielson-Lang, Steeves, 2003). Other local governments charge ADU impact fees for both the construction of new housing developments with ADUs and the addition of an ADU to existing single-family homes (Koebel et al., 2003). In Longmont, California, the impact fee for a new ADU is \$6,000 (New Urban News, 2001). However, there is a general trend towards streamlining the permit process and creating an easier development process that encourages people to add ADUs (Koebel et al., 2003). While the local governments are making the ADU development process easier, new suburban developments with higher densities may need to restrict the development of

ADUs to the original construction or garage conversions rather than allow ADUs after the original construction and attempt to regulate irregular lot sizes, parking, and the need for transit (Koebel et al., 2003).

Workforce Housing and the Accessory Dwelling Unit

Several cities are considering ADUs as solutions to affordable housing needs. A National Housing Conference study concluded that across the nation janitors, retail salespersons, elementary school teachers, police officers, and registered nurses cannot afford a median-priced \$170,000 home (Sullivan, 2004). Janitors and retail salespersons used more than 30 percent of their annual household income when renting a two-bedroom apartment (Sullivan, 2004). For people who work in higher-priced areas or central cities, the only affordable housing options are in the suburbs (Sullivan, 2004).

San Francisco, California created an inclusionary ordinance that requires developments with more than 10 units to designate 12 percent of the units as affordable for people earning 60 percent or less of the median family income (Sullivan, 2004). The city also attempted to relax regulatory requirements and encourage developers to build housing for people earning 80 to 120 percent of the area's median income; however, voters voted against the proposition (Sullivan, 2004). As an alternative to the defeated proposition, the housing consultant for the San Francisco Chamber of Commerce recommends that the city eliminate restrictions on ADUs (Sullivan, 2004).

Edina, Minnesota's average income is \$66,019, and its average home price is \$338,000 (Sullivan, 2004). Teachers, day care workers, service industry workers, firefighters, and police officers cannot afford to purchase homes within Edina (Sullivan, 2004). In an effort to address

workforce housing¹ needs, Edina’s Our Lady of Grace Church and Third Way Network, a non-profit group, requested that Edina establish city codes that permit ADUs within single-family neighborhoods (Sullivan, 2004).

Smart Growth and the Accessory Dwelling Unit

Central Florida has serious affordable housing issues; among them, some lower income residents cannot afford to live near their jobs (Orlando, 2005). The Central Florida region needs to consider smart growth alternatives that counteract rapid population growth and ensure affordable housing. Smart growth refers to “an overall set of broad goals and policies designed to counteract sprawl” (Downs, 2004, p. 265). The policies include limiting outward expansion, encouraging higher densities, encouraging mixed-use zoning, reducing travel, revitalizing older areas, preserving open space, and often promoting affordable housing (Downs, 2004).

Affordability means “any household able to pay for occupying a unit of ‘decent quality’ (as determined by middle-class standards) without spending more than a certain fraction of its income for housing, usually 30 percent” (HUD as cited in Downs, 2004). In 2000, 10.9 percent of Orange County, Florida residents were living in poverty (Orlando, 2005). Extremely low-income residents with incomes at or below 30 percent of the area median income have the greatest need for affordable housing in Florida (Orlando, 2005).

Smart growth regulations that address residential uses include allowing ADUs, establishing time limits on the development review process, streamlining the permit review process, allowing a mix of housing options, authorizing small lot infill development, and

¹ Several definitions for “workforce housing” exist. Sullivan defines the term as the gap facing those who earn too much to qualify for affordable housing subsidies but not enough to afford a home or an apartment. The National Housing Conference defines the term as housing for those with at least one full-time worker who earns between minimum wage and the amount needed to afford to live in the area. The Urban Land Institute “puts the bottom end of the workforce housing bracket at 50 or 60 percent of median family income – the upper cutoff for many federal subsidies” (Sullivan, 2004, p. 2).

providing intensive development near mass transit (Meck, 2000). These planning tools provide additional housing opportunities for lower income individuals (Meck, 2000).

Communities may measure smart growth principles by examining whether the community uses more land as the population grows (Meck, 2000). Other smart growth indicators include whether employers think it is difficult for their employees to find affordable housing and transportation options (Meck, 2000). Constructing ADUs increases the supply of affordable housing without increasing sprawl and promotes transportation patterns that reduce pollution (TALC, 2004). Implementing smart growth principles, including affordable housing, requires local governments to lower the cost of housing construction by permitting manufactured housing, creating accessory apartments, and constructing small cottages (Downs, 2004).

ADU Ordinances

Among the arguments for permitting ADUs, including sustainable smart growth, additional income, and housing for the elderly, the most important is to address affordable housing needs. In response to the growing housing issues, states including California and Florida have adopted legislation that encourages local governments to provide ADUs within single-family neighborhoods (Nelson et al., 2004, p. 169). The State of Washington's legislature mandates that cities over 20,000 in population allow ADUs within single-family zoning districts (MRSC, 1995). ADU ordinances provide design and density guidelines that help to control the development of ADUs and ease community concerns (MRSC, 1995).

In an attempt to solve a significant housing shortage, California created ADU legislation (Sunnyvale Planning Department, 2003). California's Assembly Bill 1866 mandates that local governments approve applications for granny flats without public hearings or discretionary reviews (Nelson et al., 2004, p. 169; Sunnyvale Planning Department, 2003). If California's local governments choose not to adopt an ADU ordinance, then they must use state-established

criteria to approve or deny ADU applications (Regulatory Barriers Clearinghouse, 2006). The law also exempts ADUs from local growth controls and state environmental reviews (Regulatory Barriers Clearinghouse, 2006). However, California's law placed some restrictions on the construction and rental of ADUs. California's ADUs are only for rental purposes, cannot be larger than 1,200 square feet, cannot exceed 30 percent of the primary unit's existing living area, and local governments must use ADU zones to control the intensity of ADUs within single-family neighborhoods (Regulatory Barriers Clearinghouse, 2006). Cities establish ADU zones based on criteria including available water and sewer and existing traffic congestion levels (Regulatory Barriers Clearinghouse, 2006). The new California bill created controversy as local governments began adopting local ordinances that placed numerous restrictions on the development of ADUs (Nelson et al., 2004, p. 169).

In 2004, Florida's government found that Florida's housing prices were unaffordable for residents earning 80 percent or less of the median household income (Regulatory Barriers Clearinghouse, 2006). Florida adopted ADU legislation as a solution to the growing affordable housing shortage (Regulatory Barriers Clearinghouse, 2006). The ADU legislation allows local government to adopt ADU ordinances after establishing an existing need for additional affordable rental units (Regulatory Barriers Clearinghouse, 2006). Any ADUs constructed under the ADU ordinance count towards satisfying the community's housing needs identified in the local comprehensive plan (Regulatory Barriers Clearinghouse, 2006). The legislation requires that local governments place income restrictions on the constructed ADUs (Regulatory Barriers Clearinghouse, 2006). Renters must qualify as very low-, low-, and moderate-income people earning less than 80 percent of the median household income (Regulatory Barriers Clearinghouse, 2006). After local governments implement ADU ordinances, the Florida

Department of Community Affairs (DCA) evaluates the ordinance's effectiveness and the number of units built (Regulatory Barriers Clearinghouse, 2006). Recently, DCA reported that Key West is the only community in Florida taking advantage of the rent restriction ADU legislation (ADG, 2007, p.92). The report also indicated that few local governments permit ADUs without rent restrictions (ADG, 2007)

Several local governments adopted ADU ordinances after determining that ADUs are the quickest and most cost-effective way to provide affordable housing units (Kelbaugh, 2001). After 9/11, Montgomery, New York faced a housing shortage (Sherman-Presser, 2007). The Montgomery Affordable Housing Committee reported that the elderly and young adult populations needed housing units (Sherman-Presser, 2007). Montgomery adopted an ADU ordinance, which allowed homeowners to rent their barns, carriage houses, and garages (Sherman-Presser, 2007). Santa Cruz, California implemented an award winning ADU ordinance in response to an increasing housing shortage within the community (CCS, 2004.). Sunnyvale, California added ADUs to its municipal code in compliance with the previously mentioned California Assembly Bill 1866, which permits ADUs without hearings. Sunnyvale requires that the homeowner occupy either the primary residence or the ADU for a minimum of 20 years (Sunnyvale Planning Department, 2003).

Generally, ADU ordinances include parking requirements, architectural guidelines, heights, sizes, setbacks, and densities (TALC, 2004). Expensive design guidelines, large lot size requirements, and expanded parking requirements limit the number of ADUs created within a community (TALC, 2004) Fewer homeowners construct and rent ADUs when the ordinances contain excessive restrictions (Commonwealth of Massachusetts, 2007).

The Model ADU Program: Santa Cruz, California

Local governments with successful ADU programs and ordinances serve as models for implementing ADU planning tools and addressing community concerns. Santa Cruz, California adopted an ADU ordinance as a solution to its housing and developable land shortage. Santa Cruz's industry consists of the University of California Santa Cruz, tourism, technology, and agriculture (Andrews, 2005). Many Santa Cruz residents commute to Silicon Valley for work (Andrews, 2005). In 2004, Santa Cruz's median home price was \$670,000, which is 24 percent higher than the 2003 median home price (Andrews, 2005). Only 6.9 percent of the residents can afford a median priced home (CCS, 2004.).

Prior to the ADU ordinance, Santa Cruz homeowners created illegal ADUs to accommodate the University of California, Santa Cruz's growth, create affordable housing, and provide additional units (Andrews, 2005). According to Santa Cruz Housing Director Carol Berg, "People realize there is a housing shortage. Accessory dwellings are a way to increase density without destroying the neighborhood" (Andrews, 2005). Santa Cruz conducted a housing study that identified housing options based on three variables: What options are most cost effective to develop? What options can be implemented with relative ease? And, what options might provide the greatest number of units? (Santa Cruz, 2002, p.5). The City of Santa Cruz categorized ideal alternative housing option as ADUs for seniors, ADUs for students, and single-family homes with an ADU for first-time homebuyers (Santa Cruz, 2002). In 2003, Santa Cruz adopted an ADU ordinance and an ADU program to encourage homeowners to add secondary units to their single-family parcels (CCS, 2004.).

The ADU program received a three-year \$350,000 Sustainable Communities Grant funded by the California Pollution Control Financing Authority (Andrews, 2005). The City provides program financial assistance through an ADU loan program with Santa Cruz Community Credit

Union, waiver of development fees, construction training, and a waiver subsidy program (APA, 2005). During the grant period, the City provided participants with \$100 for one hour of technical assistance with an architect or engineer and monetary incentives for hiring women construction workers (CCS, 2004). The financial assistance grant period ended; however, the Santa Cruz Community Credit Union continued providing low-interest loans for homeowners who maintain their units as affordable (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008). The ADU program's goal is to make building and renting ADUs more profitable than moving to areas outside the City's core (Andrews, 2005).

The program allows homeowners to build "by right" (CCS, 2004). In 2005, Santa Cruz issued over 180 copies of the ADU manual and plan set to residents and over 90 copies to other cities (Andrews, 2005). Bruce Knight, FAICP, commented:

Like many older communities, Santa Cruz had few options for the development of new affordable housing. Through this program, the city has exponentially expanded the number of potential development sites and done so in a way that doesn't jeopardize community character. (APA, 2005, n.p.)

The Santa Cruz ADU program received the 2004 National Award for Smart Growth and the American Planning Association's 2005 National Outstanding Planning Award for creating a program that encourages residents to add rental units with no charge to the City and little change to the existing neighborhood (APA, 2005; EPA, 2004). The program created 35 new units in the first year and 36 units during the second year (APA, 2005; Andrews, 2005). Santa Cruz designed the ADU program for transferability to other cities with similar characteristics and neighborhood designs (Andrews, 2005).

Central Florida's Population Growth and Housing Crisis

The growing Central Florida region faces population growth and housing issues similar to California. Creating a Central Florida program similar to the Santa Cruz ADU program will provide additional housing units to help solve the current problems facing the region. Central Florida's population increased from 1.6 million residents in 1980 to 3.5 million residents in 2005 (Central Florida Joint Policy Framework Committee, 2007). Since 1980, the region added 100 million new jobs (Central Florida Joint Policy Framework Committee, 2007). Land development scenarios based on Central Florida's past development practices predict that by 2050 future growth will consume 2,577 square miles of land (Central Florida Joint Policy Framework Committee, 2007). Amazingly, the amount of land needed to accommodate Central Florida's growth over the next 45 years equals the amount of land consumed in the past 440 years (Central Florida Joint Policy Framework Committee, 2007). In the past, housing developers constructed one-story, single-family homes on ½ acre lots (Central Florida Joint Policy Framework Committee, 2007). With 7.2 million new residents by 2050, Central Florida's resulting sprawl will increase water consumption by 70 percent and deplete the Floridan aquifer (Central Florida Joint Policy Framework Committee, 2007). Central Florida's post-World War II developments created single-story, single-family, large-lot developments that cannot support the region's future needs. These unsustainable development patterns consume excessive land and destroy fragile ecosystems. In order to accommodate this growth and avoid these impacts, Central Florida governments need to preserve land, provide transportation options, promote compact development, and design obtainable housing that is integrated with market-rate housing. ADU development encompasses all of the necessary requirements for future smart growth within the Central Florida region.

The next chapter explains the methodology used to measure the adaptability of the Santa Cruz ADU program to Winter Park, Florida. In addition to the Santa Cruz program, the methodology reviews the City of Orlando's ADU ordinance for compatible features from a nearby community. The methodology examines both the City of Orlando and the City of Winter Park for affordability and housing needs. The following chapter explains the surveys, interviews, and documents reviewed and analyzed in the findings and analysis section of this study.

CHAPTER 3 MEASURING ADU NEEDS AND ADAPTABILITY

This chapter describes the methodology used to measure the need for affordable housing and additional housing units within the two case study areas. The methodology also examines whether or not ADU owners living within the case study areas support ADUs as a solution to affordable housing and population growth. The ADU case studies include Winter Park, Florida and Orlando, Florida. Both case studies include an affordability profile. The study focuses on removing regulatory barriers and implementing a model ADU ordinance in Winter Park, similar to the ordinances created by Santa Cruz, California and the City of Orlando. This chapter begins by describing the affordability profile methodology. Next, the chapter describes the documents used to quantify the case study findings and explains the methodology used to determine whether the Santa Cruz and Orlando ADU ordinances are adaptable to Winter Park.

This study's methodology uses a modified version of Daniel Carlson and Shishir Mathur's methodology from *Does Growth Management Aid Affordable Housing?*, Rodney L. Cobb and Scott Dvorak's American Association of Retired Persons (AARP) *Accessory Dwelling Units: A Model State Act and Local Ordinance* methodology as well as the housing study used to establish the Santa Cruz ADU Ordinance. Carlson and Mathur's (2004) study compared several counties with growth management policies to determine if the growth management policies create affordability barriers for moderate- and low-income residents living within those counties. Carlson and Mathur's (2004) definition of moderate- and low-income residents is defined as residents earning less than 80 percent of the median income in the study area (p. 22). Applied here, this methodology provides a snapshot of affordability within the case study areas as compared to the Orlando MSA. Using 2000 Census data from the City of Winter Park and the

City of Orlando, the two areas are compared to the Orlando MSA to determine if these communities are less affordable than other Central Florida areas.

Winter Park and Orlando are established cities with long histories in the Central Florida region. The two cities contain similar traditional neighborhood design features including preserving open space, pedestrian-friendly, “village scale”, new urbanism designs, mixed-use, existing ADUs, and community redevelopment areas. Currently, the City of Orlando permits ADUs “by right”; however, the City of Winter Park permits ADUs as guest quarters without cooking facilities throughout the city. As a historic preservation incentive, Winter Park allows homes with historic preservation designations to legally activate and rent an ADU. This study examines the feasibility of meeting housing needs using ADUs, the barriers to providing ADUs, and the incentives; particularly, planning tools, that encourage ADUs while addressing common concerns about this housing type.

Using census data from 1990 and 2000, the methodology determines housing affordability in Winter Park and Orlando by comparing median gross rents for both the City of Orlando and the City of Winter Park with the Orlando MSA’s gross rent. Then, the rental costs of ADUs compared to rental costs documented in the census data are examined. The case study calculates the comparison by conducting a short ADU survey within Orlando and Winter Park. The survey asks ADU homeowners various questions including how much they charge for monthly rent.

The case study methodology also looks at the “rent-to-income ratio” by dividing the percent difference from 1990 to 2000 median household income by the 1990 to 2000 median gross rents (Carlson & Mathur, 2004, p. 29). The “rent-to-income ratio” ratios above 1 indicate a reduction in affordability from 1990 to 2000 and ratios below 1 indicate that affordability

increased (Carlson & Mathur, 2004, p. 28). The case study also calculates the affordability gap to determine the amount of subsidy needed by residents earning 50 to 80 percent of the median income to afford median priced rental housing. The affordability gap methodology calculates 30 percent of the median household income divided by twelve and subtracts that number from the median gross rent to determine the necessary monthly rent subsidy for residents earning 50 and 80 percent of the median household income.

Similar to the AARP ADU study, this study reviews existing literature on ADUs, state ADU legislation, local ADU ordinances, and conducts interviews with local officials and ADU experts to develop information on key ADU issues. The case study examines Winter Park's Housing Element, Winter Park's Strategic Plan, Winter Park's Code of Ordinances, Orlando's Code of Ordinances, Orlando's Housing Element, and Orlando's Consolidated Plan for information pertaining to affordable housing needs and ADUs. Using these public documents, each of the cities' strategies for providing affordable housing, the number of additional affordable units proposed, local workforce housing initiatives, and permitted zoning regulations are determined. For qualitative information regarding community views, the author conducts interviews with key officials from the Winter Park Planning Department, the Orlando Planning Department, and the Santa Cruz Planning Department. The interview questions address the cities' progress towards meeting affordable and workforce housing needs and community reactions to ADUs.

The author used the Orange County Property Appraiser's website to obtain a random sample of Winter Park and Orlando ADU homeowner's names and addresses and sent forty ADU surveys to homeowners in Winter Park and forty ADU surveys to homeowners in Orlando.

The ADU survey asks respondents the following questions (see the appendix for the complete survey).

- Are ADUs a satisfactory solution to population growth and affordable housing?
- What is the primary purpose of the ADU?
- Is the unit currently rented?
- How much do you charge per month?
- If zoning regulations permitted ADU rentals, would you rent the unit?

The purpose of the survey is to measure whether Central Florida residents support ADU ordinances and the benefits associated with the existing units. This study also explores when and why Winter Park changed its code to restrict the rental of existing ADUs by implementing regulatory barriers that prohibit cooking facilities within ADUs. Units without cooking facilities are not “independent” of the primary structure.

The case study of Winter Park uses Orlando and Santa Cruz as the model ADU cities. The author selected the Santa Cruz, California ADU program as one of the models based on the program winning an American Planning Association Award and an Environmental Protection Agency Smart Growth Award. Another reason for using the Santa Cruz model is that both Winter Park and Santa Cruz are built-out college towns. However, Winter Park and Santa Cruz have substantial differences in community culture. While the Winter Park area is a conservative upper income community, Santa Cruz is more of a liberal college town. Another distinction between Winter Park and Santa Cruz is the difference in housing needs. Winter Park’s elderly population is projected to increase by 120 percent and affordable housing is being lost to reconstruction; however, Santa Cruz cannot provide enough housing units for families, which resulted in two elementary schools closing. Orlando serves as an example of a successful and established ADU program in Central Florida and within minutes of Winter Park. The case study uses Orlando’s Traditional City zoning code as the other model based on Winter Park and

Orlando’s similar pre-World War II design principles. This methodology examines characteristics from Orlando and Santa Cruz’s zoning regulations in the context of the City of Winter Park. The Santa Cruz ADU program encourages homeowners to build ADUs in their existing home, garage, or backyard (APA, 2005). The City of Orlando allows residents to construct ADUs “by right” provided the lot exceeds a certain size; however, both cities have strict regulations that preserve neighborhood characteristics.

Using the methodology, findings, and analysis from the Santa Cruz ADU program and housing study, the success of ADUs within the City of Winter Park is determined. Based on the Santa Cruz housing study and ordinance, the following characteristics are identified as criteria for a successful ADU program. Using interviews, surveys, and document review, this study will compare Winter Park’s current regulations to the following list of requirements derived from Santa Cruz’s studies and ordinance.

- A speedy and consistent approval process
- Public-private partnerships
- Communities’ openness to higher densities
- Architectural design standards
- Rental units within the city core
- Infill development policies
- Community outreach programs
- Design prototypes that address concerns expressed by the community¹
- Technical assistance
- Lenient parking requirements that encourage ADU development
- Waive development fees for units rented at affordable rents as established by the city
- Manuals on “how to be a good neighbor”
- Minimum lot sizes (Santa Cruz requires 5,000 square-foot lots)
- One ADU permitted per parcel
- Property owner as occupant of either the primary residence or the ADU
- ADU setbacks in accordance with Uniform Building Code
- ADU orientation to protect scenic views

¹ According to the American Planning Association, Santa Cruz’s design prototype guidelines illustrate energy-efficient units with small footprints. The units also address privacy issues, surveillance, the use of pre-fabricated materials, how to bring the outdoors inside, and how to incorporate an ADU into an existing garage.

- Adequate sewer and water to serve both the primary residence and the ADU
- Exterior compatible with the neighborhood
- No excessive noise, traffic, or congestion permitted (Santa Cruz, 2002; Santa Cruz, 2003b).

The Santa Cruz housing study had two assumptions: economically diverse communities require a broad range of housing options and any new housing designs require sensitivity and compatibility with the unique community character (Santa Cruz, 2002).

The Santa Cruz ADU study developed ADU orientation guidelines for three neighborhood contexts: traditional neighborhoods, transitional neighborhoods, and post war neighborhoods (see Figure 3-1). This study uses fieldwork, historic Sanborn maps, and the Orange County Property Appraiser's aerial maps to examine Winter Park's neighborhood designs and determines whether or not ADUs are feasible within the neighborhood contexts. The Sanborn maps indicate historic street names, lot lines, and property boundaries. ADUs are represented as both "A" and "D". The map key indicates that "D" represents dwellings and "A" represents private garages and automobile houses. This study establishes the appropriate type of ADU and orientation for a sample of Winter Park neighborhoods that can accommodate ADU development or conversions based on Santa Cruz's criteria.

ADU programs provide opportunities for older neighborhoods to add new rental units without changing community character. The methodology uses the "1 in 10 approach"² to calculate the number of single-family homes located within Winter Park and the number of rental units that could be added through an ADU program. Using the Santa Cruz ADU program as a guide, the total number of single-family lots at or above the minimum lot size of 5,000 square

² The 1 in 10 approach maintains that adding 1 ADU for every 10 single-family homes will not adversely impact neighborhoods single-family character including low-density, minimal traffic, and minimal congestion.

feet within Winter Park will indicate the number of potential secondary units if independent ADUs are permitted in single-family neighborhoods.

The methodology described above quantitatively measures the affordability of housing within the two case study areas to determine a need for affordable housing programs and incentives. Interviews with local officials and homeowner surveys help to determine qualitative and quantitative community needs. The methodology uses the Santa Cruz ADU program as a guide for implementing secondary unit infill development within established neighborhoods in need of additional affordable housing units. Chapter Four provides the context for Winter Park and Orlando's older neighborhoods, presents the reason why Winter Park changed its ADU land development regulations, and applies the methodology described in this chapter to the case study areas. The next chapter concludes with an analysis of the transferability of an ADU ordinance and program to the City of Winter Park. Chapter 5 recommends planning tools including possible zoning changes, design standards, and outreach programs for successful ADU implementation within the community.

Santa Cruz Neighborhood Contexts

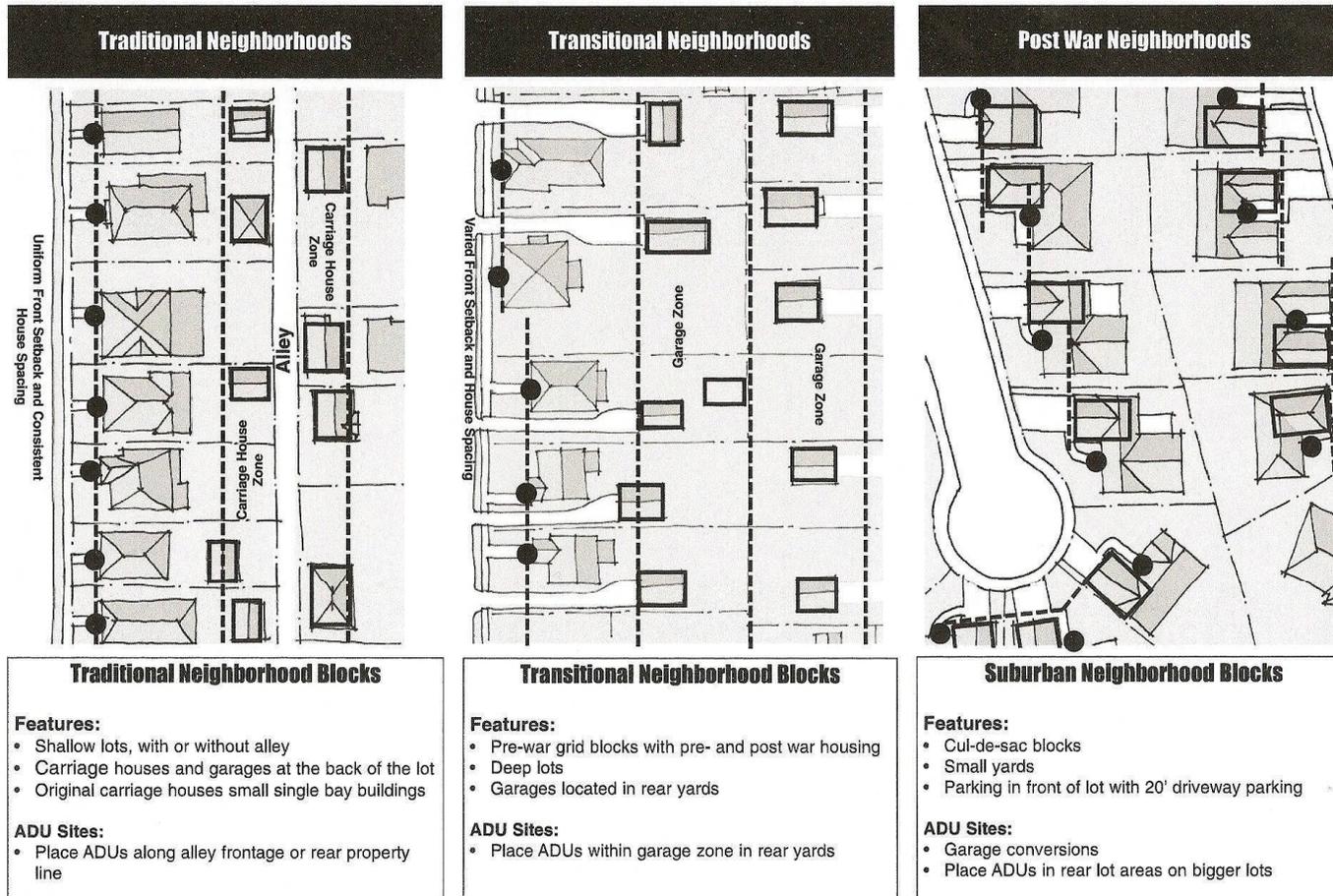


Figure 3-1. Santa Cruz Neighborhood Contexts (Credit: Illustration by Bruce Race of RACESTUDIO, Berkley, California, Source: Santa Cruz ADU Manual, 2003).

CHAPTER 4 CASE STUDIES: ORLANDO AND WINTER PARK

In this chapter ADUs in Orlando and Winter Park are analyzed as affordable housing and smart growth. This analysis involves affordability profiles, reviewing local planning documents, surveys, and interviews. The chapter begins with a description of the two cities' urban design characteristics including pre-World War II traditional neighborhood designs, which historically permitted ADUs. The current housing needs in the City of Winter Park and the City of Orlando are analyzed using local planning documents, median gross rents, rent-to-income ratios, and affordability gaps. Then, the City of Winter Park's housing needs and community perspectives on ADUs are examined within the context of the City of Santa Cruz, California's ADU program and Orlando's Code of Ordinances. Finally, the chapter concludes with an analysis of whether or not the Winter Park community will accept an ADU program similar to the Santa Cruz program and Orlando's code.

The Traditional City: Orlando

The City of Orlando, also known as "The City Beautiful", is located in Central Florida. Orlando incorporated in 1875 with a population of 75 people (City of Orlando, 1991, p. 1-5). The City contains traditional neighborhoods designed with brick streets, a variety of housing options, and access to lakes and parks (City of Orlando, 1991). The Traditional City overlay zoning district contains property located inside the Pre-World War II boundaries of the City (City of Orlando, 1991) (see Figure 4-1 for the Traditional City boundaries). The area inside the Traditional City continues to maintain elements of the "old urbanism", including mixed-use, accessory dwelling units, higher densities, and open spaces, which are especially valued in the new urbanism movement (City of Orlando, 1991). The 1925 Orlando Sanborn Maps, which

indicate lot lines, building outlines, and building types, illustrate that many properties in the historic Traditional City contained ADUs (see Figure 4-2 for the 1925 Orlando Sanborn Map).

Orlando's 1991 Growth Management Plan documents the negative land use and design features associated with suburban development that followed World War II and establishes the City's intent to preserve the Pre-World War II traditional neighborhoods that surround the downtown business district. Orlando promotes infill development throughout the traditional neighborhoods as long as the developments are consistent with the neighborhood's scale and traditional design (City of Orlando, 1991).

In 2007, the population of Orlando stood at 224,055, and the City had an approximate land area of 110.2 square miles (City of Orlando, 1991). Over 13,616 acres of developable vacant land exists throughout the City (City of Orlando, 1991). This study concentrates on the Traditional City overlay district because of its similarities to Winter Park; however, almost the entire City of Orlando permits ADUs "by right" (City of Orlando Planner, personal communication, February 12, 2008). The Traditional City extends from Par Avenue to the North, along Bumby Avenue on the East, down to Michigan Street on the South, and along Orange Blossom Trail on the West. Any new development taking place within the Traditional City consists primarily of infill development. In 2000, 48,444 residents lived within the Traditional City (Census, 2000). This area contained approximately 25,000 housing units (Census, 2000). Predictions indicate that Downtown Orlando's population, which is located inside the Traditional City Overlay, will grow by 104.62 percent from 2006 to 2030 (City of Orlando, 1991).

The City of Orlando Code permits accessory apartments and accessory cottages within the area zoned with the Traditional City Overlay (City of Orlando, 1991). The intention is to

provide a mix of housing types and add inexpensive dwelling units that meet the needs of older households, single member households, and single parent households (City of Orlando, 1991). Outside of the Traditional City, ADUs are permitted in areas zoned for single family and duplex residential (up to 12 du/acre) and conditionally permitted in single family residential (up to 8 du/acre) (City of Orlando, 1991). The Code applies specific building conditions to ADU development in an attempt to preserve the single-family characteristics of the traditional neighborhoods (City of Orlando, 1991). The following are the ADU design standards enforced by the City of Orlando (see Table 4-2 for a complete list of ADU regulations).

- One ADU per parcel;
- The unit may not exceed 25 percent of the gross floor area of the principle structure;
- The site must accommodate one additional parking space for the unit;
- The ADU façade must incorporate single-family housing characteristics;
- 1-story units require 5-foot setback from the property line;
- 2-story units require 15-foot setback from the property line;
- Historic districts permit 2-story units with 5-foot setback variances and opaque or frosted windows on the second floor;
- Garage cannot be in front of the house if it comprises more than 50 percent of the façade.

The City of Orlando restricts ADUs to one family. The City defines a family “as one or more persons occupying a single family dwelling or living as a single housekeeping unit; provided that unless all members are related by blood, marriage, adoption or foster care, no such family shall contain over 5 people” (Orlando, 1991). Homeowners who want to add an ADU to their property must go through the permit process. After review and approval of plans and permit fees are paid, the City issues a building permit. Public hearings are not required to obtain an ADU building permit; however, the City conducts property inspections during the building process and after completion to ensure that the new structure meets the building codes and design standards (Orlando Chief Planner, personal communication, March 25, 2008).

Orlando's Traditional City charges impact fees when homeowners add an ADU to an existing single family dwelling unit; however, Orlando charges different transportation impact fees based on the unit's location within the City (Orlando Chief Planner, personal communication, March 25, 2008). Transportation impact fees are lower within the Traditional City (Orlando Chief Planner, personal communication, March 25, 2008). For example, the impact fee formula for an ADU located within the Traditional City is as follows: \$1,851 (multi-family) X2 (two units on the property) - \$2,636 (credit for existing single family home) = \$1,066 (Orlando Chief Planner, personal communication, March 25, 2008). When asked about property tax increases resulting from adding an ADU, the Chief Planner from the City of Orlando responded:

I am less sure on the property tax issue, but I am going to assume it is the same throughout the State. If you add value to your property, you are going to be taxed for the additional value. If you have a Homestead piece of property, you will be taxed as if you did a remodel on your home when you add the ADU. (Orlando Chief Planner, personal communication, March 25, 2008)

The City of Culture and Heritage: Winter Park

Approximately 25,000 residents live in the 8-square mile town of Winter Park. In 1887, the City was established as a winter resort for wealthy northerners and continues to attract visitors, residents, and students (Chapman, 2001). Similar to Orlando, Winter Park's settlement patterns prior to World War II included ADUs in single family neighborhoods. Winter Park refers to its urban form, land use, and architectural style as "village character" (Winter Park, 2007a). The village characteristics include village scale, pedestrian connectivity, landscaping and buffering, good proportional relationships, and designs compatible with the historical patterns and features of Winter Park (Winter Park, 2007a).

Rollins College, located in Winter Park, enrolled 1,759 full-time undergraduate students in 2005 (Winter Park, 2007a). The college manages student housing capable of accommodating

1,161 students (Winter Park, 2007a). Students who do not live on-campus secure housing in the traditional neighborhoods surrounding the campus (Winter Park, 2007a). The City does not count the students who live on-campus as permanent residents of Winter Park in the annual population projections and estimates (Winter Park, 2007a).

In 2000, the Census reported that Winter Park contained 11,341 housing units, which is 1,374 more than reported in the 1990 Census (Winter Park, 2007a). The City's Comprehensive Plan noted that current housing construction trends indicate the construction of more multifamily housing than single-family housing (Winter Park, 2007a). The trend is due to a limited supply of developable land for single-family homes (Winter Park, 2007a). In 2006, the City contained only 267.96 acres of vacant land (Winter Park, 2007a). Currently, only 50 percent of the vacant land is zoned for residential development (Winter Park, 2007a). The new single-family construction within the City occurs as urban infill or redevelopment (Winter Park, 2007a). A redevelopment pattern within the City includes demolishing existing homes and reconstructing new homes on the same lot (Winter Park, 2007a).

Winter Park's reconstruction usually occurs in Winter Park's Community Reinvestment Area (CRA), adopted in 1991, where the land is easily obtainable and less expensive (Winter Park, 2007b) (see Figure 4-3 for the boundaries of the Winter Park CRA). Recently, the Hannibal Square historic African-American neighborhood has gone through significant redevelopment (Krueger, 2005). The 1927 Winter Park Sanborn Map illustrates that the historic Hannibal Square neighborhood did not contain ADUs while they were prevalent in the nearby historic College Quarter and surrounding neighborhoods (see Figure 4-4 and Figure 4-13 for the 1927 Winter Park Sanborn Maps). Many recent redevelopment projects within Winter Park involve the demolition of older affordable housing and the construction of new larger housing

(Winter Park, 2007a). When the CRA formed, a vacant residential lot located within the CRA cost \$15,000 (Krueger, 2005). In 2005, the same lot cost \$150,000 (Krueger, 2005).

Demolishing older homes not only removes affordable housing, but also destroys architecturally and historically significant structures (Winter Park, 2007a) (see Figures 4-5 through 4-12 illustrating Winter Park's Westside redevelopment). Redevelopment trends within the City result from the demand to live in Winter Park, the age and condition of existing residential structures, and the high costs associated with bringing older structures into compliance with new standards (Winter Park, 2007a).

Since 1980, Winter Park's population only increased by approximately 3,000 people, and the increase resulted from annexations (Winter Park, 2007a). Based on the limited amount of developable land, Winter Park does not expect the population to grow significantly by the year 2021 (City of Winter Park, 2007a). However, population projections from the UF Shimberg Center for Affordable Housing anticipate that Winter Park's population age 60 and over will increase by 120 percent by 2030 and the population under age 60 will only increase by 12.4 percent by 2030. In the future, Winter Park will have a significant need for one-person housing units that allow the elderly to "age in place".

The City of Winter Park is built-out. The City expects to grow at higher densities because of the limited land designated for residential development (Winter Park, 2007a). Based on Winter Park's current population projections, the City needs an additional 2,157 new residential units by the year 2021, which is an overall total of 16,667 units (Winter Park, 2007a). The increasing demand for additional housing units raises housing prices, which results in barriers to affordable housing (Winter Park, 2007a). In the future, very low- and low-income

renter households and very low- to moderate-income owner households will face difficulties obtaining affordable housing in Winter Park (Winter Park, 2007a).

In response to the growing need for affordable housing, the City of Winter Park created the Winter Park Affordable Housing Program. Between 1992 and 2005, the Winter Park Affordable Housing Program has supported the construction of 45 affordable new single-family homes and 30 affordable apartments (Winter Park, 2007a). The program's goals are to assure that new units provide affordable housing for very low-, low-, and moderate-income households (City of Winter Park, 2007a). The Winter Park Affordable Housing Program identifies the following affordable housing initiatives as part of its goals:

- Support the Hannibal Square Community Land Trust;
- Support Affordable Housing Partnerships;
- Establish a Land Bank Program;
- Create a Density Bonus Program/Land Use Changes;
- Charge Affordable Housing Linkage Fees;
- Promote Affordable Housing Construction;
- Create an Affordable Housing Rehabilitation Program;
- Establish the Winter Park Housing Authority;
- Promote Private Sector Investments in Affordable Housing;
- Provide Technical Assistance, Information, and Referral Services (Winter Park, 2007a).

The City's affordable housing goals include ensuring regulatory techniques and review procedures do not create barriers to affordable housing and establishing a streamlined development review process for affordable housing developments and redevelopments (City of Winter Park, 2007a).

The Winter Park Land Development Regulations changed to prohibit the construction and rental of ADUs around the 1950 to 1960s (personal communication, Winter Park Director of Planning and Community Development, January 25, 2008). The change resulted from the overall trend of cities moving towards suburbanization and away from traditional neighborhood designs (personal communication, Winter Park Director of Planning and Community

Development, January 25, 2008). The current City of Winter Park Code (1993) prohibits ADU rentals within areas zoned for single-family low density residential, duplexes, and cottage dwellings;¹ however, homeowners may apply to create a secondary guest house² without cooking facilities (Winter Park, 1993). The City prohibits the rental of ADUs established as guest quarters with the exception of historic homes listed on the Winter Park Register of Historic Places.

In 2001, the City established a Historic Preservation Ordinance, which allows homeowners living within the College Quarter Historic District or homeowners who own a property designated as historic to legally construct and rent ADUs (Winter Park Director of Planning and Community Development, personal communication, January 25, 2008). The program encourages homeowners to preserve historic structures in exchange for either building a new ADU or reactivating an existing ADU (Winter Park Director of Planning and Community Development, personal communication, January 25, 2008) (see Figures 4-13 through 4-19 for pictures of existing College Quarter ADUs and see Figures 4-18 and 4-19 for pictures of College Quarter ADUs compared to the primary structure). The ADUs located within the historic district may legally contain full cooking facilities (Winter Park Director of Planning and Community Development, personal communication, January 25, 2008).

The purpose of the ADU incentive was to encourage homeowners to preserve their properties in their original configuration; however, any home located within the historic district,

¹ The Winter Park Code defines a “cottage dwelling” as “a building which is attached to or detached from a [principle] dwelling, is smaller in area than the [principle] dwelling, is occupied exclusively by one family, has one kitchen, and is located on the same [parcel] as the [principle] dwelling” (Winter Park, 1993, Section 58-92).

² The Winter Park Code defines “guest house” as a “detached accessory building designed for use by guests, servants, or members of a family occupying the main building on the same lot and containing no kitchen or cooking facilities and no separate utility meters. No such guest house may be rented, let or hired out for occupancy whether compensation is paid directly or indirectly” (Winter Park, 1993, Section 58-92).

whether it originally had an ADU or not, is eligible to add or activate an ADU. This includes homes built within the last ten years, but each property goes before the Historic Preservation Commission as part of a public hearing process before receiving approval (Winter Park Director of Planning and Community Development, personal communication, February 28, 2008).

Reflecting upon these requirements, the City of Winter Park's Director of Planning and Community Development commented:

The City tried to think of "carrots" to encourage people to preserve their homes. Carrots can be extra income. Since 2001, residents have only added approximately five new ADUs because most people like their privacy and don't want to be landlords. The people who want to add ADUs already rent the main house and want to rent another unit in the back. (Personal communication, February 28, 2008)

When asked about ADUs as a solution to population growth and affordable housing, the City of Winter Park's Director of Planning and Community Development responded:

Accessory dwelling units could be a good solution to population growth and affordable housing based on infill versus sprawl; however, no one from the community is requesting that the City permit ADUs [outright]. (Personal communication, January 25, 2008)

Winter Park "dipped its toe into the water" in regard to permitting ADUs, but several negative perceptions are associated with ADU rentals:

A generalization is that young people live in ADUs and make noise that irritates the neighbors. Noise is 10 percent of the reason that ADUs are not allowed. Parking is the other major irritant and 90 percent of the reason why ADUs are not in the code. With a tenant in the garage apartment, moving cars around is necessary. Friends visit the tenant and park on the street. The major irritant is when that number is multiplied by 4 or 5 units. The other reason is that people don't want other people to do something they cannot. The only way ADUs would be permitted [outright] is if all the cars could be legally parked. Overall, ADU ordinances meet more resistance within higher income neighborhoods (Winter Park Director of Planning and Community Development, personal communication, January 25, 2008)

In response to whether or not Winter Park has a need for additional affordable housing units, the Winter Park Director of Planning and Community Development commented:

In exchange for the ability to build six luxury townhomes on one lot, the City of Winter Park persuaded a developer to rehabilitate and preserve a 750 square-foot cottage located on the back of the parcel. The developer fixed-up the cottage and sold the unit at an affordable rate. The developer later commented that the cottage could have sold 25 times over. Several of the \$450,000 townhomes remain unsold. The person who bought the 750 square-foot cottage is a single professional male.

Preserving the small cottage did not add affordable housing for very low- to moderate-income residents; however, adding more cottage-style infill housing, similar to ADUs, might assist in providing workforce housing.

The City of Winter Park identifies its existing and future housing needs in the Housing Element of the Comprehensive Plan. The housing goals include policies to assist the City in creating affordable housing and preserving the existing housing stock. The Housing Element Policy 3-1.4.3 promotes the development of housing alternatives designed for the elderly and specifically states that “the City shall continue to identify and promote certain locations for the development of second units used for elderly housing on single family lots” (City of Winter Park, 2007a, p. 3-8).

Affordability Profiles

Affordability profiles for the City of Winter Park, the City of Orlando, and the Orlando MSA assisted in measuring the affordability of each area and the need for housing solutions, particularly ADUs (see Table 4-1 and 4-2 for the complete affordability profiles). The U.S. Department of Housing and Community Development (HUD) (1998) defines “gross rent as the sum of the rent paid to the owner plus any utility costs incurred by the tenant” (n.p.). Census 2000 sampling data documents the gross rents for the census tracts located within the Traditional City as \$637, Winter Park as \$669, and the Orlando MSA as \$698. The 2000 gross rents are fairly similar. Recent census projections for the City of Winter Park and Orlando’s Traditional City are not available; however, the American Community Survey estimates that the 2006 gross

median rent for the entire City of Orlando was \$930. This estimate illustrates a significant increase from 2000 to 2006.

Using median household incomes for Orlando, Winter Park, and the Orlando MSA assisted in determining the amount of rent the average household could pay in 2000 without cost burden. According to the 2000 Census, the median household incomes were \$36,947 for the census tracts located inside Orlando's Traditional City, \$48,884 for the City of Winter Park, and \$41,871 for the Orlando MSA. The median household income is highest within the City of Winter Park and the lowest in Orlando's Traditional City. In 2000, over 43 percent of Winter Park renters paid more than 30 percent of their annual income towards housing (Winter Park, 2007).

In 2000, Winter Park's vacant housing rate was 1.4 percent for homeowners and 6.0 percent for renters, which is similar to the City of Orlando. Winter Park's poverty rate was 5 percent for families and 7.8 percent for individuals, which is lower than Orlando's rate of 13.3 percent for families and 15.9 percent for individuals (Census, 2000). From 1990 to 2000, Winter Park's poverty rate for families decreased by 21.75 percent and the poverty rate for individuals decreased by 21.76 percent (Census 1990; Census 2000). Winter Park has a larger percentage of households in the upper income range compared to other areas in Central Florida (Winter Park, 2007).

Rent-to-Income Ratio

Calculated as a simple ratio of monthly gross rent to monthly household median income available to pay an affordable (30%) rent, the rent-to-income ratio determines whether an area increased or decreased in affordability from 1990 to 2000. For Orlando's Traditional City this ratio is 1.137, for the City of Winter Park .969, and for the Orlando MSA .97. The City of Winter Park and the Orlando MSA have similar rent-to-income ratios. Both areas are slightly

below 1, which means that Winter Park and the Orlando MSA minimally increased in affordability from 1990 to 2000. The Traditional City's rent-to-income ratio is over 1, which means that the area decreased in affordability from 1990 to 2000.

Affordability Gap

The affordability gap is the additional amount required to afford the median gross rent. In 2000, the affordability gap for populations earning 50 percent of the median household income was \$236.16 in the Traditional City, \$57.95 in the City of Winter Park, and \$174.61 in the Orlando MSA. The affordability gap for persons earning 80 percent of the median household income in the Traditional City is -\$40.95, -\$308.68 in the City of Winter Park, and -\$139.42 in the Orlando MSA. The affordability gap is the lowest in the City of Winter Park and the highest in the Traditional City. In all three areas, persons earning 80 percent of the median household income earn enough to pay the median gross rent without additional subsidy; however, persons earning 50 percent of the median household income and living in all three areas require a subsidy to afford the rents.

The UF Shimberg Center for Affordable Housing reported that in 2005 the City of Winter Park's average home sales price was \$537,528. Based on HUD's definition of affordable housing and cost burden, a household would need to earn over \$160,000 per year to afford the median priced home in the community. In 2005, 1-2 person households resided in 54 percent of the housing units within Winter Park (UF Shimberg Center for Affordable Housing, 2008).

Accessory Dwelling Unit Survey

An ADU survey sent to ADU homeowners living within Orlando's Traditional City and the City of Winter Park requested information pertaining to the average monthly rents of the ADUs, the primary use of the ADUs, and the homeowners' opinions about ADU rentals. The survey provides sample data used to analyze the community's acceptance of ADUs and the

affordability associated with ADU rentals. A total of 40 surveys were mailed out to both case study areas. Orlando residents completed 22 of the 40 surveys, resulting in a response rate of 55 percent. Winter Park residents completed 14 of the 40 surveys, resulting in a response rate of 28 percent.

Orlando Survey Results

In Orlando's Traditional City, 13 of the 22 survey respondents or 59 percent currently rent their ADUs. One of the survey respondents lives in the ADU and rents out the main house to pay the mortgage, taxes, and insurance. This survey respondent noted on the survey that having an ADU provides him affordable housing. The most common range of rent received by the survey respondents equaled \$700-\$900 per month. Most survey respondents reported the primary use as rental; however, some units house a family member or provide guest quarters (see Figure 4-20 for the distribution of ADU uses). Most of the ADUs within the Traditional City are approximately 400-500 square feet. The average number of tenants is one. The survey asked respondents whether they agree with the statement that ADUs are a satisfactory solution to population growth and affordable housing. A total of 6 respondents strongly agreed, 10 agreed, 3 disagreed, 2 strongly disagreed, and 1 provided no answer. The respondents agreeing or strongly agreeing with the statement total 73 percent (see Figure 4-21 for the distribution of Orlando responses). Survey respondents included the following comments on the surveys:

- “From my experience most garage apartments remain unoccupied in higher income neighborhoods.”
- “Bought property in August 1999, and I rent the main house and live in the garage apartment. It pays the mortgage, taxes, and insurance. So in my situation it gives me the affordable housing.”
- “My father-in-law lived there until his death. Prior [to that time] we would let my nieces and nephews stay there while in college.”
- “It is also a good way to sub-out your income in times of need and real estate troubles.”

- “You need to be able to have a rental in order to “HELP” pay the horribly HIGH property taxes”.
- “I think they are OK in certain areas. Good for one or two people. Parking is always a consideration. Granny flats or mother-in-law apartments should only be allowed for relatives.”
- “Although the rent might seem high, it is lower than an apartment of equivalent size.”
- “This is one of 3 properties in downtown that we have rented as accessories to the main house.”
- “I feel that the rent in downtown for apartments is not less expensive than other apartments, though it [the downtown apartment] can be more convenient, private, safe, etc...”

Winter Park Survey Results

The Winter Park survey asked respondents whether the City’s zoning regulations permitted the rental of their ADU. Out of the 14 respondents, 9 answered yes, 3 answered no, and 1 answered unsure, and 1 did not provide an answer. Out of the 3 people who answered that zoning ordinances do not allow them to rent the unit, only one person responded that they would begin renting the unit if the ordinance changed. That survey respondent indicated they would charge \$1,000 or more per month in rent. The survey respondent who was unsure about the zoning regulations indicated that they use the unit for guest quarters and would not rent the unit even if the zoning ordinance changed. Only 7 of the respondents currently rent their ADUs (see Figure 4-22 for the complete distribution of ADU uses). Out of the 7 ADUs currently rented, 4 charge from \$700-\$900 per month in rent; 1 charges from \$300-\$500 per month in rent; 1 charges from \$500 to \$700 a month; and 1 charges over \$1,000 per month. The median number of adults living in the ADUs is one. No children reside in any of the ADUs.

The ADU survey sent to Winter Park ADU owners also asked “Are ADUs a satisfactory solution to population growth and affordable housing”. Out of the 14 completed surveys, 5 respondents strongly agreed, 2 agreed, 4 disagreed, 1 strongly disagreed, and 2 did not answer

(see Figure 4-23 for the distribution of answers). Three of the 4 respondents who disagree with ADUs also indicated that they do not and would not rent their units. The respondent who strongly disagreed indicated that they currently rent their unit and charge over \$1,000 per month. Out of the 5 respondents who strongly support ADUs, 4 currently rent their units for \$700 to \$900 per month. Winter Park survey respondents included the following comments on the surveys:

- “The apartment is used as mother-in-law quarters for an 84 year old woman. However, we will not rent the unit when mom moves to assisted living.”
- “I agree in principle [support ADU rentals], but would not rent my garage apartment.”
- “I think it [permitting ADUs] would only be a fraction of the solution.”
- “There is a significant loss of privacy when renting accessory dwelling units. We turned ours [ADU] into an art studio a couple of years ago and wish we would have done so sooner.”
- “I do believe firmly that single family homes with a “rental” unit serve a very useful purpose and create “starter housing” for young people or seniors or newly divorced people. It [the ADU] keeps “residential” quality of life for people in all passages of their lives”.
- “The renters are usually professionals – although usually at the beginning of their careers. Also, sales and teaching are the other two predominant fields. I don’t rent to college students – too immature.”

The Santa Cruz Model

Santa Cruz designed its ADU ordinance for adaptability to municipalities exploring housing solutions. This section compares the Santa Cruz model ADU ordinance within the context of Winter Park’s design, housing needs, resident concerns, and planning department perspectives. The City of Santa Cruz, located in California, implemented an ADU program in response to a housing shortage. The housing crisis resulted from a lack of developable land, which drove up the price of housing and resulted in two elementary schools closing when families could not afford housing and moved out of town (Santa Cruz Housing and Community

Development Manager, personal communication, January 28, 2008). Santa Cruz is a university town and cannot meet the existing need for rental units (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008).

Santa Cruz ADU Program

The City Commission examined the zoning codes and searched for solutions to the housing problem (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008). The Commission looked for the most affordable housing options, options that could be implemented with ease, and options that might provide the greatest number of units. The effort resulted in creating the Santa Cruz ADU Program (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008).

In order to gain input and support for the program, Santa Cruz obtained a grant that provided technical assistance and funded community outreach. The City made public presentations of the various ADU prototypes and published a total of 25 articles in the newspaper, one before and after each workshop (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008). According to the Santa Cruz Housing and Community Development Manager:

The City put a face on ADUs by mentioning certain people by name. The human spin helped people realize they were helping Ted's grandmother stay in the community. The community outreach emphasized the importance of protecting the community fabric because growth will happen anyway. City Commission support was an important aspect of the program. After implementing the ADU program the community had no reaction, which is the best result (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008).

Santa Cruz used the risky strategy of eliminating parking regulations; however, to make this approach work in other communities there must be scarce land and high housing costs (Santa Cruz Housing and Community Development Manager, personal communication, January 28,

2008). The ADU program is hard to implement in a community where land is abundant (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008).

In accordance with California Assembly Bill 1866, Santa Cruz created a streamlined ADU permit process. Santa Cruz developed ADU guide books and design prototypes that help residents build ADUs with minimal technical difficulties. During the project grant, Santa Cruz offered residents one free hour with an engineer or architect to establish their ADU design. Residents must submit their ADU plans and applicable fees for approval before receiving a building permit (Santa Cruz, 2003a). Santa Cruz homeowners must sign a deed restriction agreeing to the established ADU regulations (Santa Cruz, 2003a). Once the building process begins, Santa Cruz conducts a number of inspections that ensure the ADU meets code and architectural standards and follows the site plans submitted by the property owner (Santa Cruz, 2003a). Further, lack of compliance with the deed may result in revocation of the conditional use permit (Santa Cruz, 2003a). The Santa Cruz ADU program requires that the homeowner live in either the main unit or the ADU. Santa Cruz ADUs can accommodate one family. Santa Cruz defines a family as an individual or two or more persons living together and occupying a dwelling (Santa Cruz, 2003a).

Part of the Santa Cruz grant required that the City provide 67 communities with free copies of the ADU program manual (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008). After the communities had time to review the documents, the Housing and Community Development Department contacted the communities for feedback. Santa Cruz asked each community whether or not they would utilize and implement an ADU program (Santa Cruz Housing and Community Development Manager,

personal communication, January 28, 2008). Most communities answered, “Not now, but when we are built out yes” (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008).

Santa Cruz Neighborhood Contexts

Santa Cruz created a neighborhood context guide that determines the proper location of ADUs based on neighborhood designs (see Table 3-1). Santa Cruz encourages ADU development along existing alleys. Winter Park and Orlando’s neighborhood designs do not include a number of alleys; therefore, Santa Cruz’s optimal ADU orientation does not apply to the case study areas. Using the Orange County Property Appraiser’s aerial maps for a sample of Winter Park’s neighborhoods, this study analyzes the neighborhood designs for ADU compatibility. Figures 4-24 through 4-30 illustrate several typical neighborhoods found throughout the City. The City contains pre-World War II neighborhoods as well as post-World War II low-density suburban-style subdivisions. The City’s pre-war neighborhoods contain smaller lots and a range of housing dating from the 1920’s to the 2000’s.

Based on Santa Cruz’s neighborhood context ADU standards, the City of Winter Park can accommodate “garage zone” ADUs in transitional neighborhood blocks, which are pre-war grid blocks with postwar housing. The City contains transitional neighborhood blocks closer to the central business district. Transitional neighborhoods include the historic College Quarter, Hannibal Square, and other surrounding pre-war neighborhoods with postwar housing. According to the Orange County Property Appraiser, the Hannibal Square neighborhood lot sizes average approximately 3,000 to 4,000 square feet, which is not large enough to accommodate an additional unit based on the City of Orlando and the City of Winter Park square footage requirements. The “garage zone” ADUs include a unit over the garage in the second story, one-

story backyard cottages, 1-1/2- story backyard cottages, and one-story backyard cottages (see Figure 4-31 for illustrations of detached garage zone ADU prototypes).

The City's postwar neighborhoods contain cul-de-sac blocks, larger lots, lower density detached single-family houses, and driveway parking in front of the unit. According to Santa Cruz's ADU standards, these neighborhoods can accommodate either garage conversions or ADUs in rear lot areas on bigger lots. Winter Park's newer developments consist of larger lots with garages. If designed appropriately, the new housing should easily accommodate an ADU. Attached ADUs are garage additions in the front, garage additions on the side, garage addition in the rear, and one-story backyard additions (see Figure 4-32 for illustrations of attached garage apartments and backyard additions).

Analysis of Findings

During 2000, Winter Park's low-income households (above 50% and up to 80% of median household income) earned \$25,000 to nearly \$40,000 per year. Thus, these households could afford the median gross rent without subsidy; however, very low-income individuals could not afford Winter Park or Orlando's median gross rent without subsidy. Since 2000, rents and land values within Winter Park rose considerably, and the recent redevelopment located within the City's CRA eliminated several units affordable to the very low-, low- and moderate-income populations. An ADU program similar to the City of Santa Cruz would effectively provide additional units within the City of Winter Park without using the limited amount of developable land.

The ADU survey respondents indicated that most ADUs rent for \$700 to \$900 per month. In comparison to the 2000 median gross rents, ADUs appear affordable for residents earning over 80 percent of the median household income. These units provide opportunities for workforce housing, which serves teachers, firefighters, policemen, and other people earning

above 80 percent of the median household income, but not enough to purchase housing within the communities where they work. Few survey respondents indicated charging ADU rents higher than \$1,000 per month. Typically, the units with rents greater than \$1,000 per month provide over 800 square feet of living space. These units provide reasonably priced housing located in traditional neighborhoods within walking distance to mixed-use amenities.

The Santa Cruz approach relaxed parking requirements to encourage ADU development. The City of Winter Park expressed major concerns over parking irritants, and lenient parking regulations are not an option. The City needs to encourage ADU homeowners to create an additional parking space in the front of the primary unit that allows both the owner and the renter to park on the parcel without having to park “in tandem” and move cars around (see Figures 4-18 and 4-19). When possible, garage apartments located parallel to the primary unit may have a separate entrance (see Figures 4-15 and 4-16).

Santa Cruz’s ADU program relied on community outreach efforts to promote resident and political “buy in”. Community outreach is also a key component of implementing an ADU program within the City of Winter Park. A successful ADU ordinance within the City of Winter Park requires community acceptance and willingness to rent the existing supply of ADUs. The City needs an extensive public involvement plan that “makes ADUs personal” and explains the need to preserve the existing affordable neighborhoods located in the Hannibal Square neighborhood. Public involvement workshops also provide the community with an opportunity to express concerns related to ADU rentals including parking, congestion, noise, privacy, and property values. The workshops provide the community with an opportunity to develop their own solutions to these issues. After community acceptance, the City can craft an ideal ordinance

that addresses all concerns and promotes alternative housing options within single family neighborhoods.

Winter Park residents are not requesting that the City change its restrictive ADU regulations that prohibit the rental of existing ADUs. If residents are indifferent about allowing the rental of existing ADUs, they probably would not support a new ordinance permitting the construction of new ADU rentals. Central Florida has not reached a housing or land shortage to the extent of Santa Cruz; however, the City of Winter Park's lack of developable land is driving up housing prices. Not allowing homeowners to rent their existing ADUs may be an exclusionary practice when little other affordable opportunities exist. The City should begin community outreach efforts similar to Santa Cruz. Starting early ADU discussions and community awareness may make the idea more desirable in the future when the City faces a significant housing problem.

The City of Winter Park has a need for additional rental units and an ADU ordinance. Orlando and Santa Cruz created ADU ordinances with several key elements that Winter Park should incorporate including extensive community outreach efforts, requiring the owner to occupy one of the units, and architectural design guidelines that protect privacy. The next chapter concludes this study by describing how an ADU program within the City of Winter Park provides benefits associated with previous studies. The conclusion makes recommendations for inclusion in the Winter Park ADU ordinance and necessary steps for successful implementation. The study concludes with a section describing opportunities for future research identified throughout this study on ADUs.

Table 4-1. Affordability profile

Affordability Profile	City of Orlando	City of Winter Park	Orlando MSA
Average Gross Rent (2000)	\$637	\$669	\$698
Median Household Incomes (2000)	\$36,947	\$48,884	\$41,871
Amount of Subsidy Required in (2000)			
50 Percent of the MHI	\$236.16	\$57.95	\$174.61
80 Percent of the MHI	\$-40.95	\$-308.68	\$-139.42
Rent-to-Income Ratio (1990-2000)	1.137	0.969	0.97

Source: 2000 Census

Table 4-2. Comparison of ADU regulations

ADU Regulations	City of Santa Cruz	City of Orlando	City of Winter Park
Privacy	Entrance/main window may be oriented towards main house, but not neighboring homes	15-foot rear setback or opaque/frosted second story windows	Determined by the Historic Preservation Committee
Orientation	Santa Cruz provides several acceptable design prototypes	Stair location preferred on side of garage and screened from main unit	Determined by the Historic Preservation Committee
Affordable Housing Loans	City loan program for 15- to 20-year affordable rentals. The loan is restricted to rentals for households earning 80 percent or less of the median income (\$1,060 for 1-person or \$1,211 for 2-person households).	None	None
Affordable Housing Fee Waiver	Very-low income households qualify for waiver of sewer and water connection fees, fire fees, building permit fees, and open space requirements. Low-income households qualify for waiver of sewer and water connection fees.	None	None
Functional Requirements	An ADU must have a kitchen, bathroom, and a place to sleep.	None specified	Cooking facilities not permitted unless the main unit is designated as historic.

Table 4-2. Continued

ADU Regulations	City of Santa Cruz	City of Orlando	City of Winter Park
Minimum Required Lot Size	5,000 square-foot	For accessory apartments, the building site must be at least 1.5 times the minimum size required for the zoning district. For accessory cottages, the building site must be at least 2.0 times the minimum size required for the zoning district.	Determined by the Historic Preservation Committee
ADU Size Restrictions	Up to 7,499 sq. ft. lot = 500 sq. ft ADU	May not exceed 40 percent of the principle structure or 1,200 square feet, whichever is less. A main house with less than 1,700 square feet of living space may have and ADU up to 700 sq. ft.	May not exceed 1,000 square feet
	7,500-9,999 sq. ft. lot = 640 sq. ft. ADU		
	10,000+ sq. ft. lot= 640 sq. ft. ADU		
Side Yard Setback	1-story = 3 feet; 2-story = 5 feet	For 1- and 2-story, 5-foot setback, street side yard = 15 feet	For 1-story unit, 5-foot setback unless ADU is currently existing. For 2-story units, determined by the Historic Preservation Committee
Front Yard Setback	20 feet	At least equal to main house	Determined by the Historic Preservation Committee
Rear Yard Setback	1-story = 3 feet; 2-story = 20 feet	1-story = 5 feet; 2-story = 15 feet (variances in historic district with opaque windows)	For 1-story unit, 5-foot setback unless ADU is currently existing. For 2-story units, determined by the Historic Preservation Committee

Table 4-2. Continued

ADU Regulations	City of Santa Cruz	City of Orlando	City of Winter Park
Height	1-story = 13 feet to mid roof; 2-story = 20 feet to roof peak.	Not Specified	Determined by the Historic Preservation Committee
Distance Between ADU and Main Structure	Habitable ADU = 10 feet; non-habitable ADU = 6 feet.	Detached = 5 feet	Determined by the Historic Preservation Committee
Maximum Rear Yard Coverage	30% of 20-foot setback, but not required if facing alley	Cannot cover more than 35 percent of the rear yard	Determined by the Historic Preservation Committee
Gross Floor Area	Not specified	Cannot exceed 25 percent of the main units gross floor area	Determined by the Historic Preservation Committee
Parking	1 space per ADU, 2 per house. Does not require covered parking; 3 cars may be tandem parked, and 3 spaces are allowed in the front yard with a maximum of 50% paved.	1 ADU parking space behind front yard	No regular daytime or overnight parking on City streets. Tenants must have an on-site parking space, behind the front setback, that can be accessed without moving cars.
Exterior	ADU exterior must relate to the main house (i.e. materials, roofline, other details)	Same exterior finish as principle structure and must incorporate two similar architectural details found on the principle structure (i.e. windows, doors, roof style, dormers, cornice detailing).	Determined by the Historic Preservation Committee
Owner-Occupancy	The owner must occupy either the ADU or the main house	Not Specified.	No requirement.
Number of Units Allowed Per Lot	Only 1 ADU permitted per lot.	Only 1 ADU permitted per lot.	Only 1 ADU permitted per lot.

Table 4-2. Continued

ADU Regulations	City of Santa Cruz	City of Orlando	City of Winter Park
Permitted Zones	Only within residential zones	Permitted throughout Traditional City Overlay District and conditionally permitted outside of the Traditional City Overlay District.	ADU rentals only permitted within the College Quarter Historic District or a property designated on the Winter Park Register of Historic Places. Historic designation must be completed before the issuance of a building permit.
Studies Required	Additional study or mitigation required when there are heritage trees, slopes, unstable soils, near a creek or waterway, the property has archeological value, or the property is a cultural or historical landmark	None specified	Every request must be presented to the Historic Preservation Commission as part of a public hearing process.
Home Occupations	ADUs are for rental purposes only.	Cannot be used for any home occupations.	Cannot be used for any home occupations.
Additional Restrictions	Before obtaining a permit for an ADU, the homeowner must file a deed restriction stating that the ADU will not be sold separately and the unit is restricted to the approved size.	Not Specified.	ADUs used as guest quarters are permitted, provided no cooking facilities or separate utility meters are present. The units cannot be rented for compensation or let out in exchange for services or indirect compensation. Homeowners must sign a deed restriction agreeing to the ADU restrictions before building permits are issued.

Source: Orlando Code, 1999, Winter Park Code, 1993, and Santa Cruz ADU manual, 2003a.

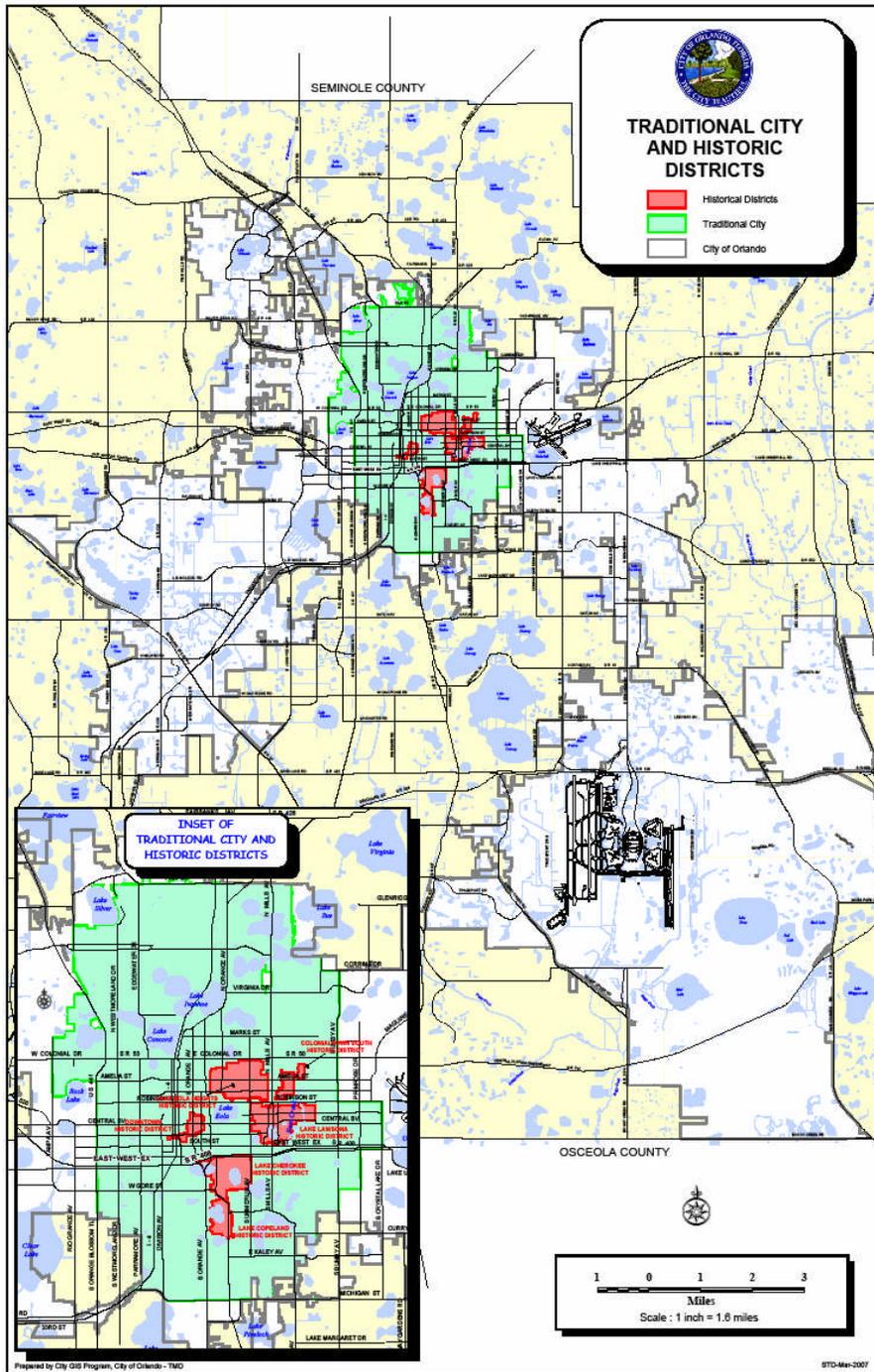


Figure 4-1. The City of Orlando's Traditional City overlay district (Source: City of Orlando, 2007, <http://www.cityoforlando.net/gis/traditionalcity.htm>. Last accessed March 2008).



Figure 4-2. City of Orlando 1925 Sanborn Map (Source: The Sanborn Map Company, 1925).

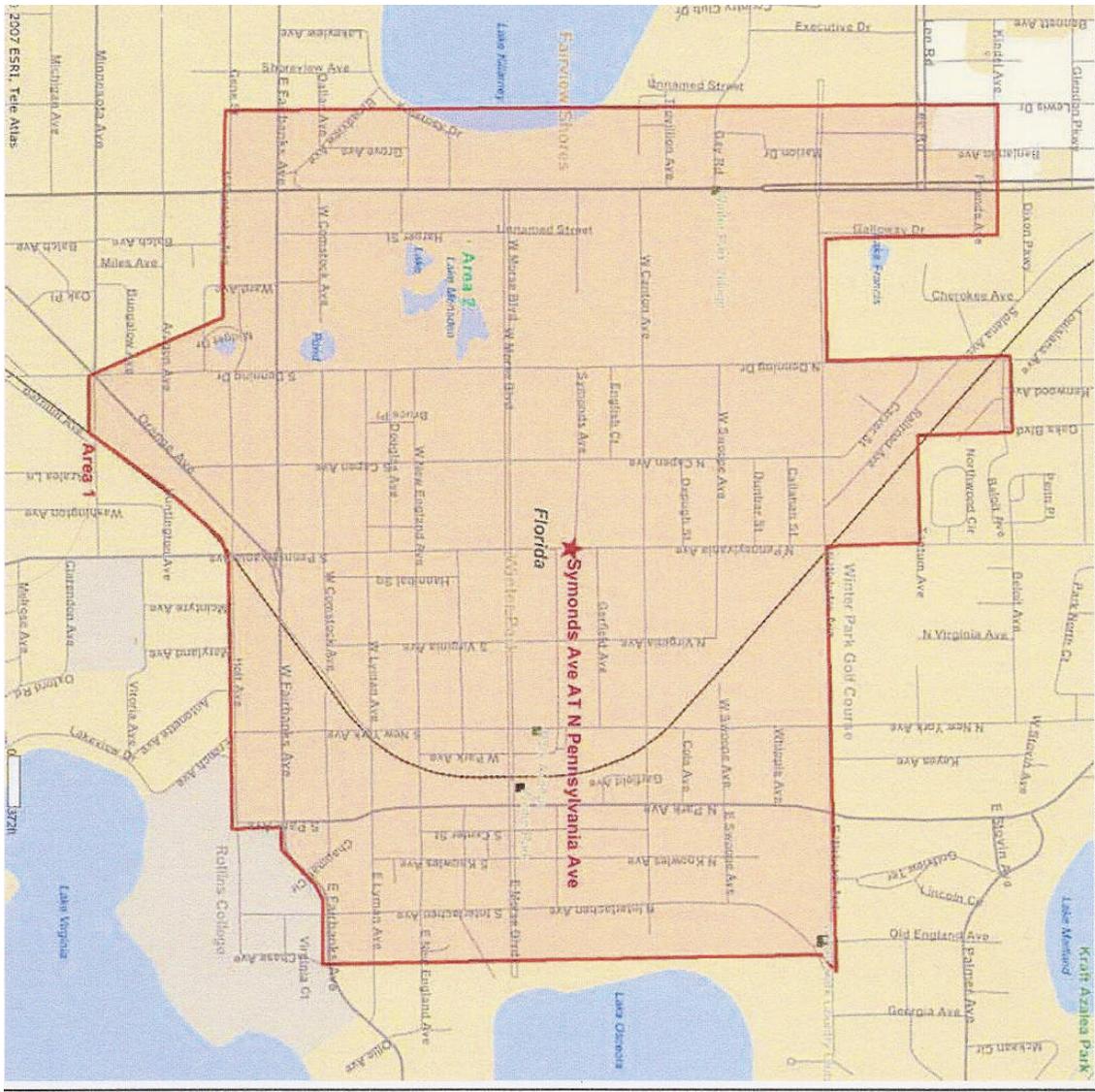


Figure 4-3. Winter Park community reinvestment area (Source: The City of Winter Park Strategic Plan, 2007).

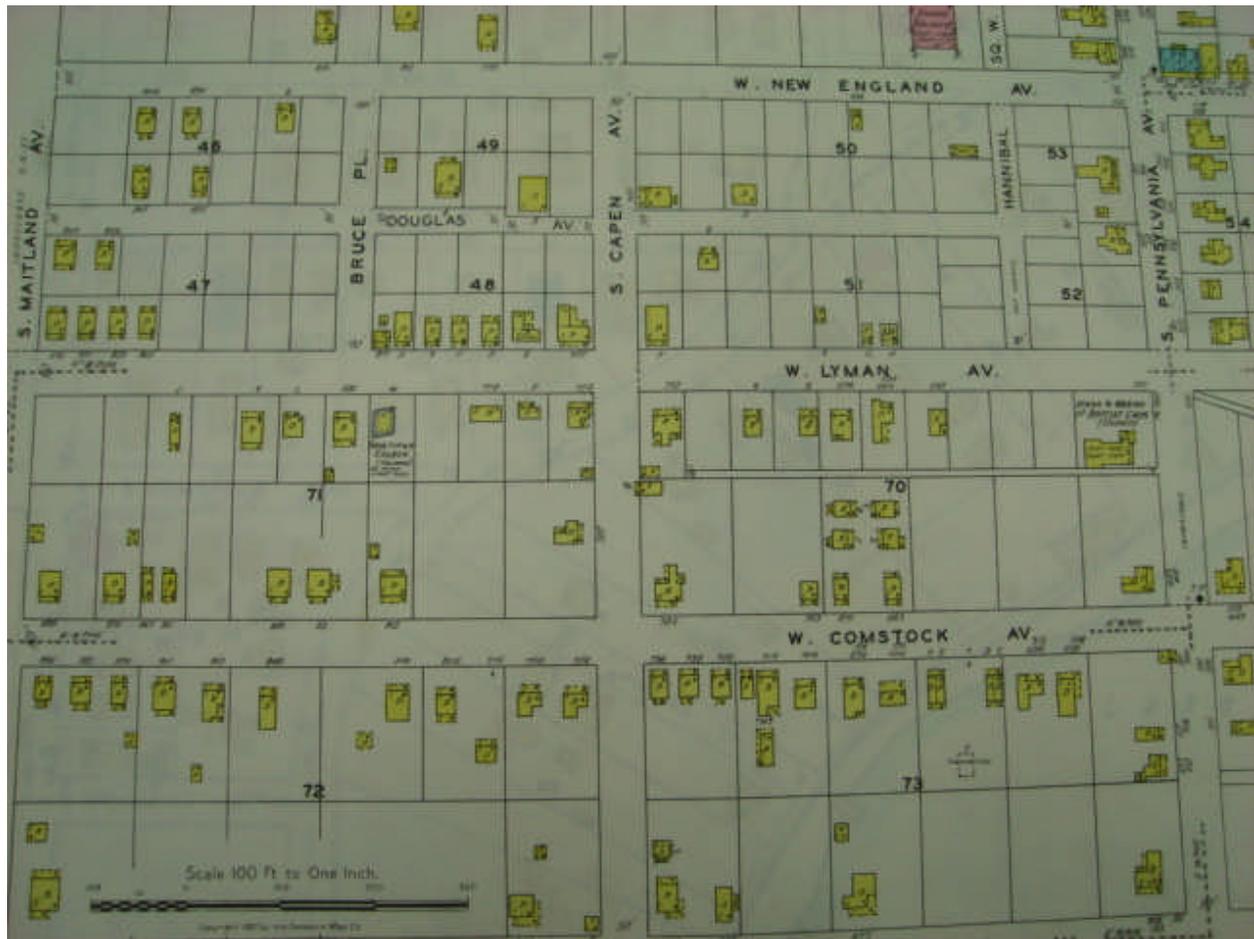


Figure 4-4. Hannibal Square 1927 Sanborn Map (Source: The Sanborn Map Company, 1927).



Figure 4-5. Hannibal Square (Source: Photo by author).



Figure 4-6. Hannibal Square church (Source: Photo by author).



Figure 4-7. Hannibal Square demolition (Source: Photo by author).



Figure 4-8. Hannibal Square redevelopment (Source: Photo by author).



Figure 4-9. Newly constructed Hannibal Square single-family homes (Source: Photo by author).



Figure 4-10. Newly constructed Hannibal Square buildings (Source: Photo by author).



Figure 4-11. Newly constructed Hannibal Square offices (Source: Photo by author).



Figure 4-12. College Quarter 1927 Sanborn Map (Source: The Sanborn Map Company, 1927).



Figure 4-13. College Quarter detached ADU incorporating similar design characteristics from the main house (Source: Photo by author).



Figure 4-14. College Quarter ADU behind main house (Source: Photo by author).



Figure 4-15. College Quarter ADU on corner lot (Source: Photo by author).



Figure 4-16. College Quarter ADU with separate driveway (Source: Photo by author).



Figure 4-17. College Quarter detached two-story ADU and one-story main house (Source: Photo by author).



A



B

Figure 4-18. Series of photos illustrating College Quarter main house and ADU on corner lot with similar architectural characteristics. A) Primary residence. B) ADU. (Source: Photos by author).



A



B

Figure 4-19. Series of photos illustrating College Quarter main house and detached ADU with an additional parking space provided in front yard. A) Primary residence. B) ADU. (Source: Photos by author).

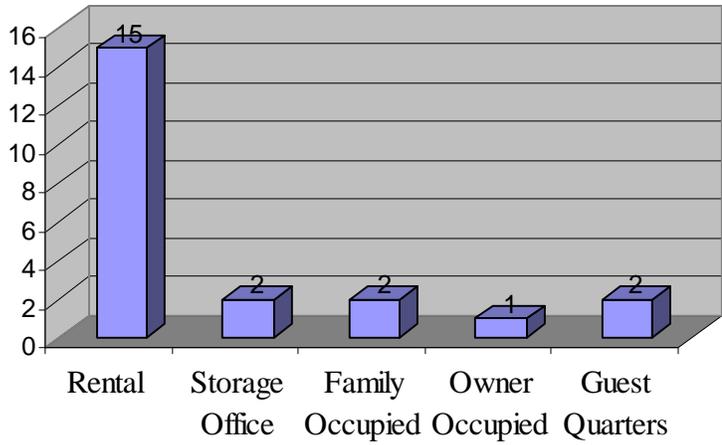


Figure 4-20. Orlando primary use of ADUs

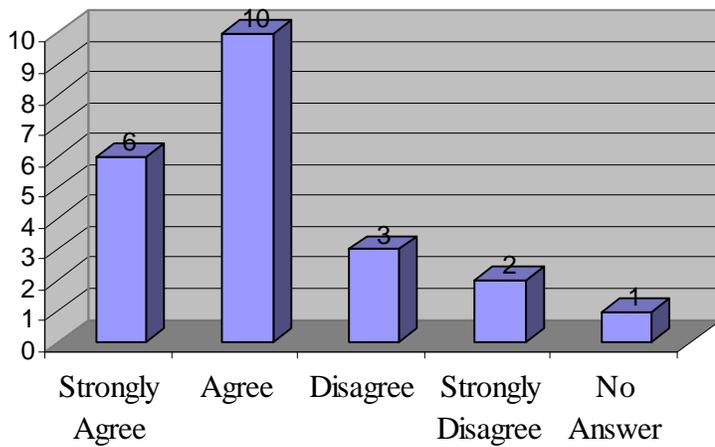


Figure 4-21. Orlando ADU survey responses for the question "Are ADUs a satisfactory solution to population growth and affordable housing".

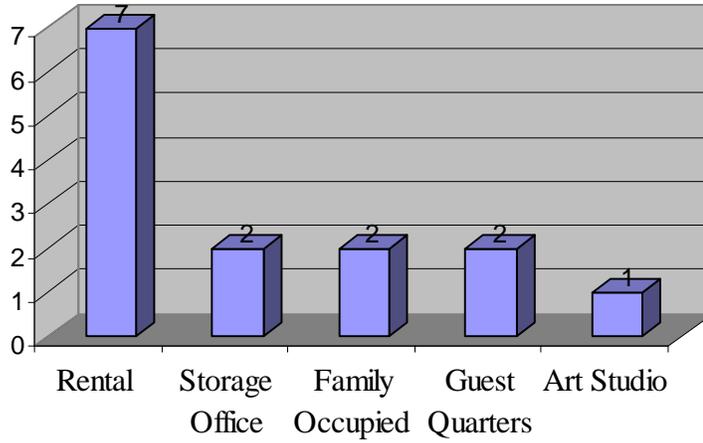


Figure 4-22. Winter Park primary use of ADUs

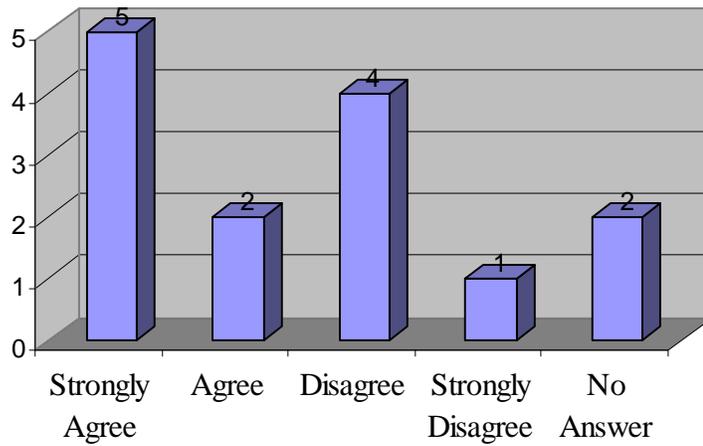


Figure 4-23. Winter Park ADU survey responses for the question “Are ADUs a satisfactory solution to population growth and affordable housing”.

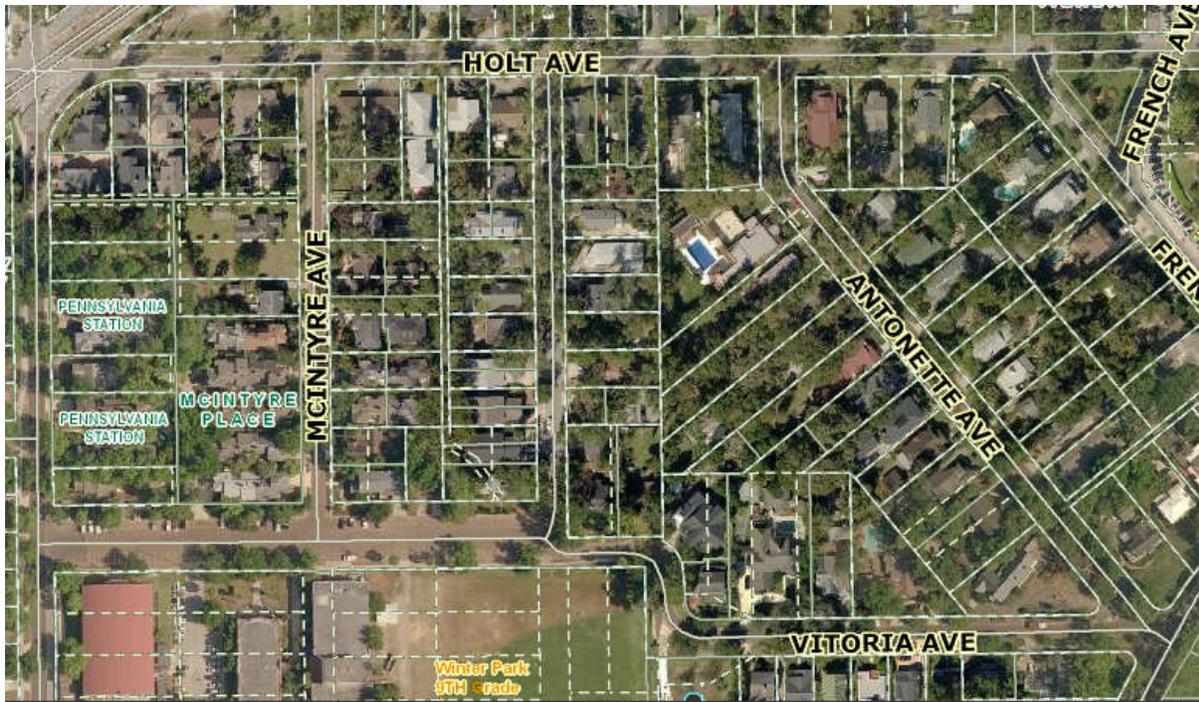


Figure 4-24. Aerial image of the College Quarter neighborhood. (Source: Orange County Property Appraiser, 2007).



Figure 4-25. Aerial image of the Sevilla neighborhood. (Source: Orange County Property Appraiser, 2007).



Figure 4-26. Aerial image of the Hannibal Square neighborhood. (Source: Orange County Property Appraiser, 2007).



Figure 4-27. Aerial image of the Waterbridge neighborhood. (Source: Orange County Property Appraiser, 2007).



Figure 4-28. Aerial image of the Windsong neighborhood. (Source: Orange County Property Appraiser, 2007).

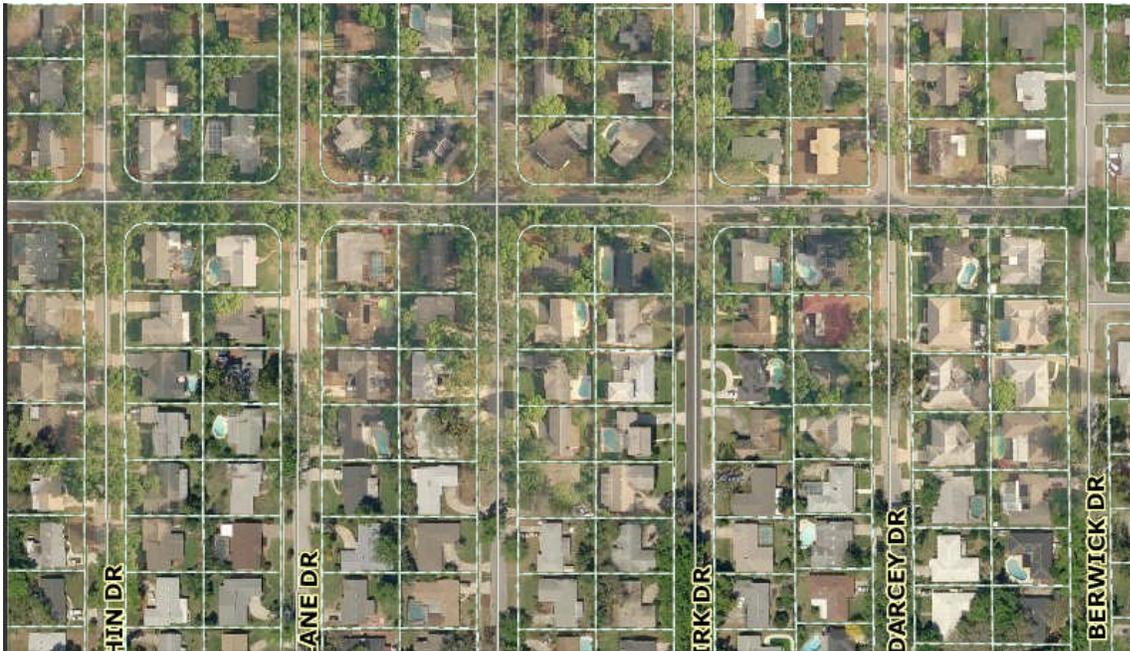


Figure 4-29. Aerial image of the Brookshire Heights neighborhood. (Source: Orange County Property Appraiser, 2007).

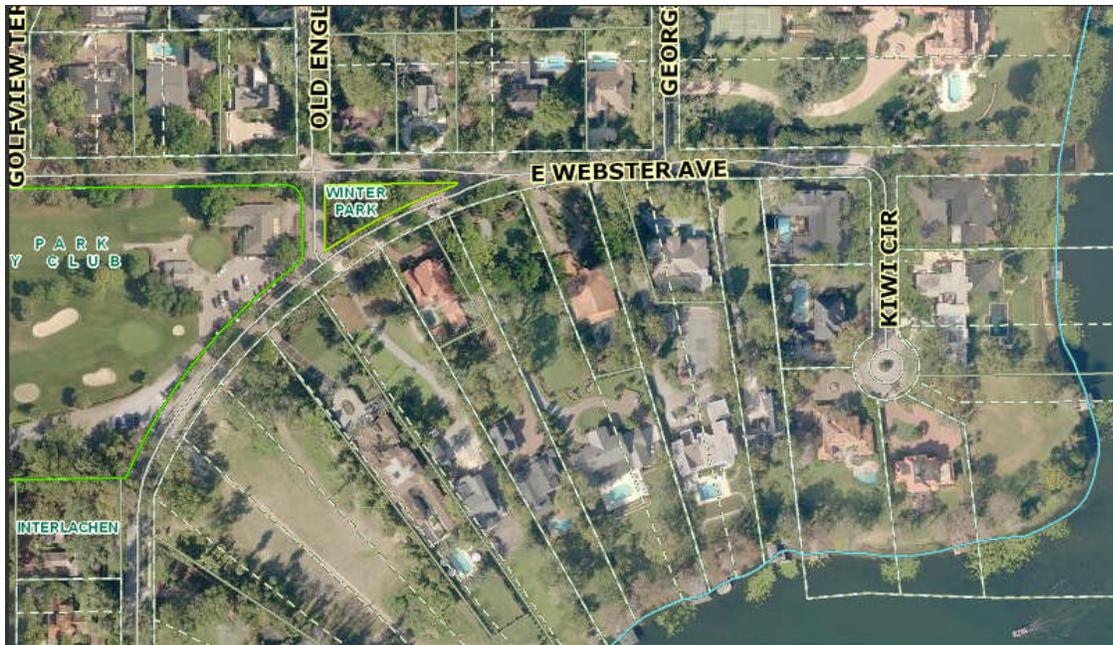


Figure 4-30. Aerial image of Winter Park waterfront estates. (Source: Orange County Property Appraiser, 2007).

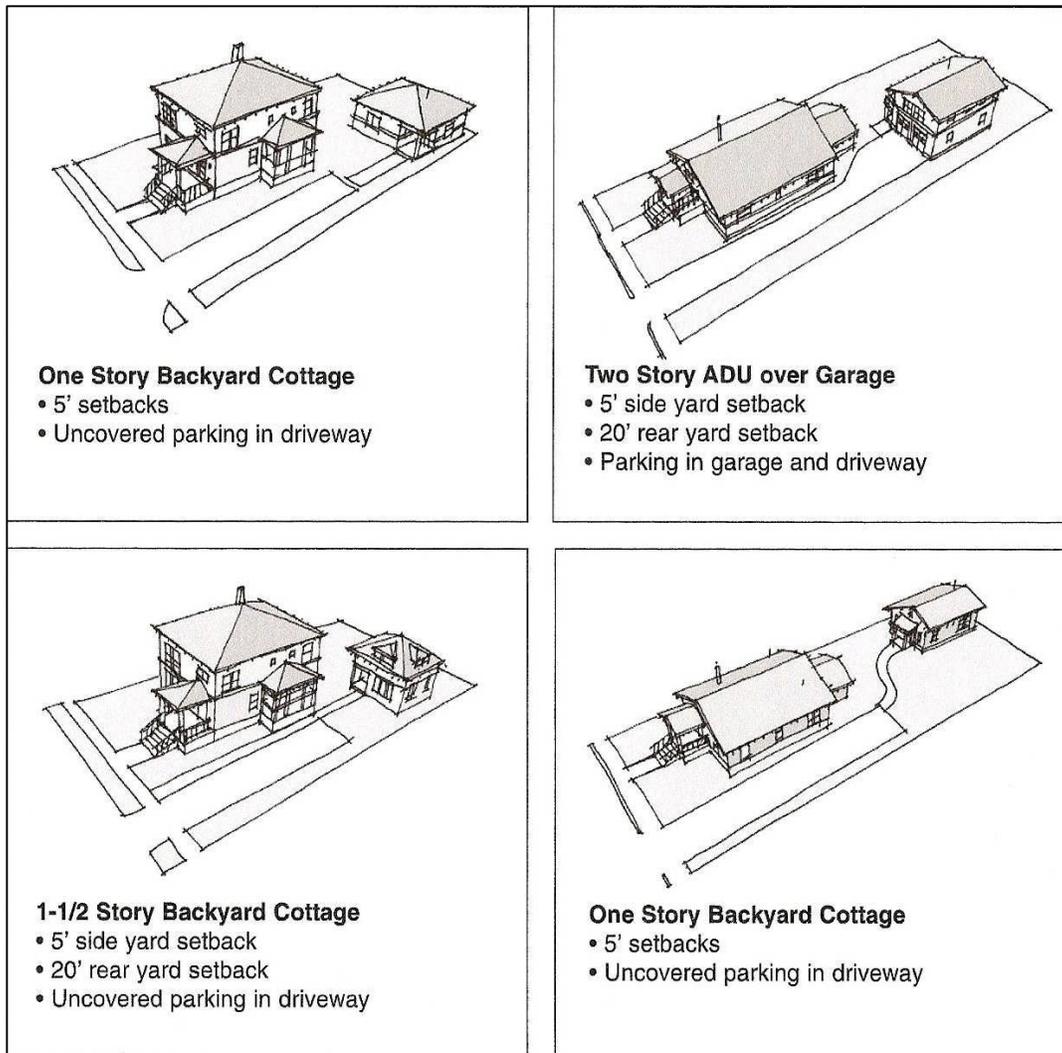


Figure 4-31. Santa Cruz detached ADU prototype. (Credit: Illustration by Bruce Race of RACESTUDIO, Berkley, California Source: Santa Cruz ADU Manual, 2003).

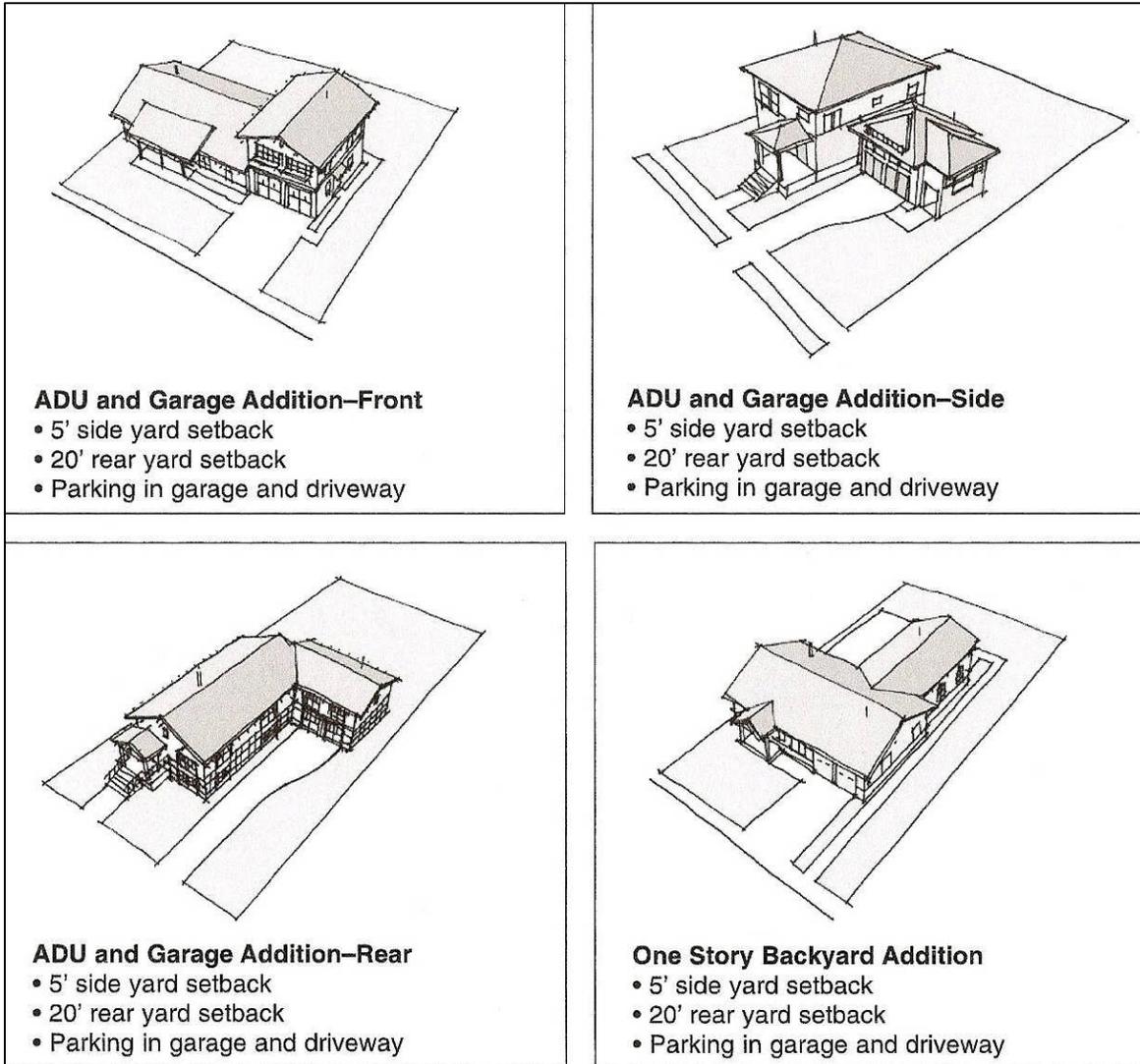


Figure 4-32. Santa Cruz attached ADU Prototype. (Credit: Illustration by Bruce Race of RACESTUDIO, Berkley, California Source: Santa Cruz ADU Manual, 2003).

CHAPTER 5 APPLYING THE ADU MODEL

The recommendations outlined here are based on the findings and analysis of the case studies discussed in the previous chapter. Chapter 4 reviewed the planning tools, policies, and regulations needed to accommodate ADUs within single-family neighborhoods, particularly in historic areas that have included ADUs in the past. This study focuses on providing additional affordable housing units within the City of Winter Park by implementing a planning tool that addresses resident concerns and incorporates model ADU ordinances from other municipalities. Winter Park can benefit from additional sustainable infill housing units that accommodate a variety of housing needs; however, several ADU obstacles presented within the Winter Park case study require resolution before the City will consider permitting ADUs. ADU obstacles identified during this study include: (1) higher-income homeowners are not willing to rent their ADUs, (2) residents are concerned about losing privacy, (3) residents are concerned about parking problems associated with adding extra units, and (4) residents are concerned about the noise associated with younger renters (usually college students).

Another obstacle to providing ADUs within Winter Park is that neither residents nor the City Commission are asking the City to legalize ADU construction and rentals (Winter Park Director of Planning and Community Development, personal communication, January 25, 2008). Winter Park's housing problem has not reached a level as significant as Santa Cruz, California. In 2004, the State of Florida implemented legislation permitting local governments to adopt ADU ordinances that restrict rental rates, provide additional affordable housing units, and meet affordable housing needs (Regulatory Barriers Clearinghouse, 2006). Only Key West has adopted an ADU ordinance with provisions that limit the rental rates to targeted populations (DCA, 2007, p. 92). Winter Park's Strategic Plan identifies providing affordable/workforce

housing opportunities as its fourth goal. In a community housing survey, residents within the Hannibal Square neighborhood and Winter Park households with annual incomes under \$35,000 per year selected affordable housing as their first priority (Winter Park, 2007b, p.16). This study recommends that Winter Park consider an ADU program as part of its future Affordable Housing Plan and Workforce Housing Initiative. The ADU ordinance should not restrict the rental rate, but provide incentives to residents who rent their units at workforce housing rates. The incentives should include waiving the affordable housing linkage fees, permitting fees, and all other development fees charged by the City.

The methodology used in this study compares affordability profiles and existing planning documents for Winter Park and Orlando to determine affordable rental housing needs.

Interviews with housing directors and planners explain why some communities resist the ADU concept. An ADU survey collected some demographic information and determined ADU homeowners' opinions on whether or not ADUs are a satisfactory solution to affordable housing needs and population growth. The City of Santa Cruz's award winning ADU program and the City of Orlando's Code provided a framework of regulatory elements required to maintain single-family neighborhood character and to address the ADU concerns identified through interviews and Winter Park surveys.

This study recommends that the potential Winter Park ADU ordinance include a program with a major focus on community outreach. Santa Cruz's ADU program included an extensive outreach program that made the need for ADUs personal. The Santa Cruz Director of Housing and Community Development stressed the importance of community and political "buy in". Santa Cruz began ADU public outreach activities one year prior to introducing the ADU program. The community heard the word "ADU" countless times before the City proposed the

program. Santa Cruz's efforts included newspaper articles before and after each public workshop. The City "put a face on ADUs" by mentioning people in need of housing by name (Santa Cruz Housing and Community Development Manager, personal communication, January 28, 2008). The City of Winter Park will need a similar program that personalizes the need for ADUs rather than simply asking residents to provide affordable housing units on their parcel of land.

Community Concerns

Some Winter Park survey respondents indicated that they would not rent their units. Robert Lang, Editor of *Housing Policy Debate*, commented that he supports ADUs, but not in his neighborhood (Sirmans & Macpherson, 2004). Lang argues that adding extra units within single-family neighborhoods drops home values by 5 to 10 percent (Sirmans & Macpherson, 2004). Winter Park is a Central Florida community with higher than average housing prices and a considerable shortage of developable land. Considering that workers cannot afford to purchase existing homes and the nearby affordable Hannibal Square neighborhood is undergoing gentrification, housing prices will probably continue to rise regardless of ADU infill development and rentals. Furthermore, providing homeowners with the option to build an additional unit or rent an already existing unit increases the elasticity of available housing during housing shortages and costs nothing during housing surpluses.

Some ADU ordinances restrict ADUs to rentals or housing for the elderly. California's legislation restricts ADU for rental purposes (Regulatory Barriers Clearinghouse, 2006). Communities build fewer ADUs when ordinances impose age restrictions; therefore, older people benefit more from ordinances without age restrictions (Chapman & Howe, 2001, p. 648). This study recommends that Winter Park adopt an ADU ordinance without any restrictions. The ADUs should provide an alternative unit for any purpose, age group, or income level. While the

current homeowner may choose not to rent their ADU, the next homeowner has the opportunity to rent the unit.

The parking and traffic associated with ADUs in Winter Park requires special consideration. Santa Cruz removed all parking regulations and barriers to accommodate ADU development. However, parking is a major concern for residents within the City of Winter Park; therefore, relaxing parking regulations is not an option. The City should create ADU design guidelines with ADU prototypes that provide an additional parking space in front of the primary home. Providing a circular drive in front of the primary home or an additional space next to the driveway is the best parking solution. This study recommends that resident concerns regarding parking are addressed in the ADU ordinance. If the parcel cannot accommodate an additional space, the City should deny the ADU because of insufficient lot area. Figures 4-15 and 4-23 show examples of existing ADU parking solutions.

Several communities require that the homeowner either lives in the primary unit or the accessory unit. Winter Park residents expressed concerns about noise and renting to younger tenants. This study recommends that Winter Park require the ADU homeowner to live in one of the units. The purpose of this recommendation is to ease residents' concerns about renters living within single-family owner-occupied neighborhoods. Most homeowners will not continue to rent to disruptive tenants if they also live on the property and experience noise violations.

The Winter Park ADU survey identified loss of privacy as another resident concern. The City of Orlando's Code contains specific regulations that address privacy issues. Orlando requires that two-story ADUs are located 15 feet from the rear property line or all second floor windows facing the rear property line must be opaque (City of Orlando Planner, personal communication, February 12, 2008). Variances within Orlando's historic districts permit two-

story ADUs 5 feet from the rear property line (City of Orlando Planner, personal communication, February 12, 2008). This study recommends that Winter Park adopt regulations that require two-story ADUs to have opaque windows and at least 15-foot setbacks from the rear property line. Winter Park should adopt other elements from Orlando's Code including restricting the ADU to 50 percent of the property's façade and limiting ADU square footage to a maximum 1,200 square-feet or .5 percent Floor Area Ratio (FAR).

Winter Park ADU Benefits

Winter Park's historic Hannibal Square neighborhood is undergoing significant redevelopment because of Winter Park's land shortage and rising house prices. Lots within Hannibal Square increased from \$15,000 in 1991 to \$150,000 in 2005 (Krueger, 2005). ADUs will not stop the Hannibal Square gentrification; however, permitting ADUs adds additional affordable units to Winter Park's housing supply and replaces some of the lost affordable units.

HUD recommends that communities add one ADU for every ten single-family owner-occupied units to increase the supply of rental housing (HUD as cited by MRSC, 1995). Using HUD's recommended one in ten rule within Winter Park could add a number of additional rental units to the existing housing supply without affecting the single-family low-density neighborhood character. The exact number of additional units added to the supply is impossible to calculate based on factors previously mentioned. For example, newer suburban developments built at higher densities have different lots sizes (Koebel et al., 2005). Winter Park's neighborhoods contain a variety of lot sizes. Most of the lot sizes exceed Santa Cruz's minimum requirement of 5,000 square feet; however, lots within the Hannibal Square neighborhood are smaller than 5,000 square feet. Several other lots throughout the City are also too small for an additional ADU. The Winter Park Planning Director also commented that he is unsure about the number of existing ADUs within the Winter Park area. Therefore, an accurate number cannot be

calculated without first determining how many units contain existing ADUs. Providing new net rental units within a built-out community is a benefit for any community.

ADUs provide important housing options for older adults or their paid caregivers. Population projections anticipate that Winter Park's population age 60 and over will increase by 120 percent by 2030 (UF Shimberg Center for Affordable Housing, 2008). Winter Park's population under age 60 will only increase by 12.4 percent by 2030 (UF Shimberg Center for Affordable Housing, 2008). ADUs allow older people to "age in place" while providing a sense of security, source of extra income, and a variety of housing sizes (Chapman & Howe, 2001, p. 638). Providing one-person and two-person units for the elderly allows them to remain in the neighborhood and makes their single-family unit available to another family. The most typical ADU barrier for the elderly is stairs (Chapman & Howe, 2001). Winter Park should encourage a number of homeowners to develop one-story ADUs that are ADA accessible. The City should also provide design guidelines that include an ADA accessible option. This study recommends that Winter Park incorporate education on housing for the elderly into the ADU public outreach effort.

ADU Ordinance Components

The potential Winter Park ADU ordinance and program is a planning tool for implementation now or when the City reaches a severe housing shortage (see Table 5-1 for a complete listing of Winter Park ADU ordinance recommendations). At a minimum, the ADU ordinance needs to include the following:

- One extra parking space required off the primary driveway and behind the front yard setback;
- Architectural guidelines and ADU prototypes including an ADA accessible option;
- Requirements for 15-foot setbacks or opaque second floor windows;
- An extensive public outreach plan that includes marketing tools and education programs;
- No restrictions in regard to age, income, or primary use;

- Incentives for homeowners renting at affordable/workforce housing rental rates;
- Requirements for the homeowner to reside in either the primary or secondary unit.

The Winter Park ADU program needs an education component that starts before the City attempts to implement an ADU ordinance. At a minimum the public outreach program should include the following:

- Newspaper articles explaining ADU housing needs and benefits;
- Marketing tools describing personal needs by “putting a face on ADUs”;
- Consensus building workshops to address community concerns.

This study reviewed the ADU as an alternative to low-density single-family development. Population projections predict that 7.2 million new residents will move to Central Florida by 2050 (Central Florida Joint Policy Framework Committee, 2007). Central Florida’s future growth requires changes to the unsustainable housing trends implemented after World War II. Older historic communities are fortunate enough to have traditional neighborhood designs that can easily absorb infill ADUs, and post-World War II neighborhoods have the potential to support ADUs. The City of Winter Park should create guidelines that determine the types of ADUs allowed in each neighborhood based on existing design and development patterns. The City should extend the historic designation ADU incentive to include all housing units and neighborhoods throughout the City as long as the property meets the ADU ordinance’s requirements. The Central Florida region needs to preserve undeveloped land, promote compact development, and design obtainable housing that is integrated with market-rate housing (Central Florida Joint Policy Framework Committee, 2007). ADUs, within existing single-family neighborhoods, provide several of the components necessary to achieve sustainable smart growth while meeting housing needs for growing populations of the elderly and low-income individuals.

Opportunities for Future Research

Future research opportunities include studies that explore whether or not extensive public outreach activities change the public's perceptions of ADUs. A public outreach study should be completed when a community implements an ADU public outreach program. Prior to the outreach efforts, the researcher should conduct an ADU homeowner survey that asks resident's about their position regarding ADU infill development and rentals. After education and marketing tools are distributed, the researcher should conduct another survey that asks the public about their perceptions of ADU infill development and rentals. The results of this study will determine whether the negative perceptions associated with ADUs result from the behaviors of the tenants or a lack of education regarding housing needs and ADU benefits. Further research should examine the magnitude of public outreach required to convince the public that ADUs are not harmful to single-family neighborhood character.

Another research opportunity examines the type of neighborhood demographics required for the community to accept ADUs. The research could examine what incentives are required for successful implementation of an ADU ordinance when neighborhoods do not need supplementary monthly income. Additional research could examine the characteristic required for the community to accept the units and where these neighborhoods are located. This research could utilize an ADU opinion survey, which includes demographic questions. Municipalities containing neighborhoods with the potential to accept ADU rentals should begin public outreach activities and implement ADU programs that encourage additional infill housing.

This study sent an ADU survey to a random sample of Winter Park and Orlando ADU homeowners to obtain their perspectives on whether or not ADUs are an effective solution to affordable housing and population growth. The survey also asked questions about the ADU tenant's demographics and the typical rents charged per month. Future ADU research should

survey a wider sample of residents within the case study areas and determine the perspectives of residents who do not own an ADU, but live within the same community as homeowners with ADUs. Future research should also examine the applicability of an ADU program beyond Winter Park and throughout the Central Florida region. A regional study area might help determine the larger scale benefits of permitting ADUs.

ADUs provide community benefits including rental housing for people earning 80 percent or more of the median household income, smaller housing units for one- or two-person households, and extra income for homeowners. However, community acceptance of ADUs relies on a community that does not mind mixing traditional neighborhood elements with low-density suburban design. ADU acceptance may result from severe housing shortages and high-priced housing units. This study examined the ADU as affordable housing and smart growth within the City of Winter Park using the City of Orlando's Code of Ordinances and the City of Santa Cruz's ADU program. The case study results indicated that the Winter Park community is not overwhelmingly accepting of ADU rentals. Perhaps the Winter Park perspective results from the Central Florida region not facing a housing shortage as severe as California's.

Still, as more communities, especially in built-out and high growth areas, such as Winter Park, face housing pressures, ADUs may offer an opportunity to address these needs. Additional issues Winter Park needs to resolve are the impacts of public infrastructure, the use of deed restrictions to establish specific requirements, code enforcement to enforce building codes and site plans, and the question of additional impact fees. This study outlines an approach for those communities to assess this opportunity and begin the process of building community support. Further, it suggests several regulatory approaches and design characteristics that accommodate ADUs without diminishing single-family neighborhood character.

Table 5-1. Winter Park ADU ordinance recommendations

Recommended City of Winter Park ADU ordinance requirements	
Owner occupancy	The owner must occupy either the ADU or the primary unit
Permitted Zones	ADUs should be permitted "by right" throughout the city limits
Number of ADUs per Parcel	Only one ADU permitted per parcel
Size	Maximum size 1,000 square feet or 40 percent of the principle structure, whichever is less
Height	One-story ADU height limit 13 feet to mid-roof Two-story ADU height limit 20 feet to roof peak
Rear Setbacks	One-story ADUs require 5-foot setbacks from the rear property line Two-story ADUs require 15-foot setbacks from the rear property line or 5-foot setbacks with opaque second story windows
Side Setbacks	5-foot setback
Front yard Setback	At least equal to the main house
Rear Yard Coverage	No more than 35 percent of the rear yard can be covered by the ADU
Distance Between Structures	5-foot distance required
Minimum Lot Size	A minimum of 5,000 square feet required
Privacy Requirement	Entrance/main window may be oriented towards main house, but not neighbor
Architectural Design Standards	The ADU design should be compatible with the neighborhood characteristics and incorporate at least two architectural features from the main unit (e.g., windows, doors, roof style, dormers, or cornice detailing). Where possible, one-story ADA accessible units should be encouraged during the design process.
Lot Orientation	ADU should be orientated to protect views for surrounding neighbors
Technical Assistance	The City should work with architects and engineers to develop a technical assistance handbook that address common questions that arise during the ADU development process

Table 5-1. Continued

Recommended City of Winter Park ADU ordinance requirements	
Façade Requirement	ADU may not occupy more than 50 percent of the property's façade
Parking Requirement	One additional on-site parking space is required for the ADU and two on-site spaces are required for the main unit. The space should be provided on the side for corner lots and behind the front yard setback for regular lots (off main driveway or add circle driveway). ADU provided parking should not require moving cars around or on-street parking.
Affordability Incentive	Development fees, permit fees, and affordable housing linkage fees waived for units rented to households earning 80 percent or less of the median household income
Separate Utility Meter	Separate ADU utility meters permitted
ADU Use Restrictions	The ADU may not be used for home occupations
ADU Approval Process	The City should establish a consistent and streamlined approval process that incorporates an adequate sewer and water requirement
Disruptive Noise, Traffic, and Congestion	The City should establish a system of fines for homeowners who violate the ADU zoning regulations
Functional Requirements	Cooking, sleeping, and bathroom facilities required

APPENDIX A
ORLANDO AND WINTER PARK ADU SURVEYS

City of Orlando Accessory Dwelling Unit Survey

1. Do you live within the City of Orlando City Limits? (Please Circle)
Yes or No
2. Do you own a home with an accessory dwelling unit (ex. Garage apartment, granny flat)? (Please Circle)
Yes or No
3. How many square feet is the accessory dwelling unit? (Please Circle)
<300 400-500 600-700 +800
4. What is the primary use of the accessory dwelling unit? (Please Circle)
Rental Family Occupied Storage Office Other _____
5. If the accessory dwelling unit is a rental, is the unit currently rented? (Please Circle)
Yes or No
6. How much do you charge per month? (Please Circle)
<\$300 \$300-\$500 \$500-\$700 \$700-\$900 +\$1000
7. For how many months is the unit rented in a typical calendar year? (Please Circle)
<3 months 6-8 months 8-10 months 10-12 months
8. How many adults live in the accessory dwelling unit? (Please Circle)
1 2 3 +4
9. How many children live in the accessory dwelling unit? (Please Circle)
1 2 3 +4
10. What is the age of the head of household? (Please Circle)
18-25 25-35 35-45 45-55 +55
11. Is the head of household Male or Female? (Please Circle)
12. What is the head of household's occupation? (Please Circle)
Service Construction Sales Professional Self-employed
Other _____
13. Do you think that building and renting accessory dwelling units is a satisfactory solution to population growth and affordable housing? (Please Circle)
Strongly Agree Agree Disagree Strongly Disagree
Other _____

14. Provide any additional comments below.

City of Winter Park Accessory Dwelling Unit Survey

1. Do you live within Winter Park City Limits? (Please Circle)
Yes or No
2. Do you own a home with an accessory dwelling unit (ex. Garage apartment, granny flat)?
(Please Circle)
Yes or No
3. Do zoning ordinances within your community permit using the accessory dwelling unit as
a rental? (Please Circle) **If Yes, skip to Question 6**
Yes or No
4. If you answered No to Question 3, would you rent your accessory dwelling unit if the
zoning ordinance changed? (Please Circle)
Yes or No
5. If you answered Yes to Question 4, how much would you charge? (Please Circle)
<\$300 \$300-\$500 \$500-\$700 \$700-\$900 +\$1000

If you answered yes to Question 3 please continue with the following questions.

6. How many square feet is the accessory dwelling unit? (Please Circle)
<300 400-500 600-700 +800
7. What is the primary use of the accessory dwelling unit? (Please Circle)
Rental Family Occupied Storage Office Other _____
8. If the accessory dwelling unit is a rental, is the unit currently occupied? (Please Circle)
Yes or No
9. How much do you charge per month? (Please Circle)
<\$300 \$300-\$500 \$500-\$700 \$700-\$900 +\$1000
10. For how many months is the unit rented in a typical calendar year? (Please Circle)
<3 months 6-8 months 8-10 months 10-12 months
11. How many adults live in the accessory dwelling unit? (Please Circle)
1 2 3 +4
12. How many children live in the accessory dwelling unit? (Please Circle)
1 2 3 +4
13. What is the age of the head of household? (Please Circle)
18-25 25-35 35-45 45-55 +55
13. Is the head of household Male or Female? (Please Circle)
14. What is the head of household's occupation? (Please Circle)
Service Construction Sales Professional Self-employed
Other _____

15. Do you think that building and renting accessory dwelling units is a satisfactory solution to population growth and affordable housing? (Please Circle)

Strongly Agree Agree Disagree Strongly Disagree

Other _____

16. Provide any additional comments below.

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BIOGRAPHICAL SKETCH

Patricia Tyre was born in Winter Park, Florida. She attended Winter Park High School and graduated from Winter Park's Rollins College with a Bachelor of Arts in environmental and growth management studies. Patricia became intrigued with urban and regional planning during an environmental studies class that expressed the imperative need for environmental planning that protects important natural resources. During her Rollins College coursework, Patricia studied new urbanism developments and older traditional neighborhoods. She became interested in the benefits associated with traditional neighborhood design and smart growth.

After graduating from Rollins, Patricia continued her planning education at the University of Florida's Master of Arts in Urban and Regional Planning program. At the University of Florida, Patricia completed a course on housing and public policy, which inspired her interest in affordable housing. The combination of studying traditional neighborhood design, smart growth, and learning about the severity of the nation's housing crisis led to her thesis topic on accessory dwelling units as affordable housing and smart growth. Upon completion of her Master of Arts in Urban and Regional Planning, Patricia hopes to contribute to the future of planning and housing issues in the Central Florida area.