# HOUSING CHOICE + INCREMENTAL DEVELOPMENT

**SMALL-SCALE, BIG-DEAL** 

#### WHO IS KRONBERG WALL?

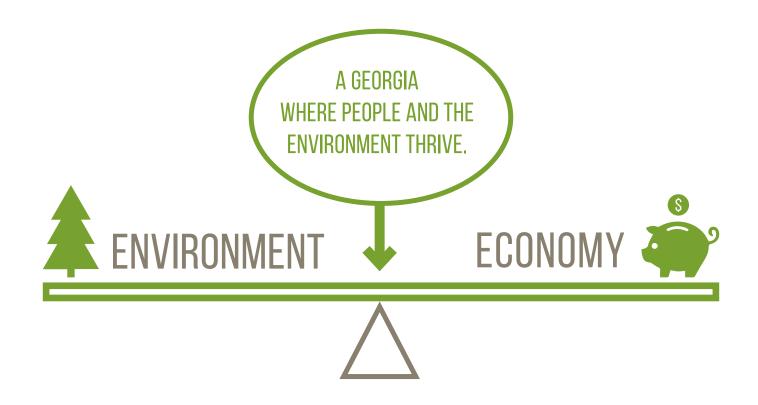








#### WHO IS THE GEORGIA CONSERVANCY?



We believe the most sustainable communities are the ones already built.

Sustainable Growth Program www.georgiaconservancy.org

# WHERE DO WE NEED TO FOCUS OUR HOUSING EFFORTS?

## **ACCESS MATTERS.**

We need to focus on increasing our housing choice and housing diversity in areas with access to daily needs without a car.



## **CONTEXT MATTERS.**

We need to focus on increasing our housing choice and housing diversity in areas with **existing** infrastructure.



# We're talking about our <u>historic</u> walkable neighborhoods, often the cores of our cities and towns.



#### **WALKABILITY: SUPPLY & DEMAND MISMATCH**

## Over <u>60%</u> of adults want to live in walkable neighborhoods.

# But, only <u>5-10%</u> of our available housing stock is located in walkable neighborhoods.

#### DATA SOURCES:

- http://sdra.net/blog/walkability-demand/
- Arthur C. Nelson



#### LACK OF WALKABILITY = LACK OF AFFORDABILITY

# The high demand and low supply means walkable neighborhoods are economically exclusive.



#### **FOCUS HOUSING WHERE IT MATTERS**

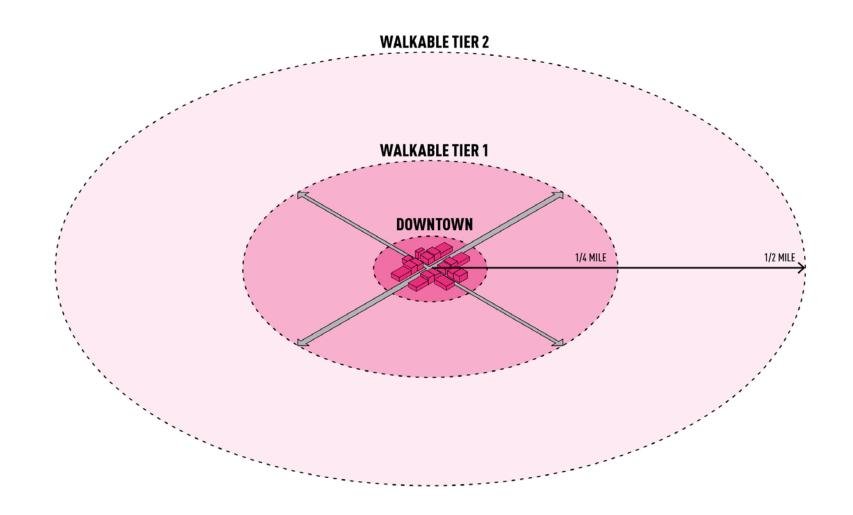
It's not a walkable neighborhood shortage, it's a <u>housing shortage</u> within walkable (or potentially walkable) neighborhoods.



# SMALL TOWN STRATEGIES FOR HOUSING CHOICE

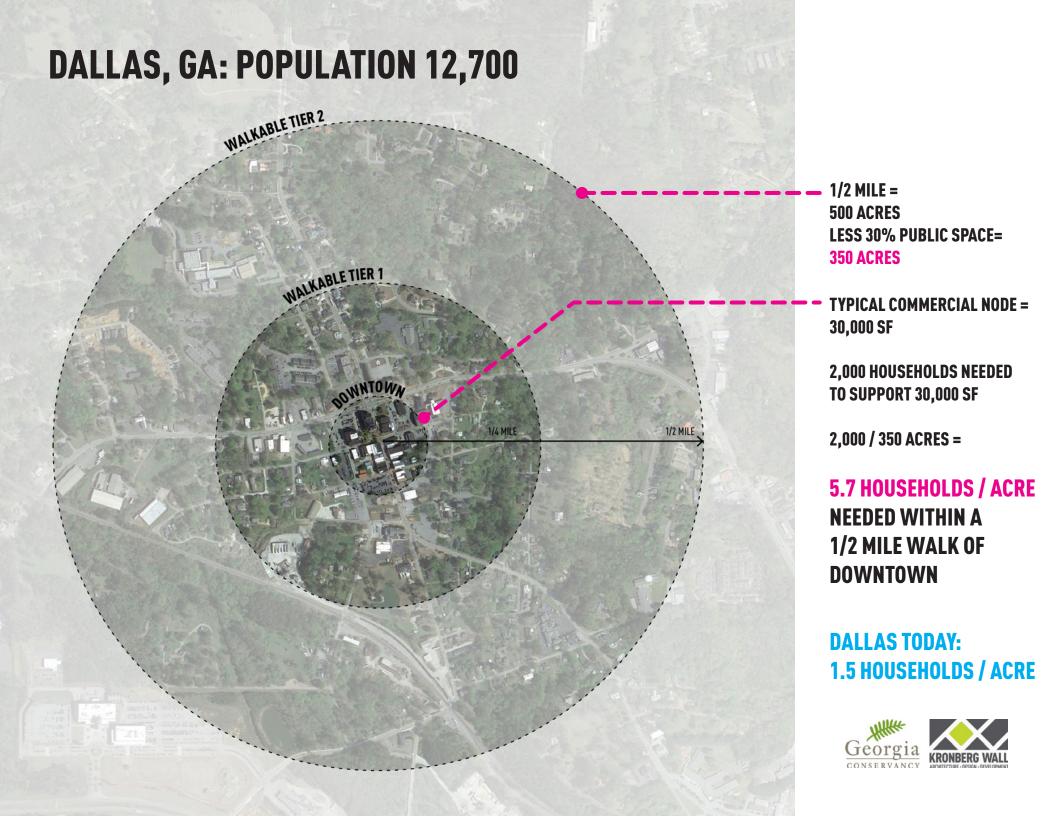


#### **CONTEXT MATTERS: FOCUS ON YOUR CORE**

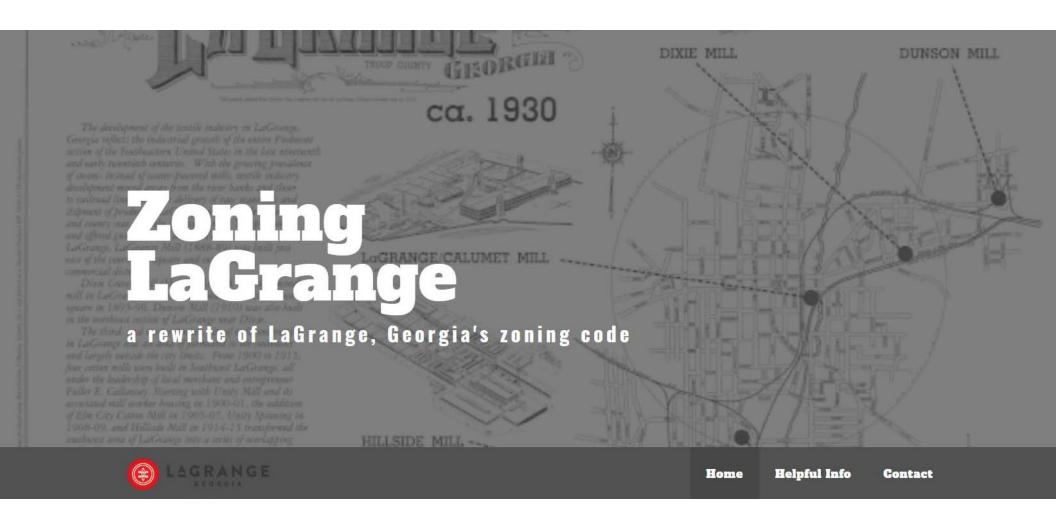


- Focus on areas near existing goods and services
- Most people will walk 5 -10 minutes for daily goods and services
- Providing housing choice near your downtown helps support your downtown



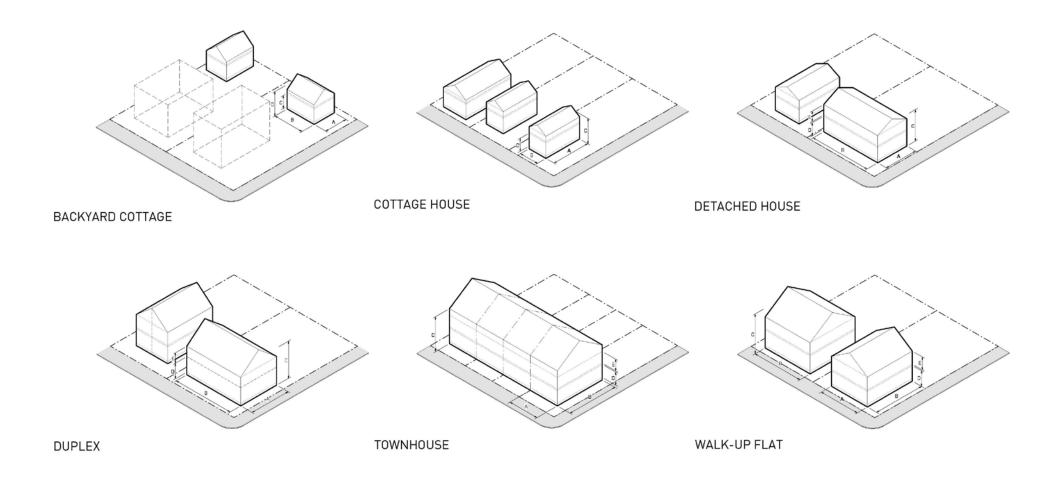


#### TRADITIONAL NEIGHBORHOOD OVERLAY





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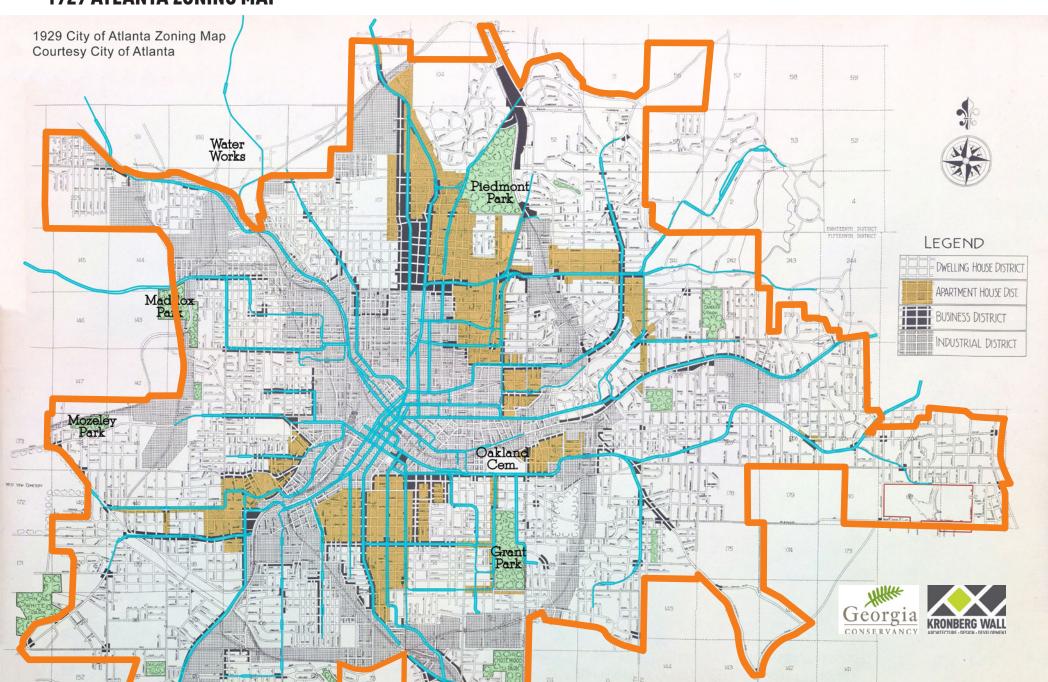


## ATLANTA STRATEGIES FOR HOUSING CHOICE

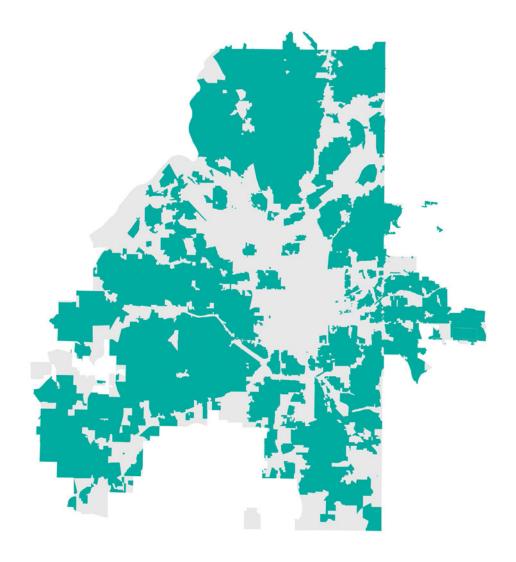


#### **ATLANTA IN 1929: THE ORIGINAL TOD**

#### **1929 ATLANTA ZONING MAP**



#### **ATLANTA IN 2016: NO ADUS ALLOWED**



OVER
60%
OF ATLANTA'S LAND
IS ZONED SINGLE
FAMILY (R1-R5)





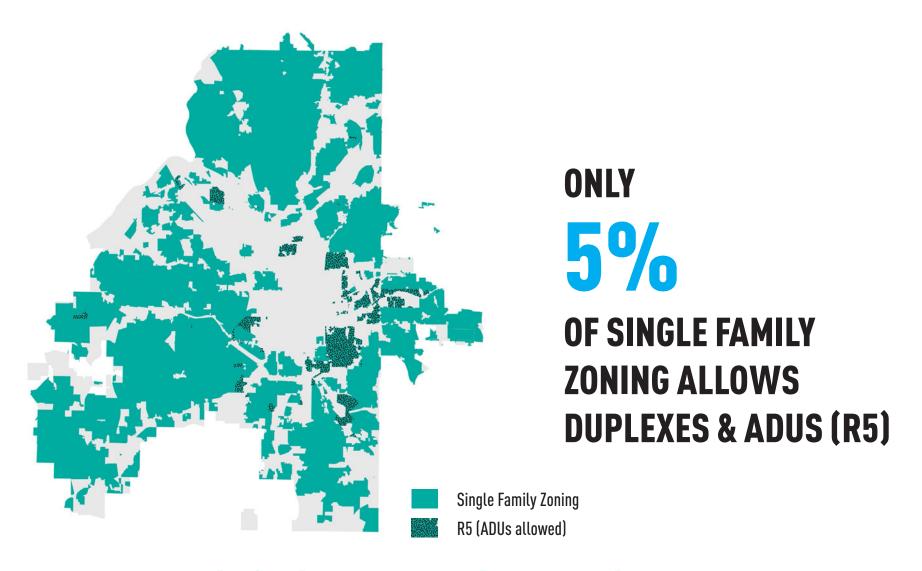
#### ATLANTA IN 2016: GUEST HOUSES, BUT NO ADUS

#### **Guest House**

- Allowed in all single family zoning categories (R1-R5)
- Cannot be leased for longer than 90 days
- Cannot have "full cooking facilities" (no stoves)
- Does not count towards your allowable buildable square footage



#### **ATLANTA IN 2017: LIMITED ADUS ALLOWED**



A very <u>strategic</u> Ordinance allowing ADUs in the smallest SF zoning category is adopted.



#### **ATLANTA IN 2017: ADUS ALLOWED IN R5 ONLY**

#### **Guest House**

- Allowed in all single family zoning categories (R1-R5)
- Cannot be leased for longer than 90 days
- Cannot have "full cooking facilities" (no stoves)
- Does not count towards your allowable buildable square footage

#### **ADU**

- Allowed only in R5
- No lease limit
- Can have stoves
- Counts towards your allowable buildable square footage



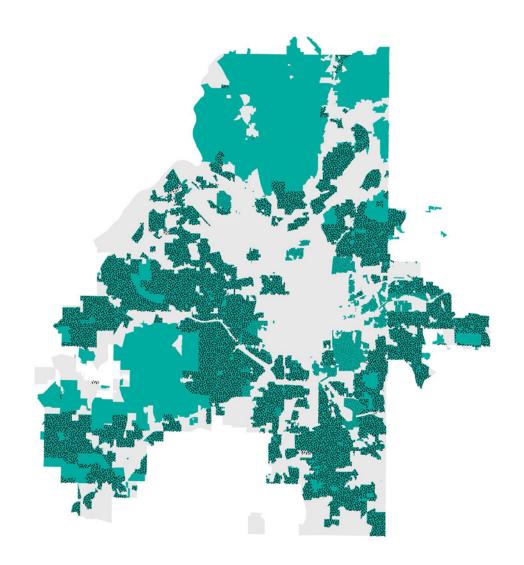
#### **ATLANTA NOW: ZONING QUICK FIXES**



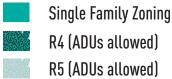
Strategic updates to the zoning code are <u>lighter</u>, <u>faster and cheaper</u> than a full rewrite.



### **ATLANTA IN 2019 (HOPEFULLY...)**

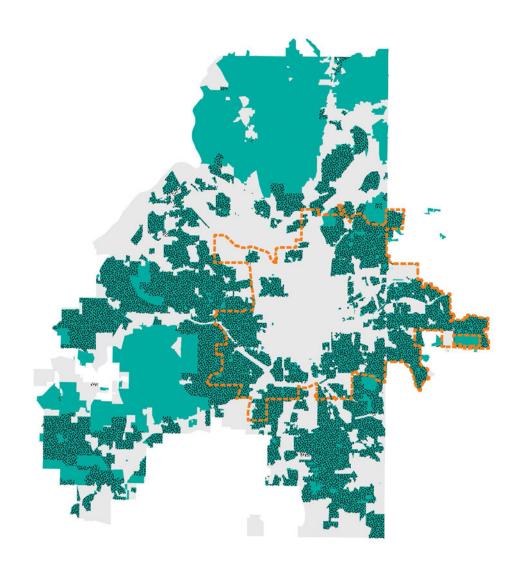


60% of Single Family zoning will allow ADUS (R4 & R5)





#### **ATLANTA IN 2019 (HOPEFULLY...)**



**MEANING** 

100%

OF SINGLE FAMILY
ZONING IN OUR MOST
WALKABLE NEIGHBORHOODS
WILL ALLOW
ADUS (R4 & R5)





1929 City of Atlanta boundary

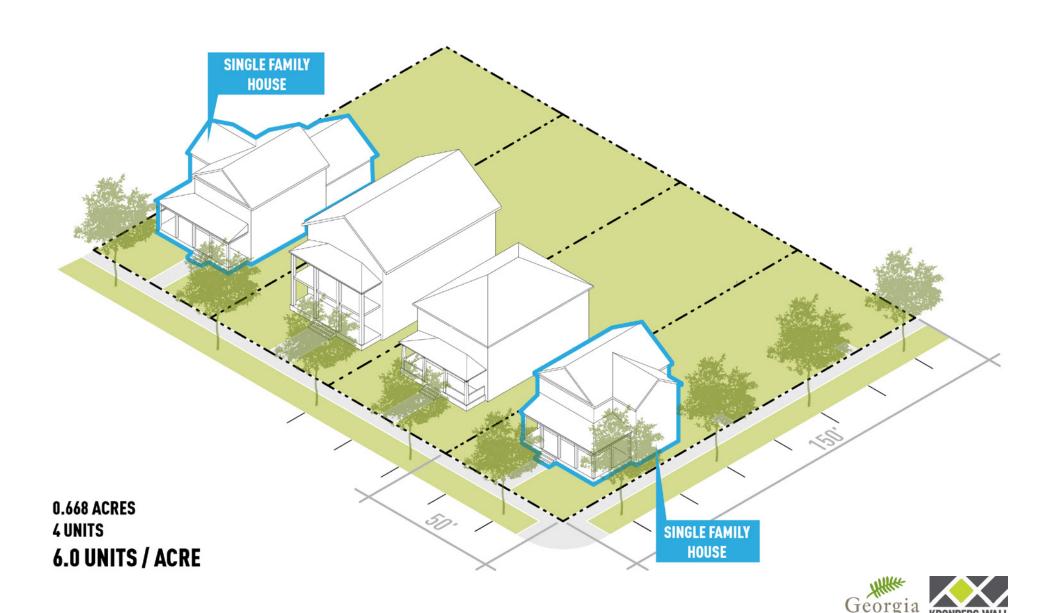


## VARIETY MATTERS.

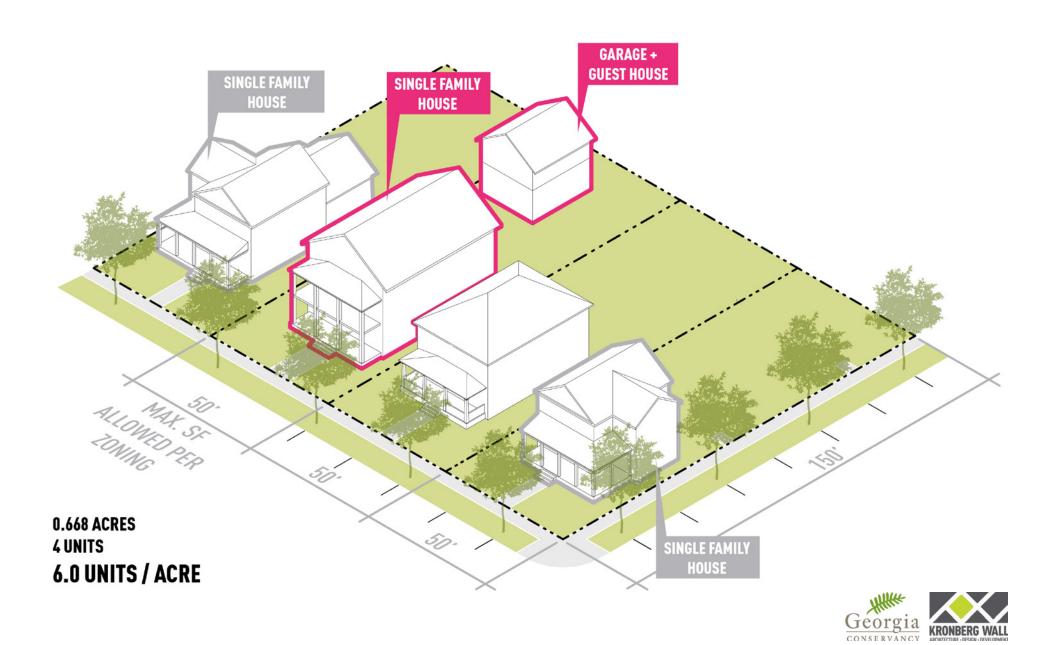
It is important to understand that walkable/diverse/affordable/resilient neighborhoods cannot be **single-family-only** neighborhoods.



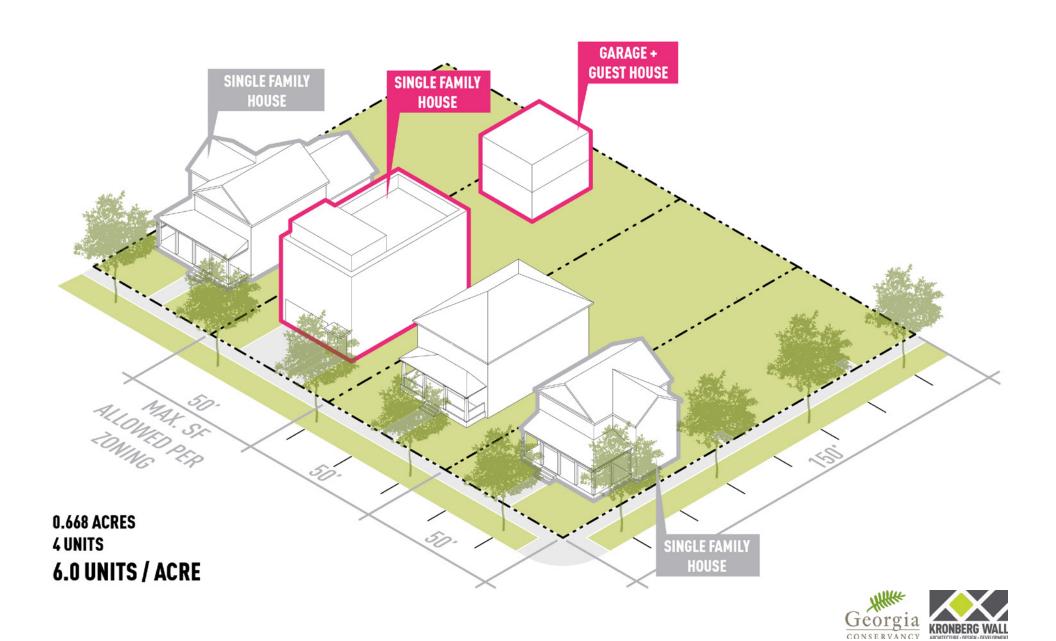
#### **ATLANTA TODAY: WHAT EXISTS**



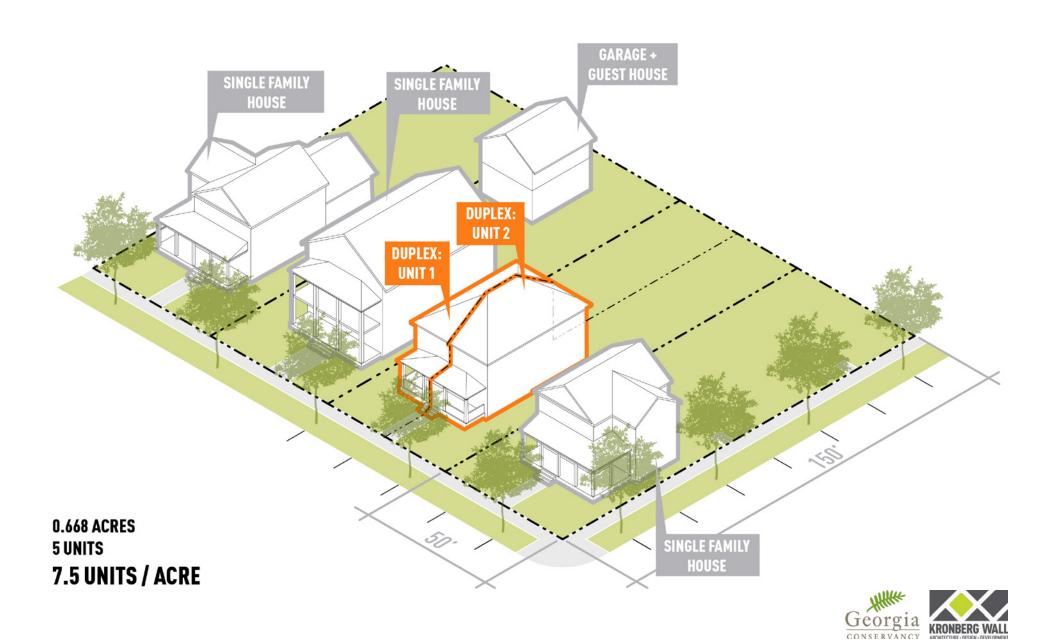
#### ATLANTA TODAY: WHAT'S ALLOWED



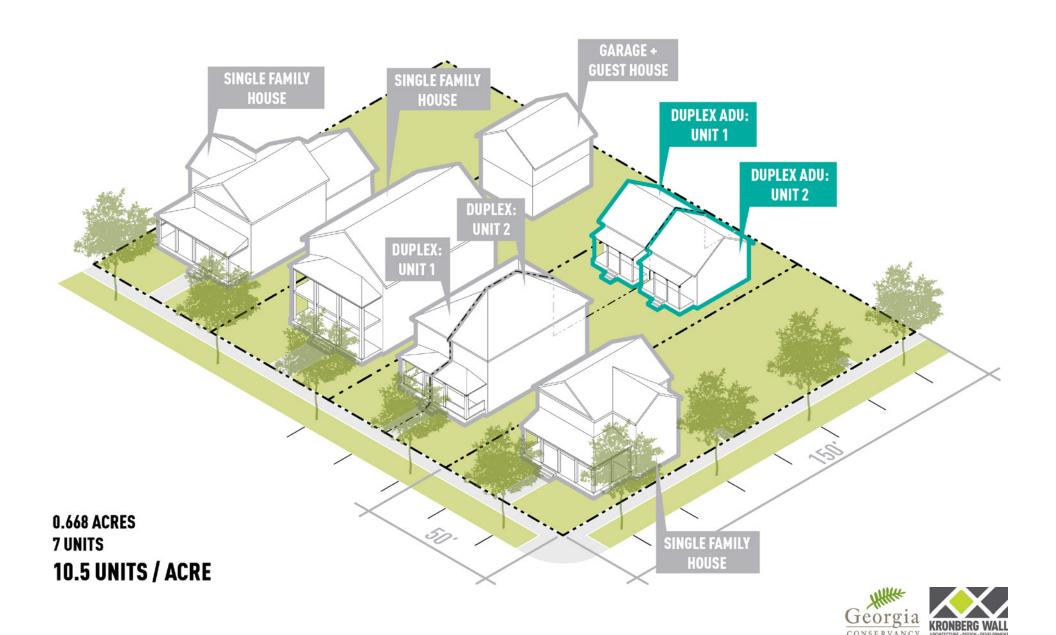
#### **ATLANTA TODAY: WHAT GETS BUILT**



#### **ATLANTA R-5: WHAT WAS ALLOWED**



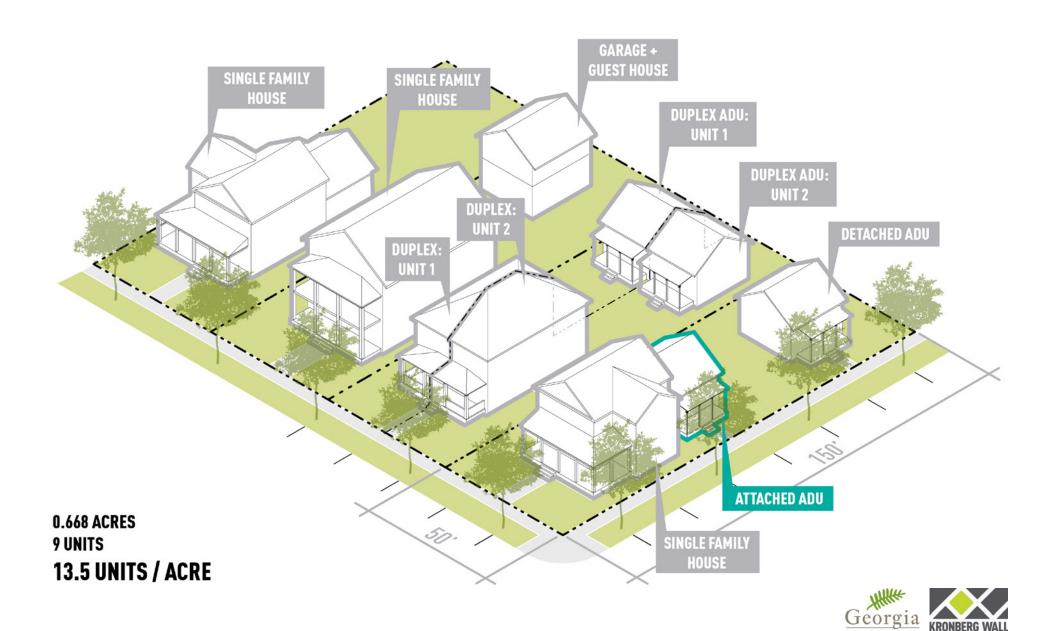
#### **ATLANTA R-5: WHAT'S NOW ALLOWED**



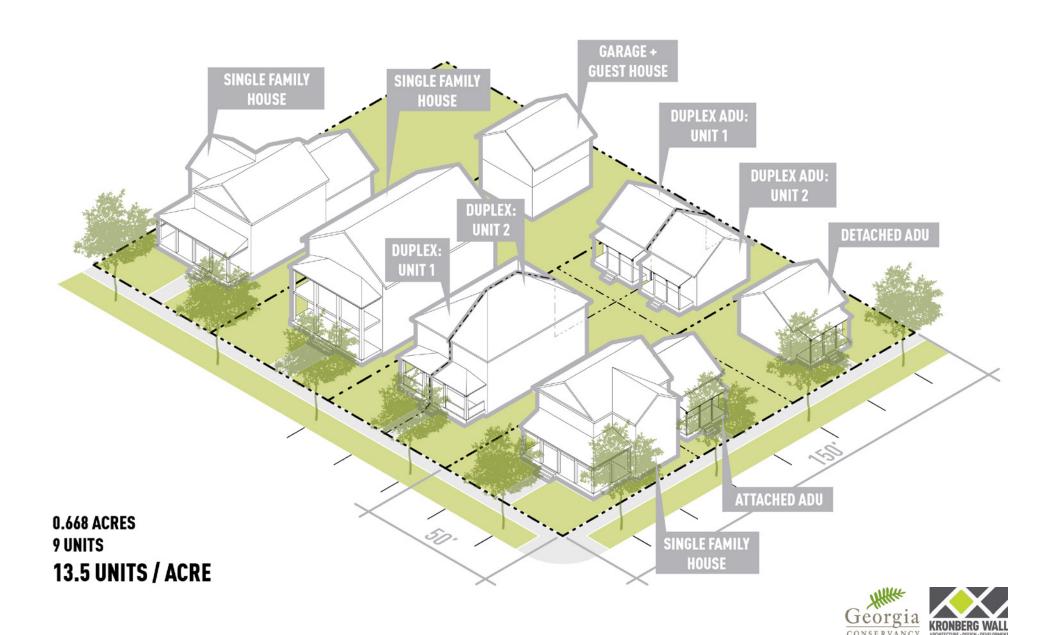
#### **ATLANTA R-5: WHAT'S NOW ALLOWED**



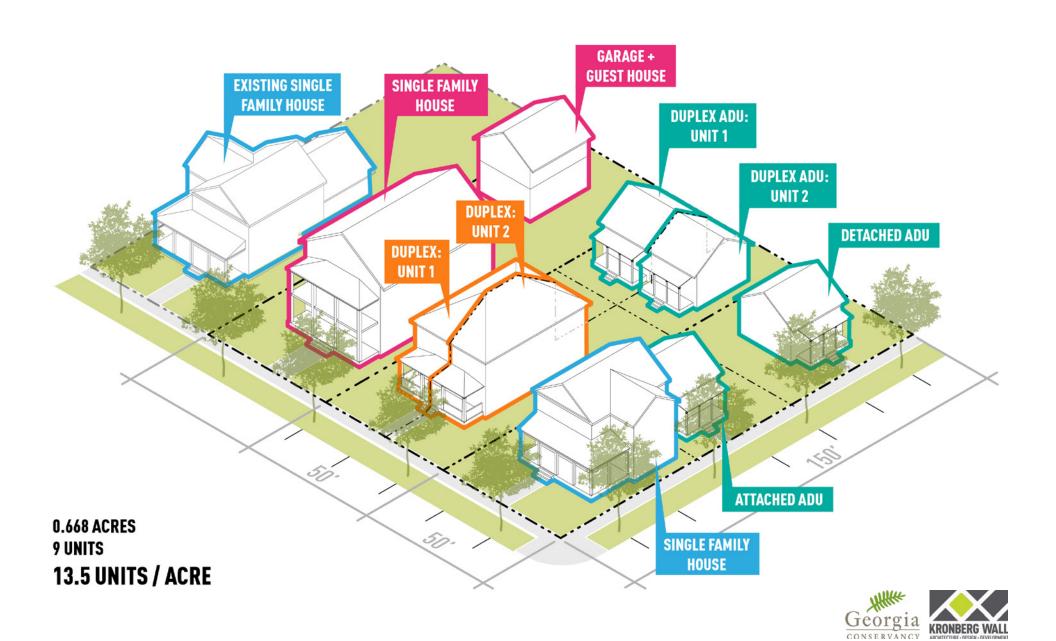
### ATLANTA R-5: WHAT'S NOT ALLOWED



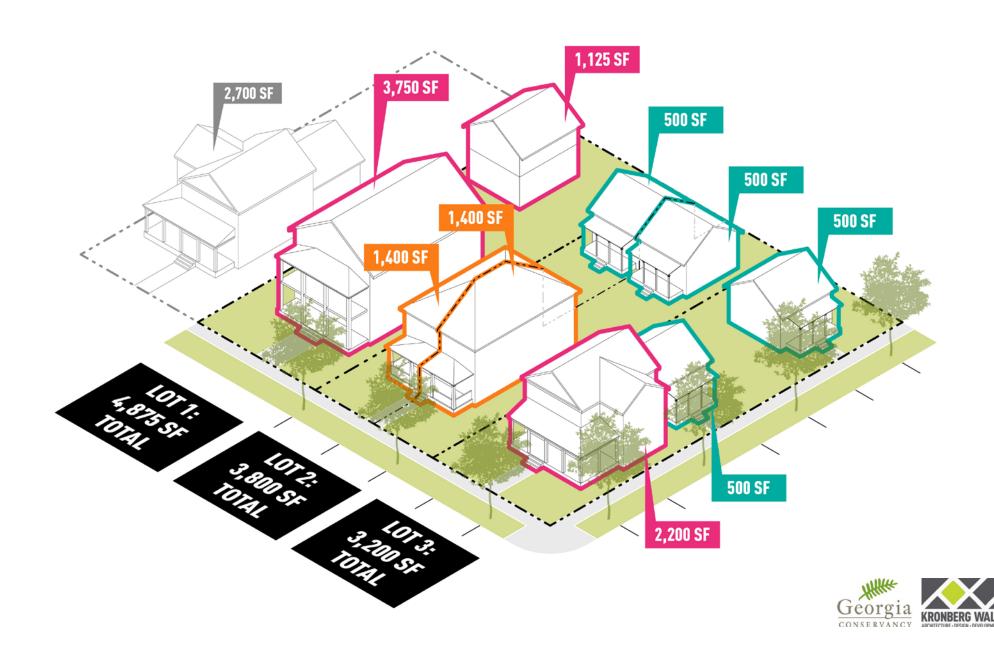
### ATLANTA R-5: WHAT'S NOT ALLOWED



#### **ATLANTA: WHAT SHOULD BE ALLOWED**



#### **VARIETY MATTERS: HOUSING TYPES**



# OTHER CHALLENGES ADUS FACE AS VIABLE HOUSING OPTIONS



#### **DEVELOPMENT CHALLENGES**

- FINDING AN ARCHITECT THAT UNDERSTANDS ZONING
- 2. FINDING A CONTRACTOR
- FINDING TIME IN YOUR LIFE TO LEARN ZONING AND PERMITTING
- FINDING TIME IN YOUR LIFE TO BECOME A PROJECT MANAGER



#### **DEVELOPMENT SOLUTION: ATLANTA ADU CO.**



#### 1 BEDROOM / 1 BATH

440 SF WITH 75 SF PORCH \$107,000 / \$127,000 DESIGN/PERMIT/BUILD

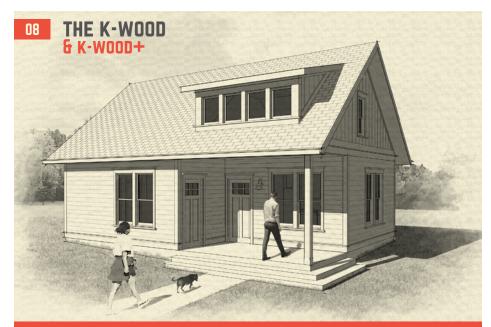
Named after the home of ATL ADU Co, the Reynoldstown is an efficient accessory dwelling unit with a bedroom (with closet), full bathroom, galley kitchen, and living room all in a compact 440 SF footprint. Large windows are placed to deliver as much natural light as possible to the interior and facilitate natural ventilation when weather permits. The R-Town has a lot to offer in a small footprint, which also helps to accommodate challenging lot conditions.



#### NOT INCLUDED CONTINGENCIES:

- Tree removal- Est.\$1,600-\$2,000 per occurrence
- Sanitary Plumbing Lift Station-\$1,410
- Excessive Grading Situations- Est. \$900- \$1,400
- Zoning Variance Assistance-\$1,500
- Demolition of any required Existing Structures- Est. \$3,000- \$8,000

All contingencies will be identified at the end of the Feasibility and Investigation Phase



#### 2 BEDROOM / 2 BATH

644 SF WITH 105 SF PORCH \$143,000 / \$163,000 DESIGN/PERMIT/BUILD

Inspired by Atlanta's abundance of American Craftsman bungalows, the K-Wood features two bedrooms, each with separate bathroom and storage space. A kitchen and living room open onto a deep covered porch. Generous windows provide natural light and ventilation through the interior, and the galley kitchen offers plenty of room for prep and appliances. With a footprint only slightly larger than the R-Town and two exterior entry doors, the K-Wood offers an ideal setup for Airbnb rental, aging parents, and/or a long-term rental.



#### **NOT INCLUDED CONTINGENCIES:**

- Tree removal- Est.\$1,600-\$2,000 per occurrence
- Sanitary Plumbing Lift Station \$1,410
- Excessive Grading Situations- Est. \$900- \$1,400
- Zoning Variance Assistance- \$1,500
- Demolition of any required Existing Structures- Est. \$3,000-\$8,000

All contingencies will be identified at the end of the Feasibility and Investigation Phase

#### FINANCING CHALLENGES

- 1. APPRAISERS STRUGGLE TO DEFINE VALUE
- SECURING FINANCING IF CASH OR HELOC ARE NOT AN OPTION

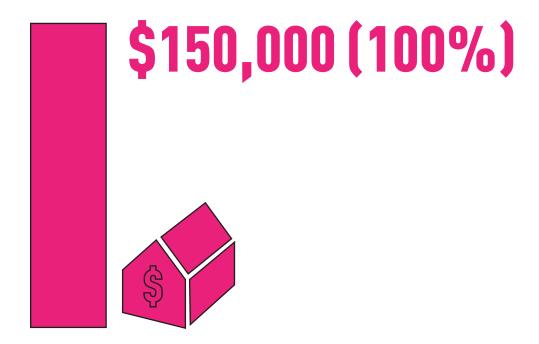


#### FINANCING CHALLENGES: SHOW ME THE MONEY

HOW MUCH DOES IT COST TO FINANCE A \$500,000 HOUSE?



HOW MUCH DOES IT COST TO FINANCE A \$150,000 ADU?



FINANCE OPTIONS: FANNIE MAE

**FINANCE OPTIONS: HELOC, CASH** 



#### FINANCING SOLUTIONS

1 A SECURITIZABLE LOAN PRODUCT

Allow smaller investors to purchase shares in a larger asset pool of dollars

2. REVOLVING LOAN FRAMEWORK

Create and utilize a model for local development authorities to adopt to their jurisdiction

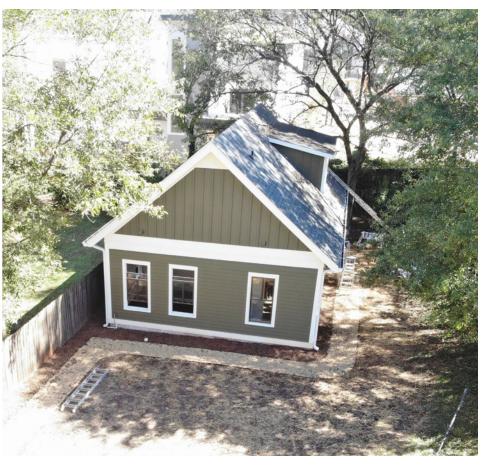
3. CONSTRUCTION LOAN & PERMANENT FINANCING

Both are critical to revolving loan fund creation and longevity



#### PERCEPTION CHALLENGES: MAINTAINS CHARACTER





FRONT YARD VIEW

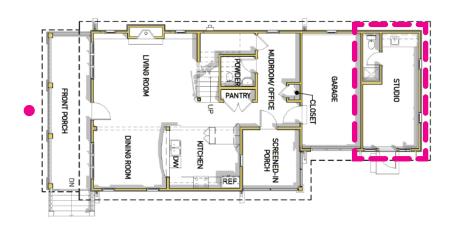
**BACK YARD VIEW** 

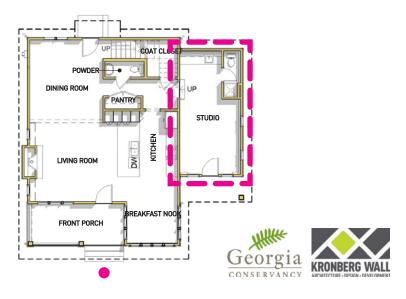


#### PERCEPTION CHALLENGES: MAINTAINS CHARACTER









# WHAT CAN WE DO TO ENSURE HOUSING CHOICE TODAY?



#### **ACTIONABLE STRATEGIES**

- ALLOW ADUS IN <u>WALKABLE</u> SINGLE FAMILY DISTRICTS; DON'T REQUIRE PARKING
- ALLOW BOTH ATTACHED AND DETACHED ADUS ON ONE PROPERTY
- REFORM LOT SUBDIVISION STANDARDS TO ALLOW ADUS TO BECOME COTTAGE LOTS
- TACKLE LOCAL AND FEDERAL FINANCE OPTIONS FOR ADUS & COTTAGES

