

UNDERSTANDING THE MARKET AND BUILDING ACCESSORY DWELLING UNITS

DECATUR TINY HOUSE FESTIVAL • OCTOBER 1, 2017



Who is Kronberg Wall?



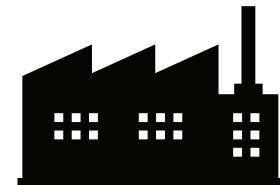
**WE ARE CONSCIOUS URBAN
PLACEMAKERS**



NEIGHBORHOOD ACTIVATORS



URBAN INFILL



ADAPTIVE REUSE

An isometric illustration of a city street scene. The background shows a grid of buildings and streets in a light blue, wireframe style. Several rectangular blocks are highlighted in a solid reddish-orange color, indicating specific areas of interest. The text is overlaid on this background.

We believe walkable areas with existing infrastructure are the easiest targets for quick and cost-effective antidotes to sprawl.

We need to increase our housing choice and housing diversity in these vital areas.

SHOUT-OUT: To Bleakly for the Market Data!

Special thanks goes out to GEOFF KOSKI

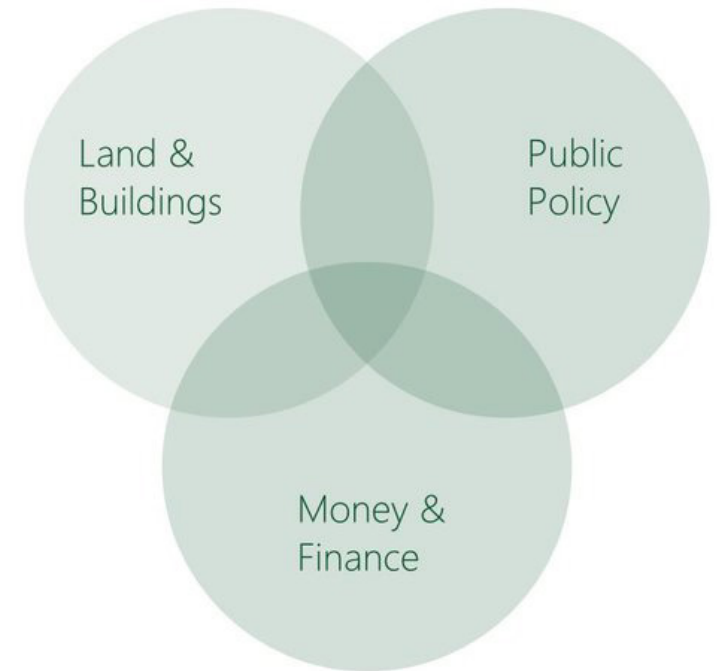


- Market Analysis
- Development Financing
- Public Financing
- Economic Impacts
- Redevelopment Strategies
- Local Economics
- Implementation Strategies
- Transit-Oriented Development

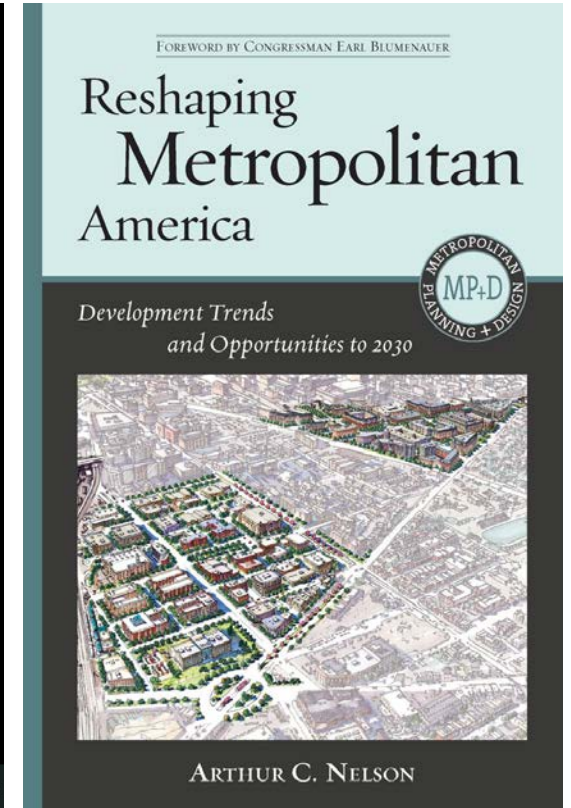
Over 10 years Serving the Atlanta Region
and the Southeast.

www.blagroup.com

404.845.3550



SHOUT-OUT: To Arthur C. Nelson for More Market Data!



<https://vimeo.com/75228279>

WHY WE CARE ABOUT ADUS (+ TINY HOUSES)

1. The trends, they are a changin'

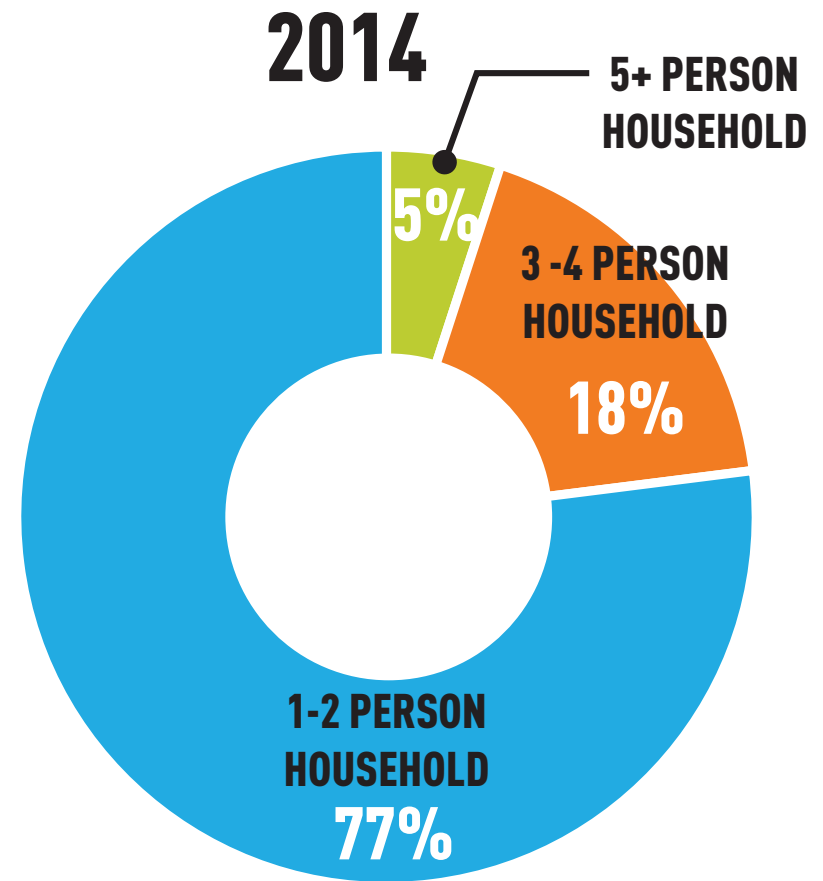
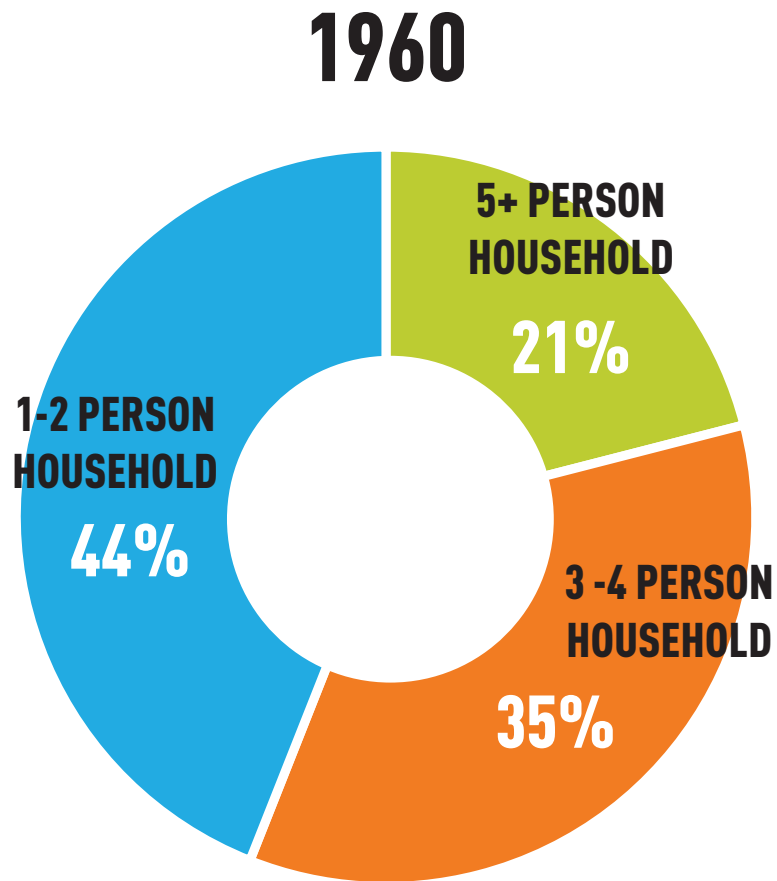
DEMOGRAPHICS: Persons Per Household, USA

Household Type	1970	2000	2030
HHs with Children	45%	33%	29%
HHs without Children	55%	67%	71%
Single-person HHs	18%	27%	29%

THE TREND: More singles, less kids.

WHAT IT MEANS: There are fewer people per household.

DEMOGRAPHICS: Persons Per Household, City of Atlanta

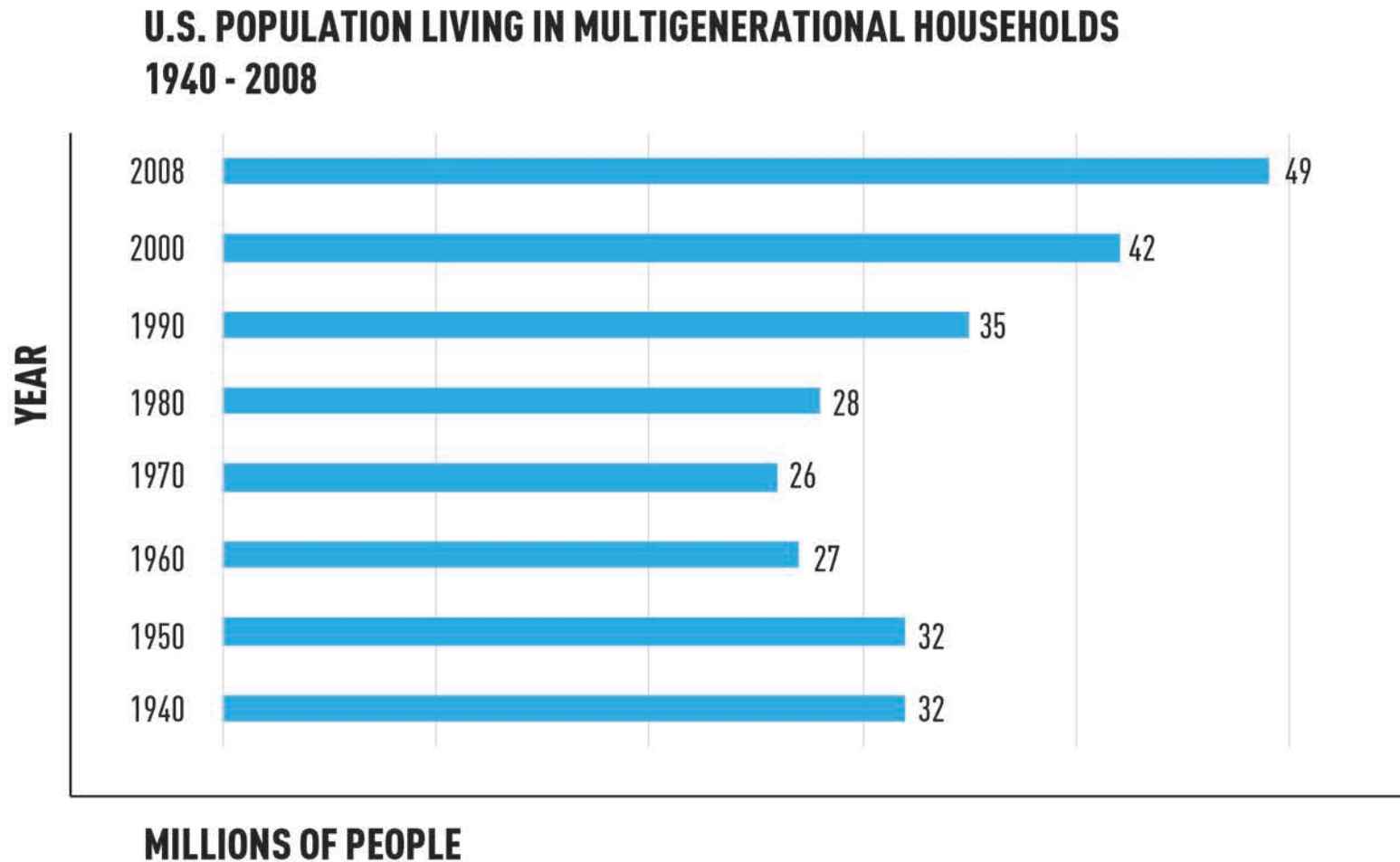


THE TREND: Household size is decreasing.

WHAT IT MEANS: There will be less demand for larger housing types.

Data Source:
Bleakly

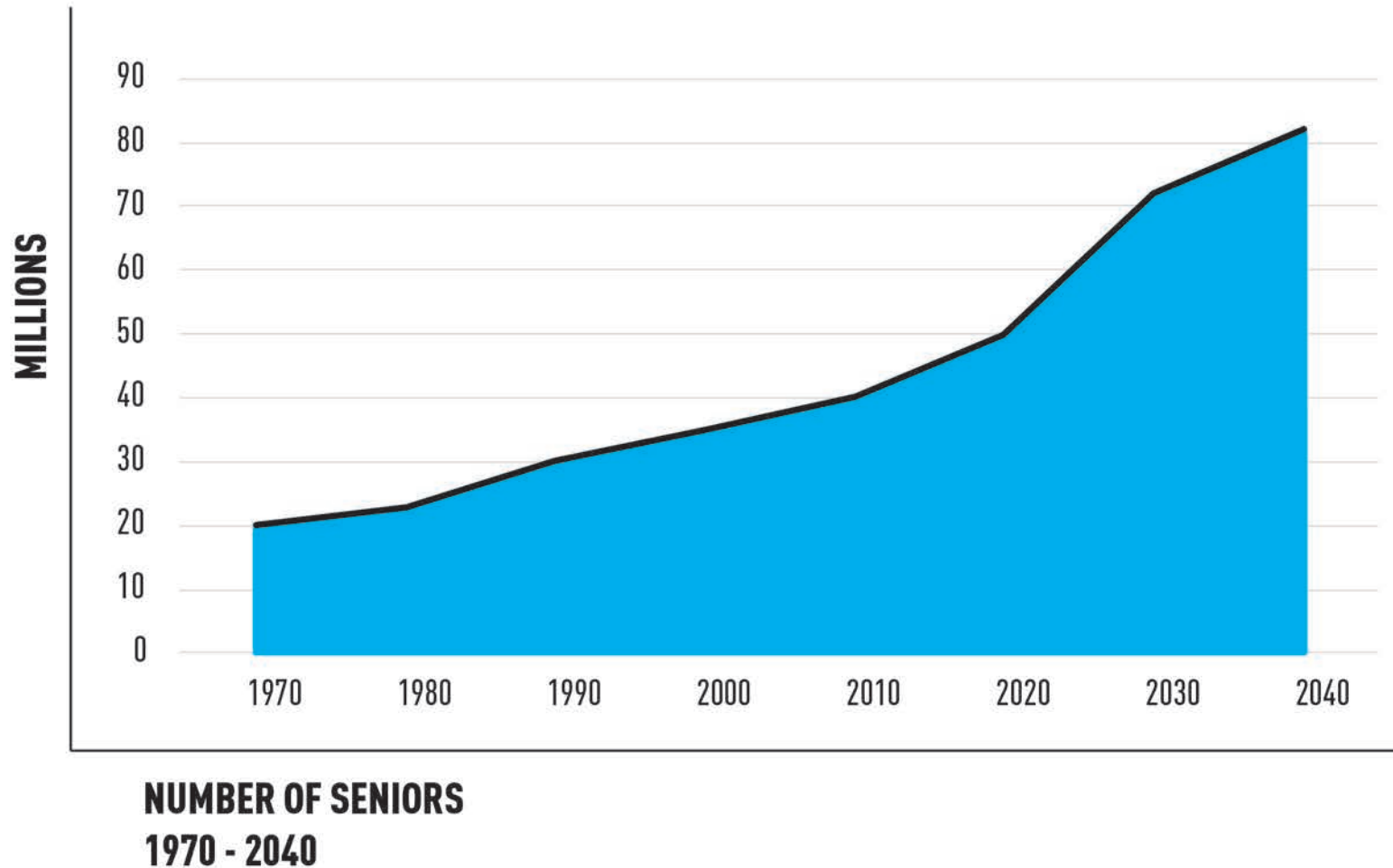
DEMOGRAPHICS: Household Dynamics



THE TREND: Family structure is evolving.
WHAT IT MEANS: Household size will stabilize.

Data Source:
Pew Research Center

DEMOGRAPHICS: Age

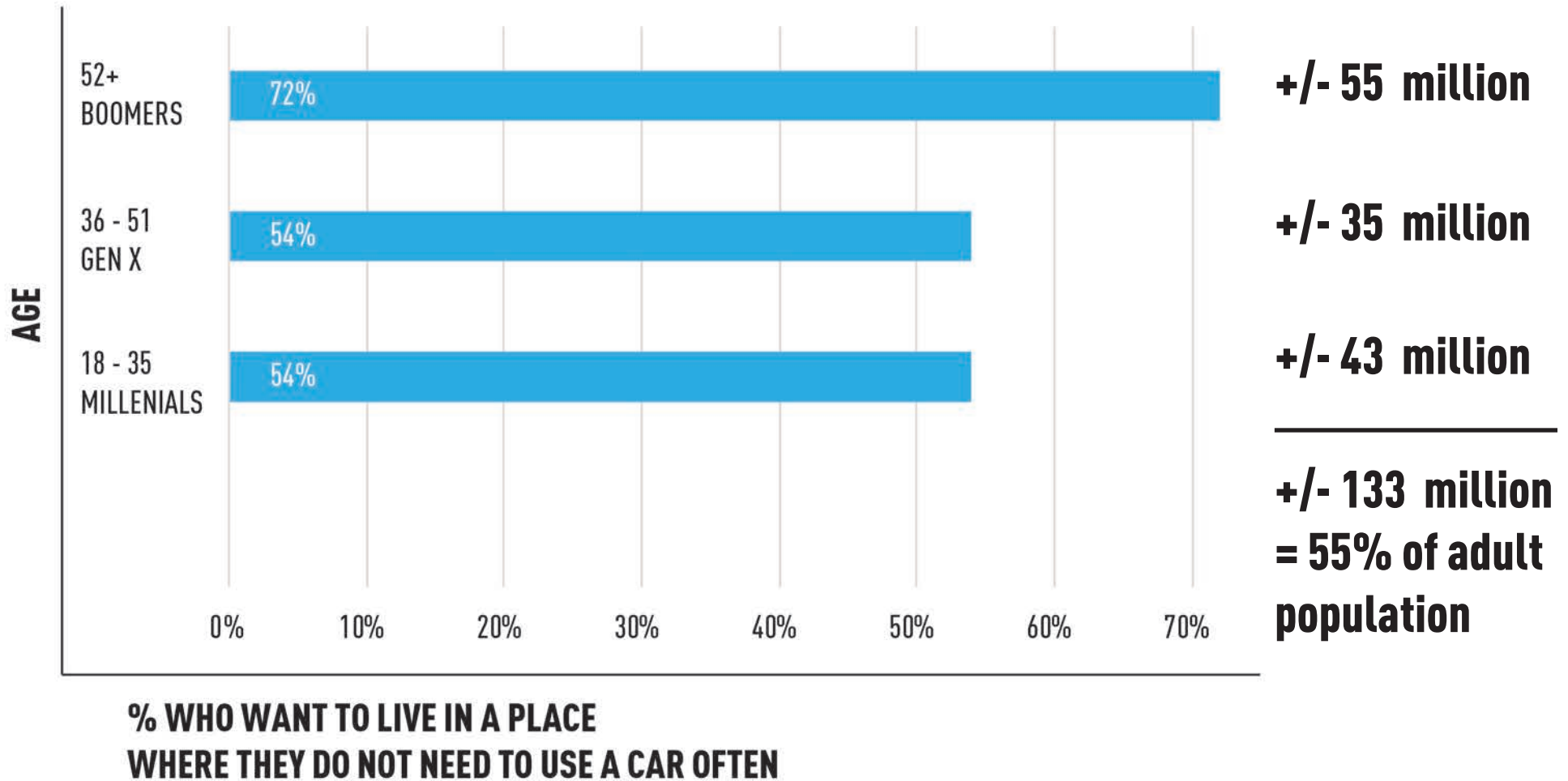


THE TREND: Seniors are on the rise.

WHAT IT MEANS: Seniors tend to sell, not buy, and most move into apartments after they sell their homes (bc there aren't many options).

Data Source:
Arthur C. Nelson

PREFERENCES: Lifestyle Choices



THE TREND: A majority of adults prefer urban living.

WHAT IT MEANS: Demand for urban living means demand for smaller, compact unit types.

Data Source:
Bleakly via ULI

PREFERENCES: Lifestyle Choices, ULI

79%

rank good schools as
the most sought-after
community attribute

72%

place high value on being
close to employment,
schools and healthcare
facilities

70%

rate walkability as a key
attribute in housing choice

61%

would prefer a smaller home
with a shorter commute

52%

prefer to live in mixed-
income housing

51%

prefer access to public
transportation

THE TREND: Most adults place priority on access to jobs and services.

WHAT IT MEANS: Demand for walkable urban areas (compact development) is increasing.

Data Source:
ULI



ECONOMICS: Home Ownership

Owner Rate	2010	2030 @ constant 2010 rates	2030 @ 95% 2010 rates
United States	66%	63%	60%

THE TREND: Less people are owning homes.

WHAT IT MEANS: Demand for rental properties is increasing.

Data Source:
Arthur C. Nelson



TAKEAWAY

1) PEOPLE WANT WALKABILITY

Compact, infill development

Smaller units

2) PEOPLE NEED AFFORDABILITY

Rental options

Smaller units

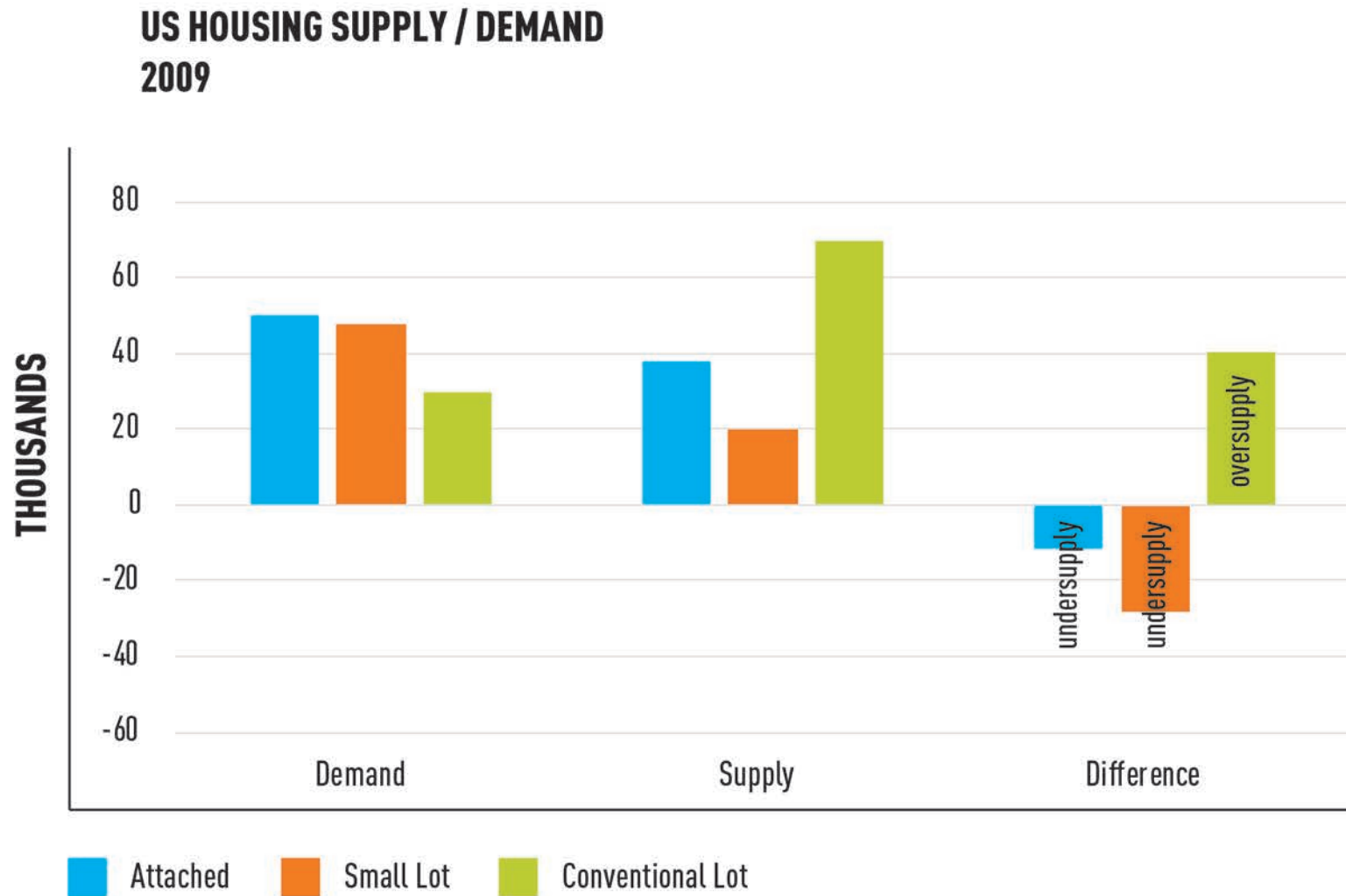
3) PEOPLE WANT HOUSING DIVERSITY

Options for multi-generational families

Smaller units

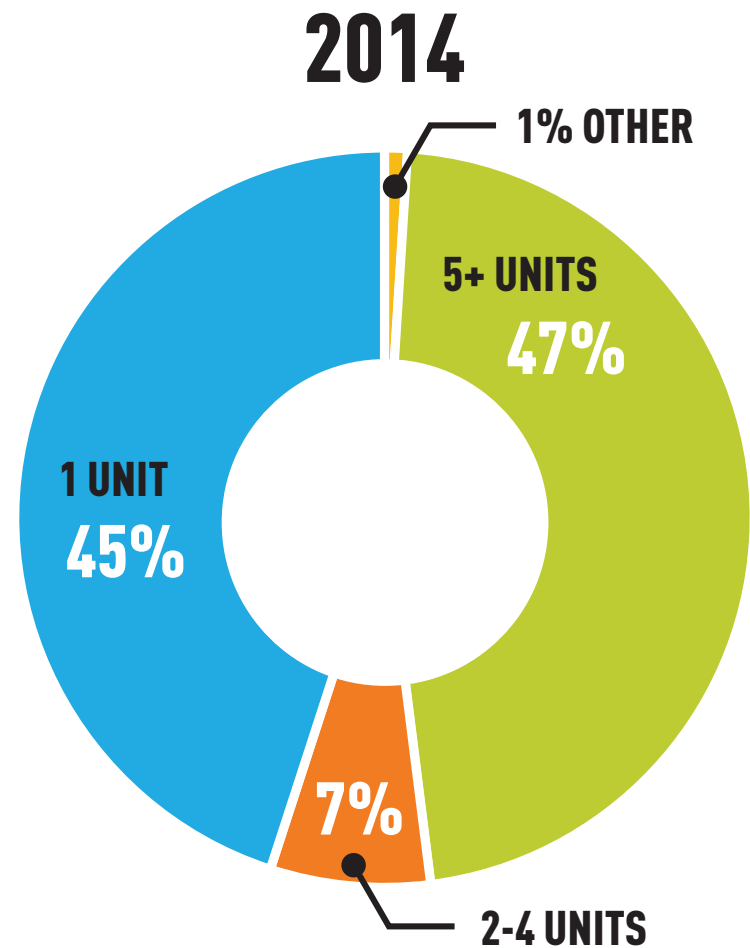
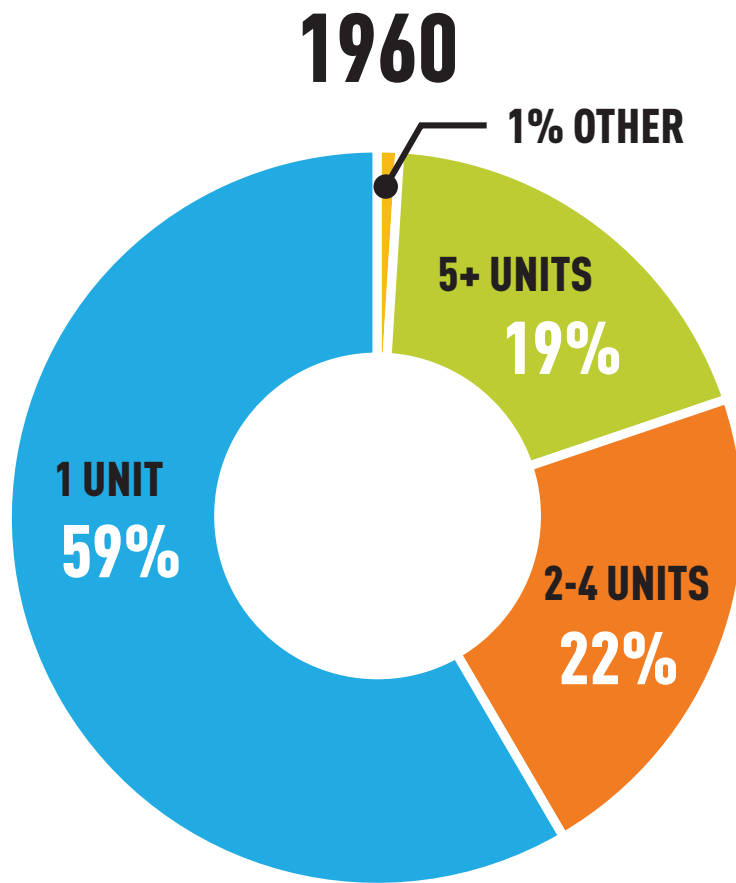
2. The market is not keeping up with the trends.

SUPPLY vs DEMAND: Housing Type



Data Source:
Arthur C. Nelson

SUPPLY: Units per Structure, City of Atlanta

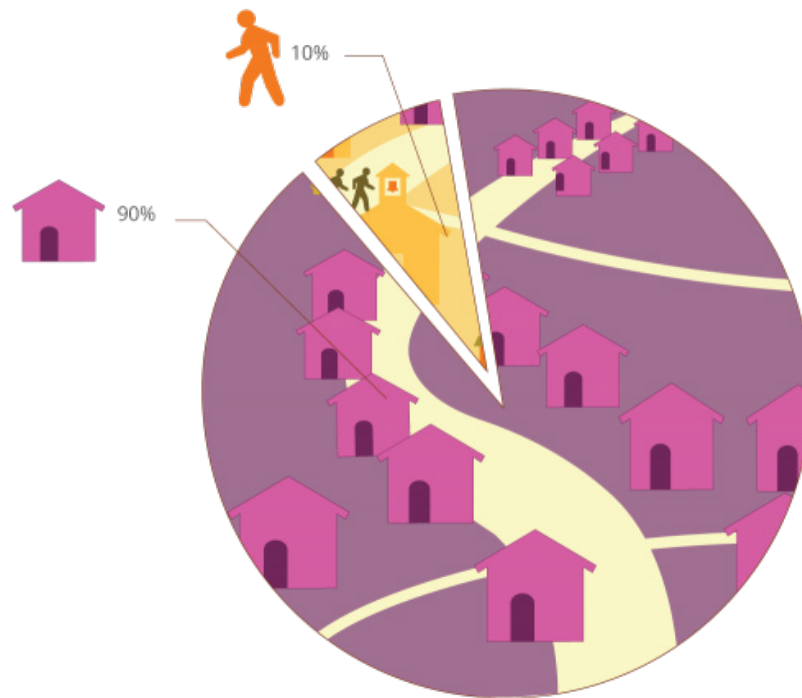


Note: 1 unit = conventional lot

Data Source:
Bleakly

SUPPLY vs DEMAND: Walkable Neighborhoods in U.S.

Location of Available Housing Stock



10% WALKABLE, URBAN NEIGHBORHOODS

90% CONVENTIONAL, SINGLE-FAMILY NEIGHBORHOOD

Data Source:
Arthur C. Nelson

REMEMBER THAT:

55% of adults want to live in walkable, urban neighborhoods.

SUPPLY vs DEMAND: Walkable Neighborhoods in U.S.

Mode & Destination	Supply	Demand
Walk or Bike to Work	4%	23%
Walk or Bike for Errands	10%	22%

Data Source:
Arthur C. Nelson

SUPPLY vs DEMAND: National Demand Gap

**By 2025,
the national
demand for
attached
and small-
lot housing
will exceed
the current
supply by:**

35 MILLION UNITS

SUPPLY vs DEMAND: Atlanta Demand Gap

**By 2025, the
City of Atlanta
additional
demand
potential
for attached
and small lot
housing will
exceed current
supply by:**

30,000 UNITS

TAKEAWAY

Market demand for small-scale housing options in walkable areas significantly exceeds market supply.

**3. The market can only keep up if
our laws allow it.**

City of Atlanta: Detached Single Family

Most of Atlanta is zoned for single family (R1-R5). Duplex housing is only allowed in R-5.



Single Family Zoning, City of Atlanta



Single Family Zoning Limitations, City of Atlanta

Summary of Zoning Regulations in R Districts

		R-1	R-2	R-2A	R-2B	R-3	R-3A	R-4	R-4A	R-4B	R-5
MINIMUM SETBACKS	FRONT	60 ft.	60 ft.	60 ft.	50 ft.	50 ft.	50 ft.	35 ft.	30 ft.	20 ft.	30 ft.
	SIDE ^a	25 ft.	15 ft.	15 ft.	10 ft.	10 ft.	10 ft.	7 ft.	7 ft.	5 ft.	7 ft. ^c
	REAR	35 ft.	30 ft.	30 ft.	20 ft.	20 ft.	15 ft.	15 ft.	15 ft.	5 ft.	7 ft. ^c
LOT REQUIREMENTS	MINIMUM LOT AREA	2 acres	1 acre	30,000 sq.ft.	28,000 sq.ft.	18,000 sq.ft.	13,500 sq.ft.	9,000 sq.ft.	7,500 sq.ft.	2,800 sq.ft.	7,500 sq.ft.
	MINIMUM STREET FRONTAGE ^b	200 ft.	150 ft.	100 ft.	100 ft.	100 ft.	85 ft.	70 ft.	50 ft.	40 ft.	50 ft. ^c
	MAXIMUM LOT COVERAGE	25%	35%	35%	40%	40%	45%	50%	55%	85%	55%
	MAXIMUM FLOOR AREA RATIO	0.25	0.30	0.35	0.40	0.40	0.45	0.50	0.50 ^d	0.75 ^e	see section 16-07.010
	MINIMUM REQUIRED CAR PARKING SPACES	2	2	2	2	2	2	1	1	1	see section 16-07.010

Requirements are geared towards LARGE houses on LARGE lots.

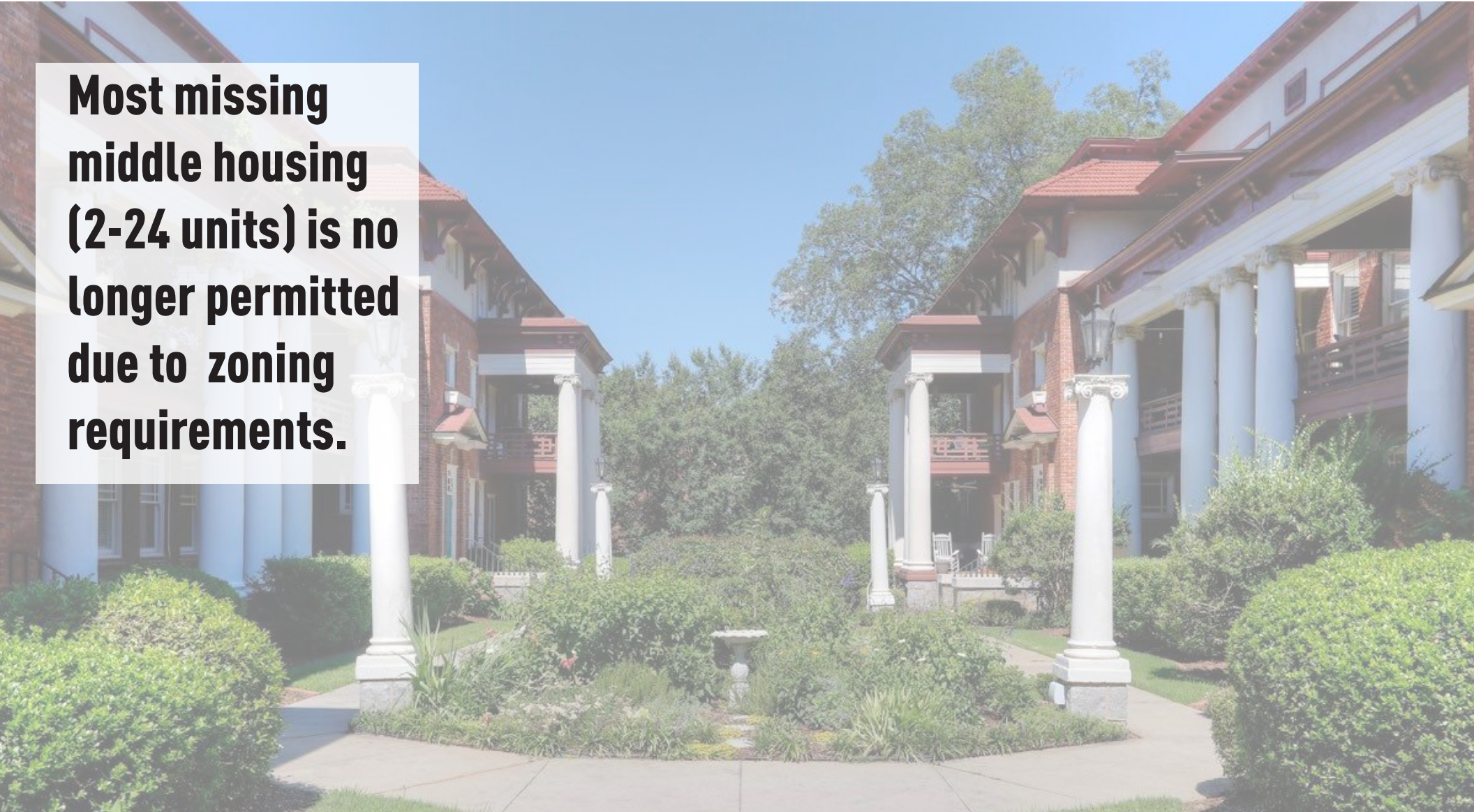
City of Atlanta: Multifamily

Anything not single family is multifamily. A majority of new multifamily are large developments built by large developers.

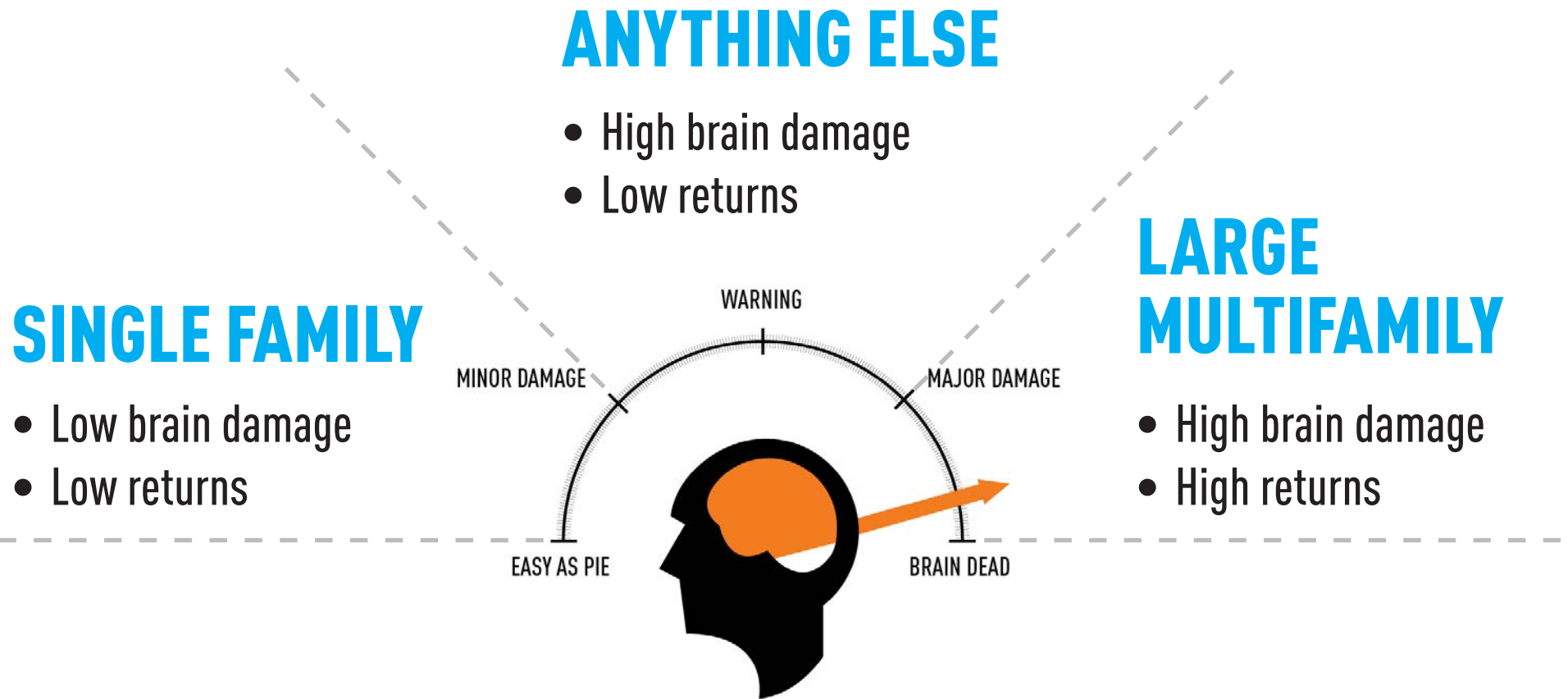


City of Atlanta: Where is the in-between?

Most missing middle housing (2-24 units) is no longer permitted due to zoning requirements.



Why is it so hard to build more of what we want?



Too much brain damage,
not enough money

City of Atlanta: What can we do (long-term solutions)?



Complete overhaul of our zoning code to provide regulations that encourage the development we want to see.

City of Atlanta: What can we do (intermediate solutions)?



2-17-09: Allow Accessory Dwelling Units in the R-5 District and reduce parking for micro-housing

Overview

What: Legislation introduced to allow accessory dwelling units (micro-housing) and to reduce the parking requirements for micro-housing.

Micro-housing exists in other large metropolitan areas including Seattle, New York, Washington, DC, San Francisco and Boston.

The text amendment would allow micro-housing as a permitted accessory use in the R-5 District. The unit must be 750 square feet or less. The total number of units on the property cannot exceed two including the accessory dwelling unit. Except in the case of home occupations, no accessory use shall be permitted or allowed for a commercial nature. Accessory dwelling units may not be subdivided from their lot.

Why:

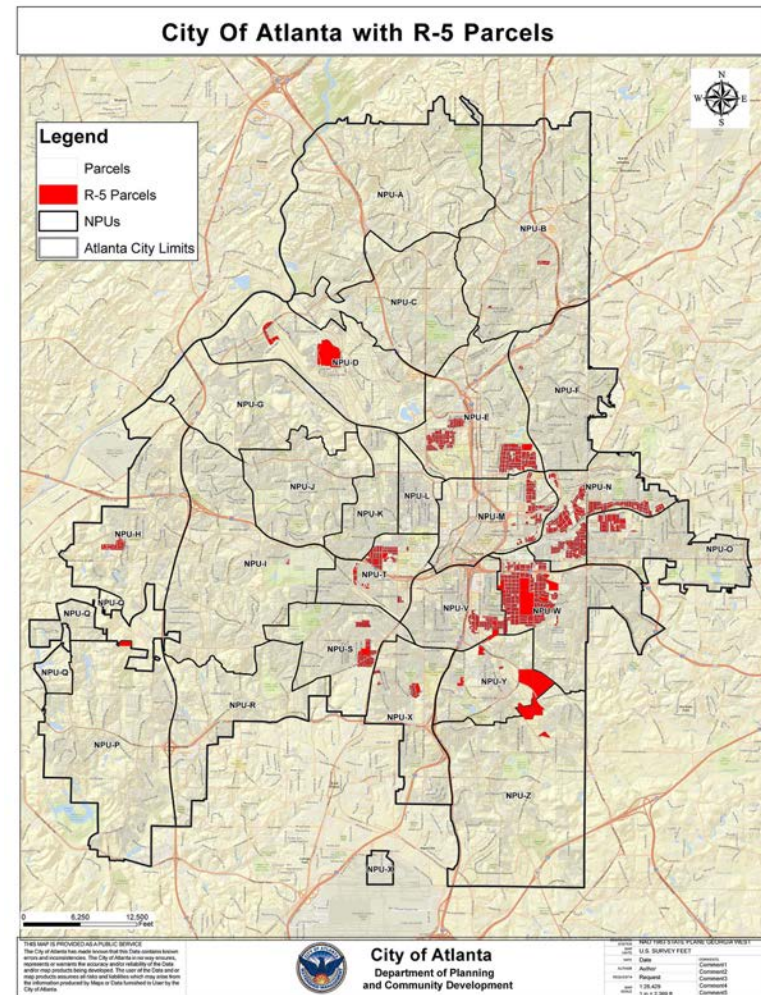
- To provide for additional housing options for residents desiring to live a simple lifestyle.
- To encourage another form of walkable urbanism which is healthy for adults.
- To attract millennials to the urban core by offering more affordable living.
- To allow for a different housing option that appeals to adults with no children.
- To provide for an affordable housing option that is attainable for Generation Y and aging Baby Boomers.

There are five reasons driving the interest in micro-housing

1. **Economics:** There is a lower cost of living associated with micro-housing. The smaller the house the less likely you are to pay for building and insurance costs, taxes, and utilities. Making micro-housing more affordable for recent college graduates, victims of financial crisis, or retirees.
2. **Demographics:** It is estimated that 26% of American households consist of a single person living alone. Demographers believe that the trend will continue.
3. **Green Living:** Many who aspire to the minimalistic lifestyle believe that living in micro-housing reduces their ecological footprint.
4. **Simpler Living:** Many who have adopted the minimalistic lifestyle report living a happier life.
5. **Technology:** Modern technology allows the luxury of not owning some personal goods and services and allows outsourcing of items through car services, music services, laundry services, food services, and chore services.

When: The Zoning Review Board (ZRB) is scheduled to hold a public hearing on April 13, 2017 at 6:00 p.m. in the City Council Chambers located at 55 Trinity Avenue, S.W. For more information contact Mary Darby at mdarby@atlantaga.gov or (404) 546-6724.

February 2017



Surgical changes (quick, strategic) to the zoning code.

City of Atlanta: What can we do (short-term solutions)?

TINY HOUSE CODE HACK

DECAFTER TINY HOUSE FESTIVAL - JULY 31, 2014

WE ARE CONSCIOUS URBAN PLACEMAKERS

NEIGHBORHOOD ACTIVITIES
URBAN INFILL
ADAPTIVE REUSE

Tiny housing has a lot of potential in Atlanta, but how can we promote small scale infill development RIGHT NOW?

Code hack = GUEST HOUSES

"Sometimes referred to as Accessory Dwelling Units (ADUs)"

WHY GUEST HOUSES ARE AWESOME:

Accessory Dwelling Units

2010 2020 2030

PAY OFF YOUR MORTGAGE GET THAT TEENAGER OUT OF YOUR HAIR AGE IN PLACE

WHAT IS A GUEST HOUSE?

"A lodging unit for temporary guests in an accessory building. No each lodging unit shall contain independent kitchen facilities."

- Guest houses are currently permitted as an accessory use in all single-family zoning categories (S1-S5)
- Guest house height limit = 20'-0"
- Guest houses are not included in FAR calculations
- Guest houses are included in lot coverage calculations

CRITICAL ZONE

10' minimum setback from City of Atlanta's existing building

1) GET A SURVEY

- Survey should include, at a minimum: precise location of property lines, utility locations, trees, street & sidewalk sizes and locations, topography

10' minimum setback from City of Atlanta's existing building

2) MUST BE "INCIDENTAL AND SUBORDINATE"

- You cannot start construction on a guest house until you start construction on a main house
- You cannot get a CO (Certificate of Occupancy) on a guest house until you get a CO on the main house

3) UNDERSTAND YOUR ZONING

- A guest house cannot be located in front of the main house, it must be beside or behind
- A guest house must conform to the setbacks; overhangs are allowed in setbacks
- A guest house may not exceed more than 25% of the rear yard
- Lot coverage requirements vary by zoning category

4) CHECK YOUR CRITICAL ROOT ZONES

- Any hardwood tree of a diameter of least height (DBH) of 6" or greater requires a permit for removal (lines 12" or greater)
- Critical Root Zone (CRZ): 1' radius for each 1" DBH of the tree
- No may not impact more than 20% of a tree's CRZ

5) UNDERSTAND YOUR UTILITIES

- Extending utilities where you already have them is not as difficult
- You will need water, sewer, power & gas (but you don't need separate taps / meters)
- Remember that sewer lines run downhill when selecting your guest house location

6) VERIFY SIZE LIMITS

- The size of your guest house is limited to a percentage of the main house's square footage

7) SITE YOUR GUEST HOUSE

8) DESIGN YOUR GUEST HOUSE!

9) UNDERSTAND BUILDING CODE REQUIREMENTS

- One room must be at least 120 SF and 7'-0" in at least one dimension
- Guest houses are not allowed to have "independent kitchen facilities"
- Don't label your kitchen area as a kitchen

9) UNDERSTAND BUILDING CODE REQUIREMENTS

- The bedroom must be at least 70 SF and 7'-0" in at least one dimension

Work within our existing zoning codes (with a few hacks).

<http://kronbergwall.com/a-market-solution-for-affordable-housing-adus/>

TAKEAWAY

**Our laws need to change,
but it's not happening fast
enough.**

**4. We can't wait around for
the laws to change, we need
solutions now.**

What is currently allowed in Single Family Zoning in Atlanta?

1. Guest Houses:

Allowed in ALL single family zoning categories

2. Accessory Dwelling Units (ADUs):

Allowed in R-5 zoning categories (due to the recent rezoning)

3. Tiny Houses

Not allowed as-of-right in any zoning category (due to SF minimums),
must be accessory*

*This assumes the definition of “tiny house” is 100-400 SF

Guest House? ADU? Tiny House?

Guest houses and ADUs are not always tiny houses (they might be larger than 400 SF).

In Atlanta, a tiny house must always be a guest house or ADU (because they are not allowed as-of-right).



All three might look the same, but there are key differences:

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

Tiny Houses in Atlanta



Tiny Houses in Atlanta

ALLOWED



What's the same?

1. Must be accessory

A “main house” must precede the accessory unit. The accessory unit cannot be sold separately or used for commercial purposes. The total number of units on the property cannot exceed 2.

2. Size

Must be 750 SF or less. 20'-0” height limit.

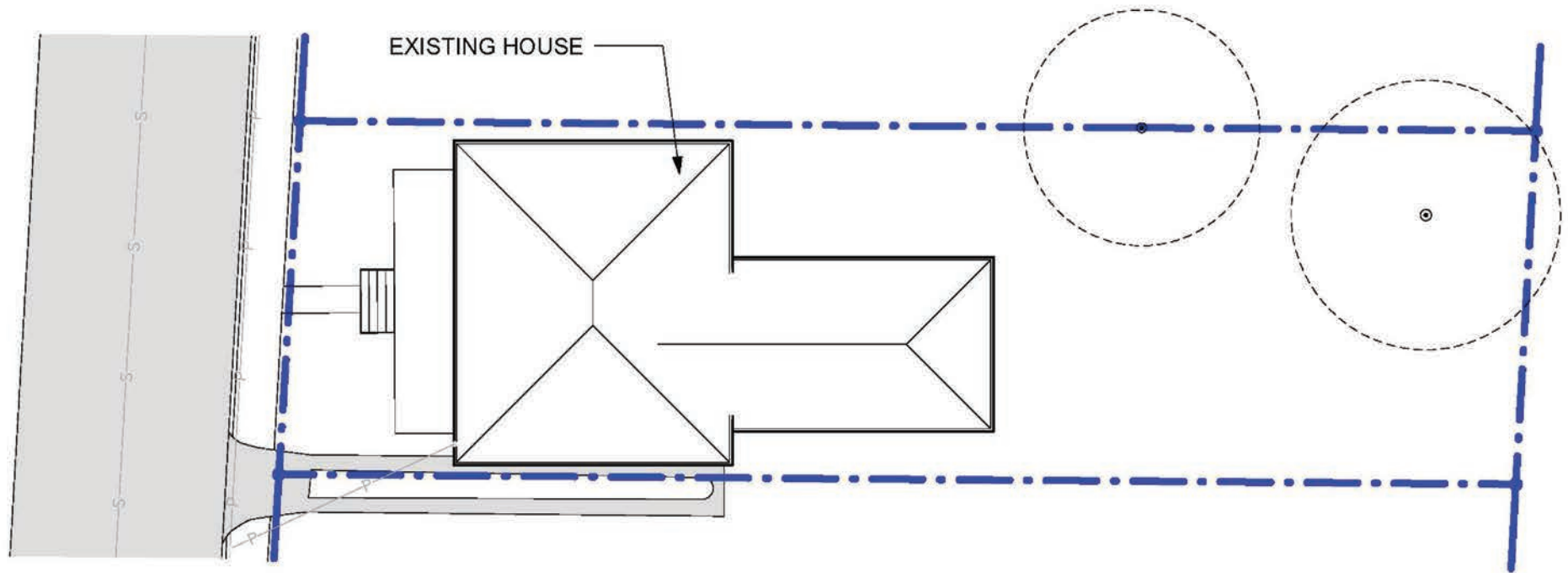
3. Lot Coverage Requirements

25% maximum rear yard coverage, 55% maximum yard coverage, 50% FAR (65% FAR for lots smaller than 7,500 SF)

**What do I need to do to
build an ADU?**

1) GET A SURVEY

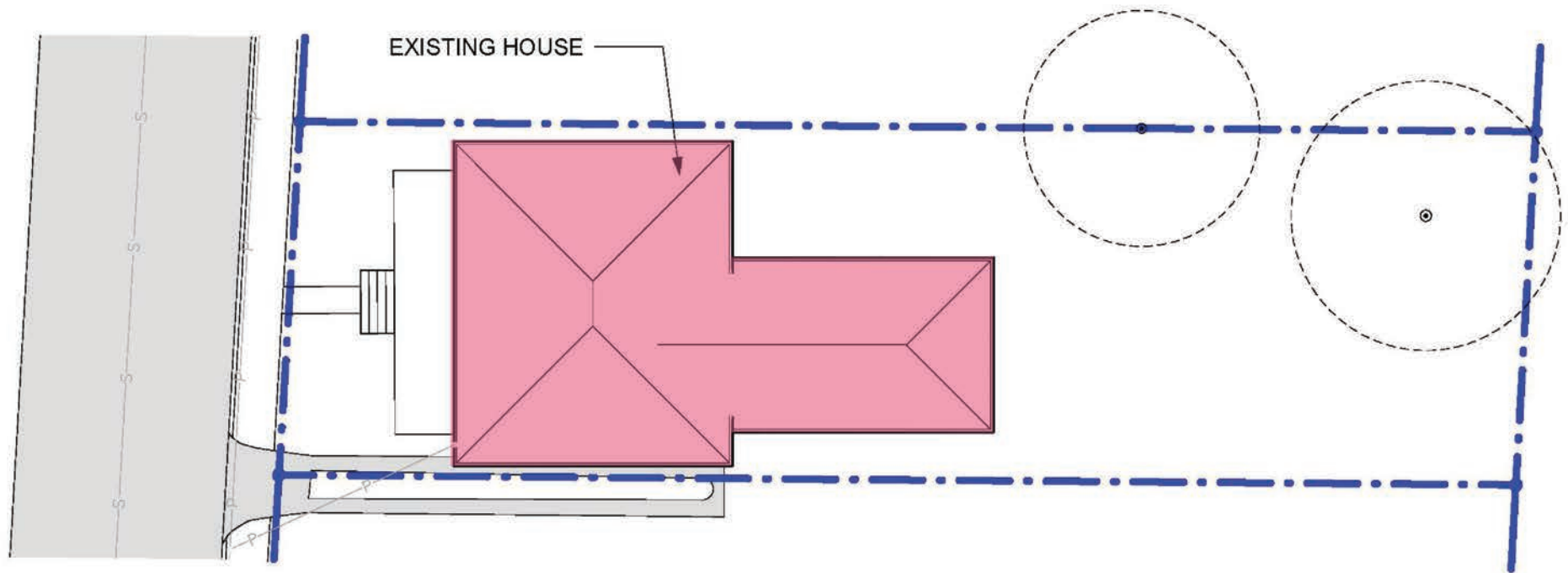
- Survey should include, at a minimum: precise locations of property lines, utility locations, trees, street & sidewalk sizes and locations, topography



*Note: this is a simplification of a survey for graphic purposes

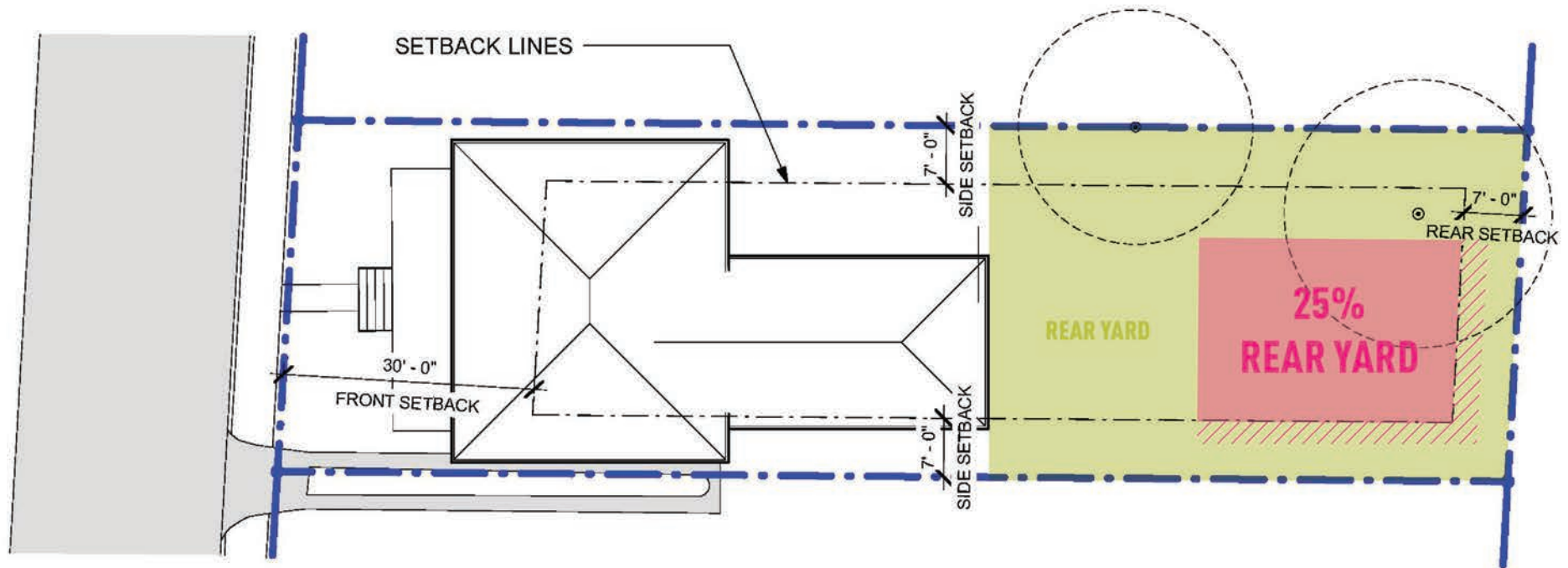
2) MUST BE “INCIDENTAL AND SUBORDINATE”

- You cannot start construction on a guest house until you start construction on a main house
- You cannot get a CO (certificate of occupancy) on a guest house until you get a CO on the main house



3) UNDERSTAND YOUR ZONING

- A guest house cannot be located in front of the main house; it must be beside or behind
- A guest house must conform to site setbacks; overhangs are allowed in setbacks
- A guest house may not exceed more than 25% of the rear yard
- Lot coverage requirements vary by zoning category



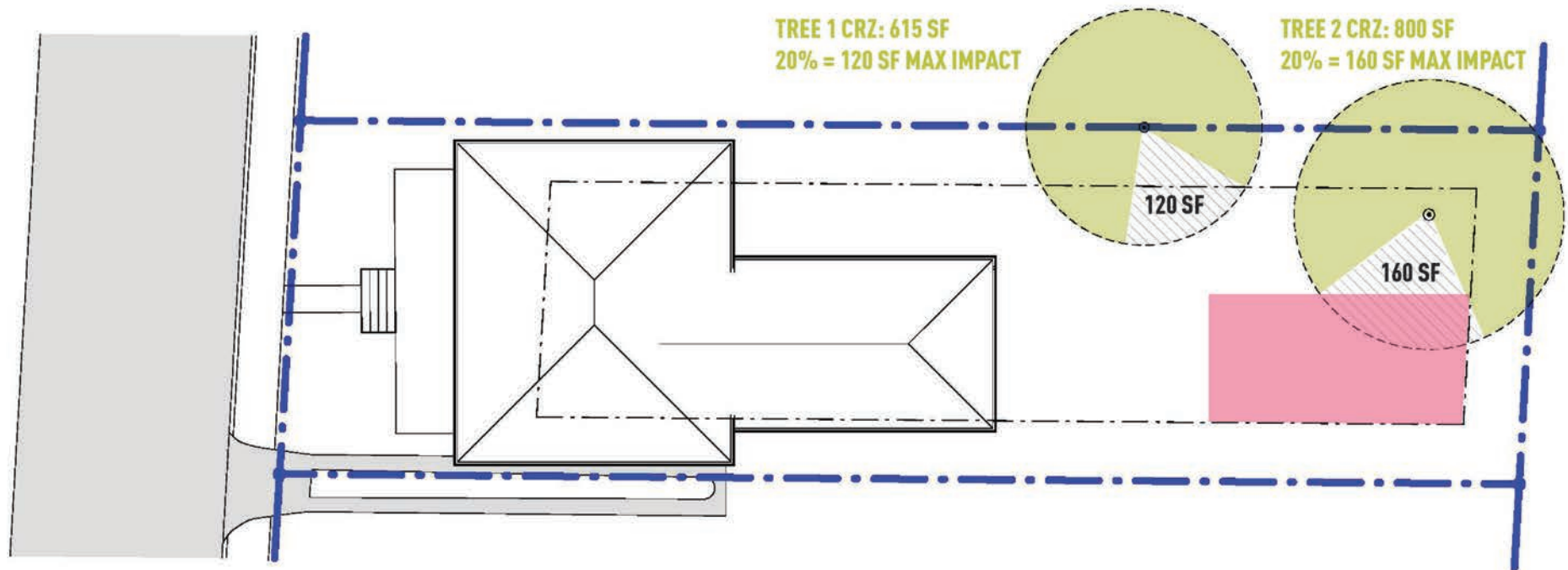
*Note: Setbacks vary by zoning category. The setbacks shown here are for category R-5

To find your zoning category: <http://gis.atlantaga.gov/>

To find your zoning requirements: https://www.municode.com/library/ga/atlanta/codes/code_of_ordinances?nodeId=PTIICOORANDECO_PT16Z0

4) CHECK YOUR CRITICAL ROOT ZONES

- Any hardwood tree w/ a diameter at breast height (DBH) of 6" or greater requires a permit for removal (pines 12" or greater)
- Critical Root Zone (CRZ): 1' radius for each 1" DBH of the tree
- You may not impact more than 20% of a tree's CRZ

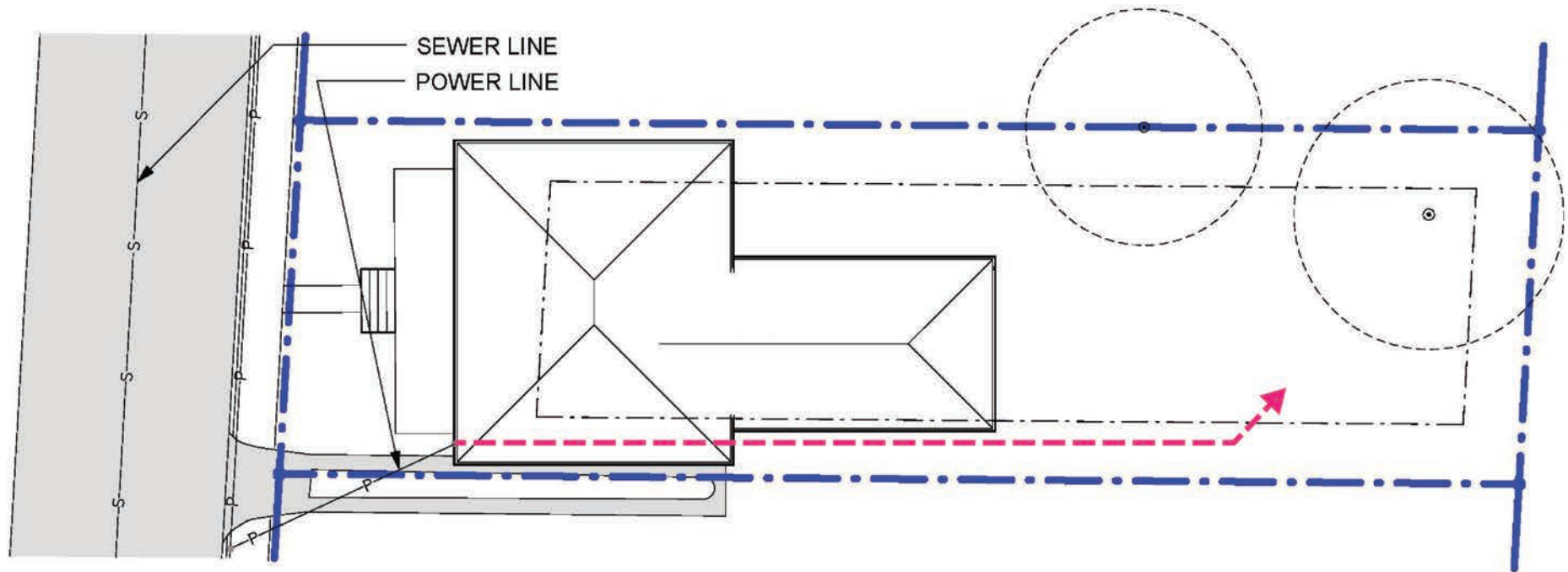


FAQ: <http://www.atlantaga.gov/modules/showdocument.aspx?documentid=1538>

City of Atlanta Tree Protection Ordinance: <http://www.atlantaga.gov/modules/showdocument.aspx?documentid=21234>

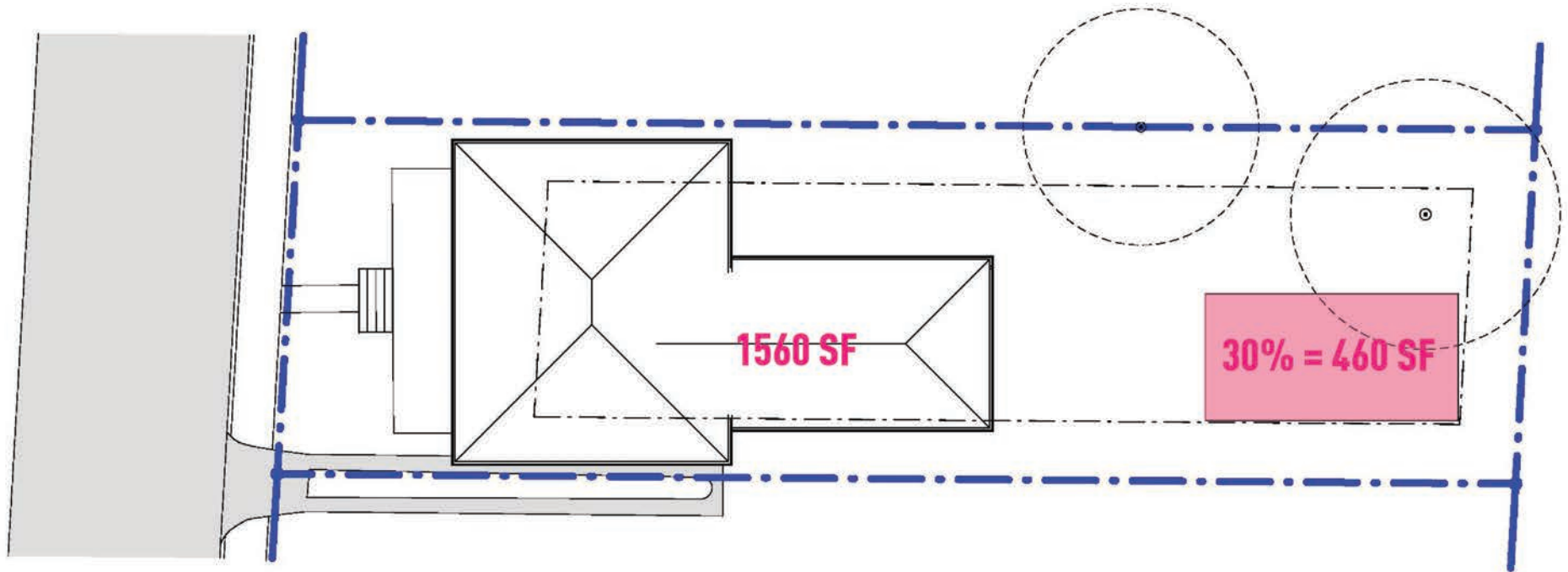
5) UNDERSTAND YOUR UTILITIES

- Extending utilities when you already have them is not as difficult
- You will need water, sewer, power & gas (but you don't need separate taps / meters)
- Remember that sewer lines run downhill when selecting your guest house location

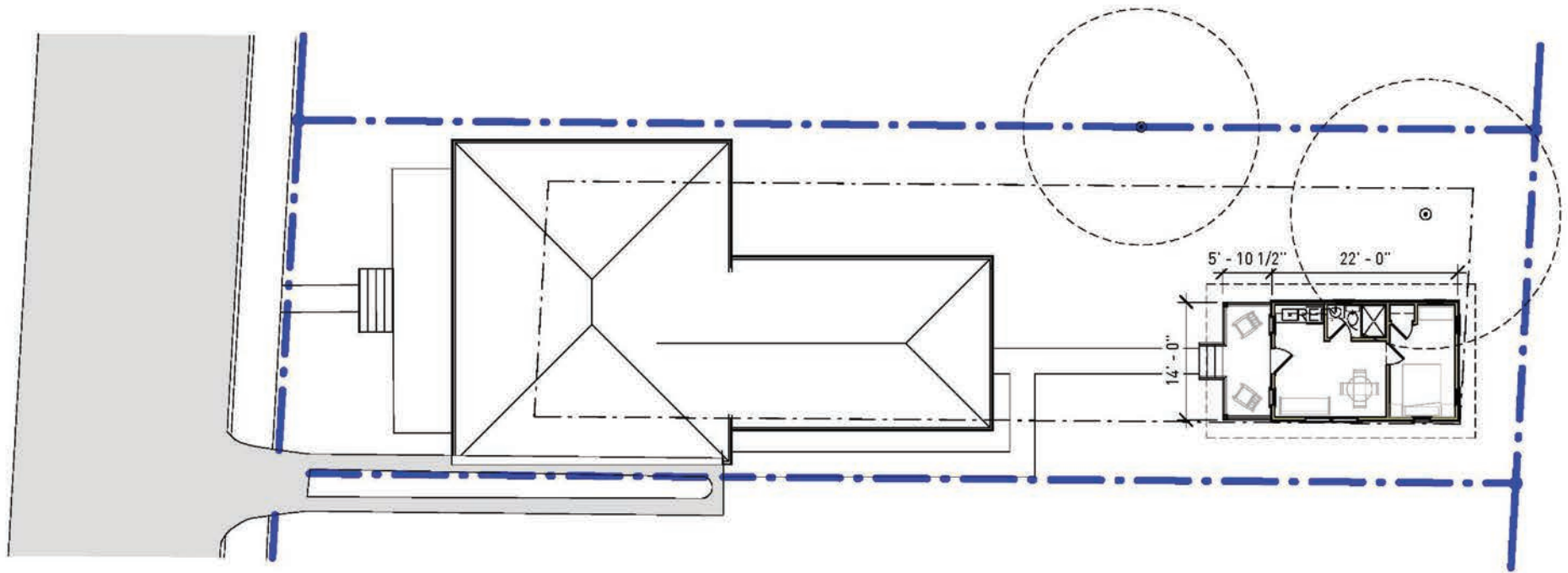


6) VERIFY SIZE LIMITS

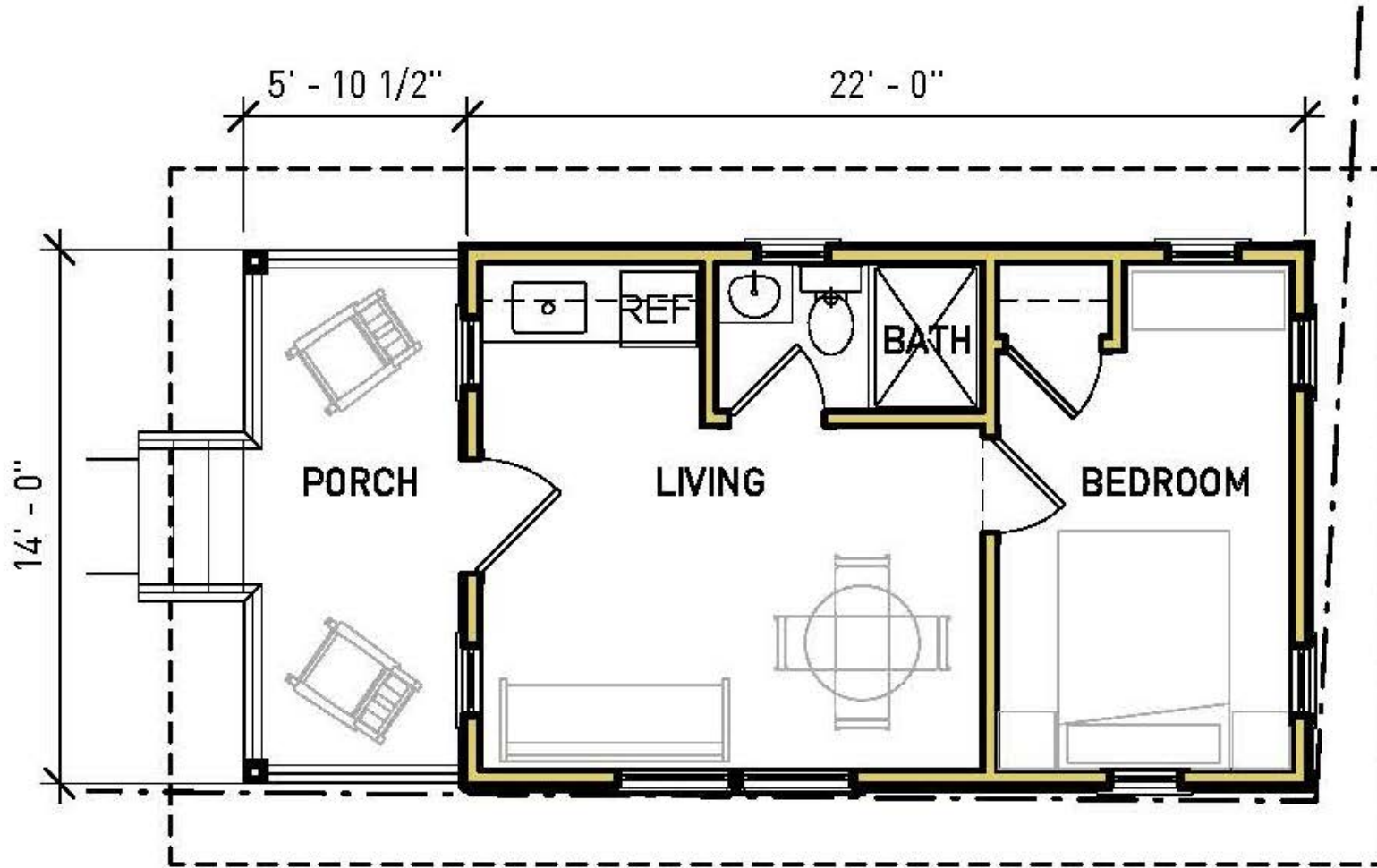
- The size of your guest house is limited to a percentage of the main house's square footage



7) SITE YOUR GUEST HOUSE

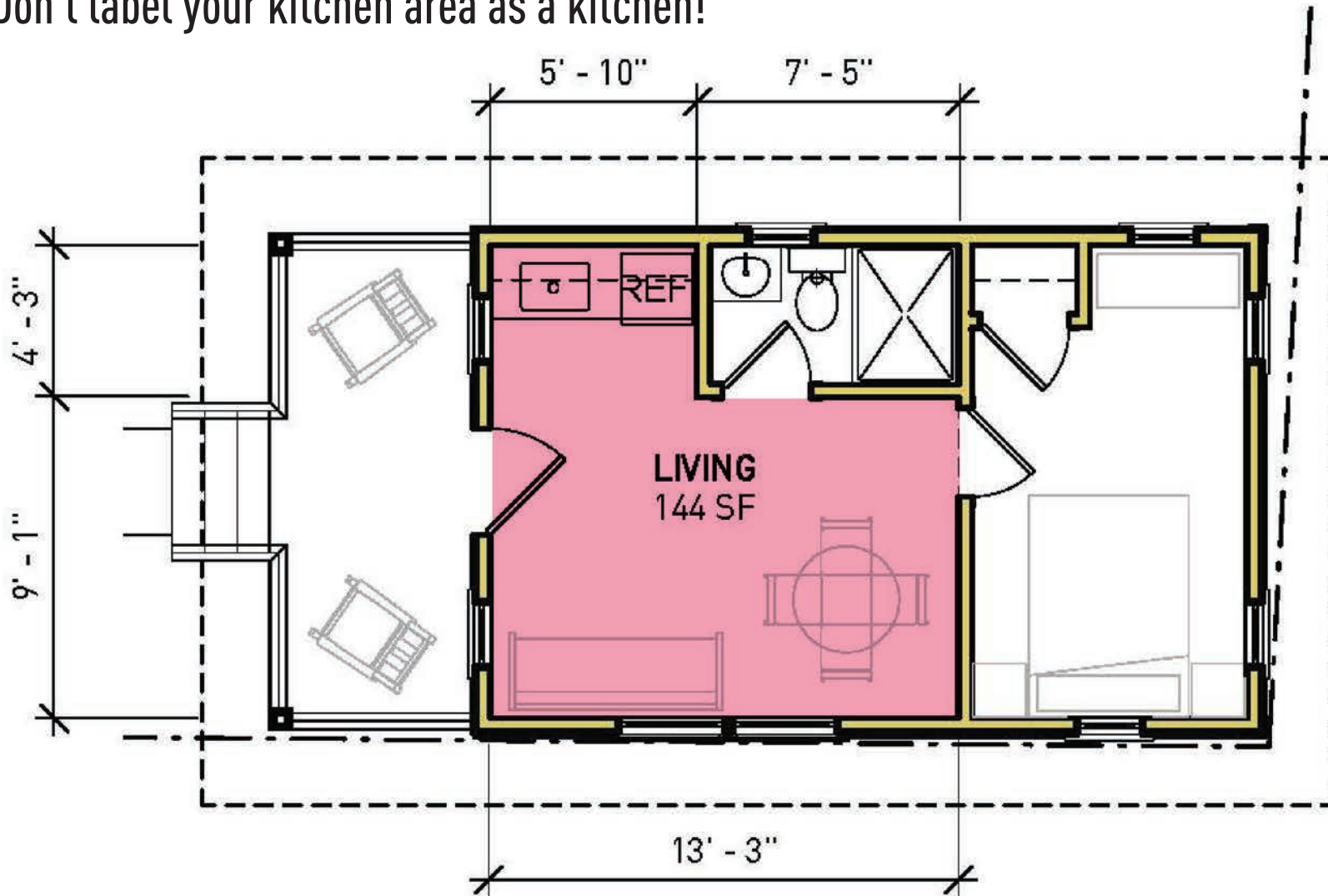


8) DESIGN YOUR GUEST HOUSE!



9) UNDERSTAND BUILDING CODE REQUIREMENTS

- One room must be at least 120 SF and 7'-0" in at least one dimension
- Guest houses are not allowed to have "independent kitchen facilities"
- Don't label your kitchen area as a kitchen!



WHAT'S A KITCHEN AND WHAT ISN'T?

- A kitchen includes a stove
- A kitchenette does not include a stove; hot plates are ok



KITCHENETTE: no stove

- Allowed in guest houses
- Allowed in ADUs

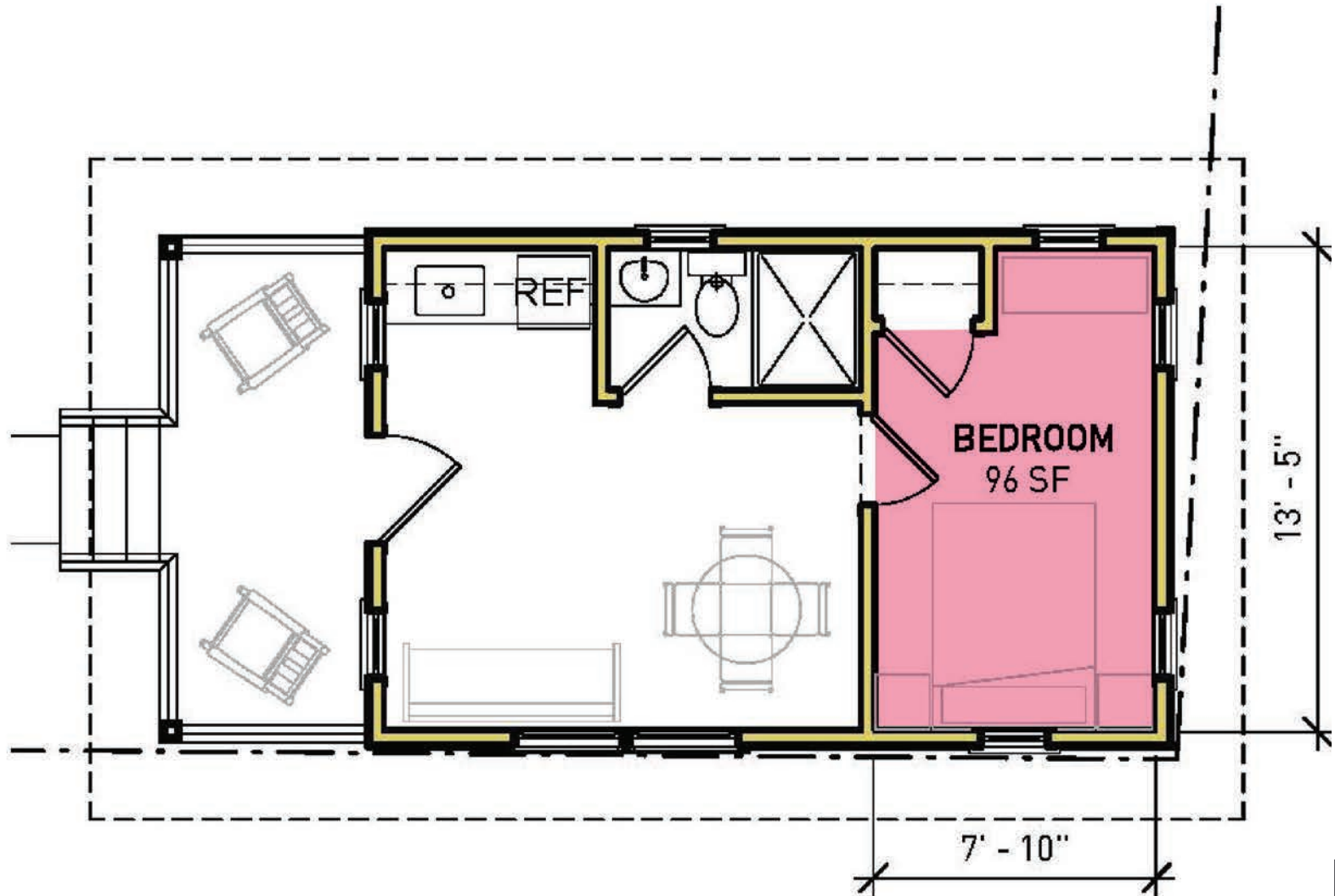


KITCHEN: includes a stove

- Not allowed in guest house
- Allowed in ADUs

9) UNDERSTAND BUILDING CODE REQUIREMENTS

- The bedroom must be at least 70 SF and 7'-0" in at least one dimension



TAKEAWAY

**There are ways to build
small-scale, infill housing
now.**

**5. Change is inevitable, and
change is good. Let's embrace it.**

ATL CITY DESIGN: Our Change Ahead

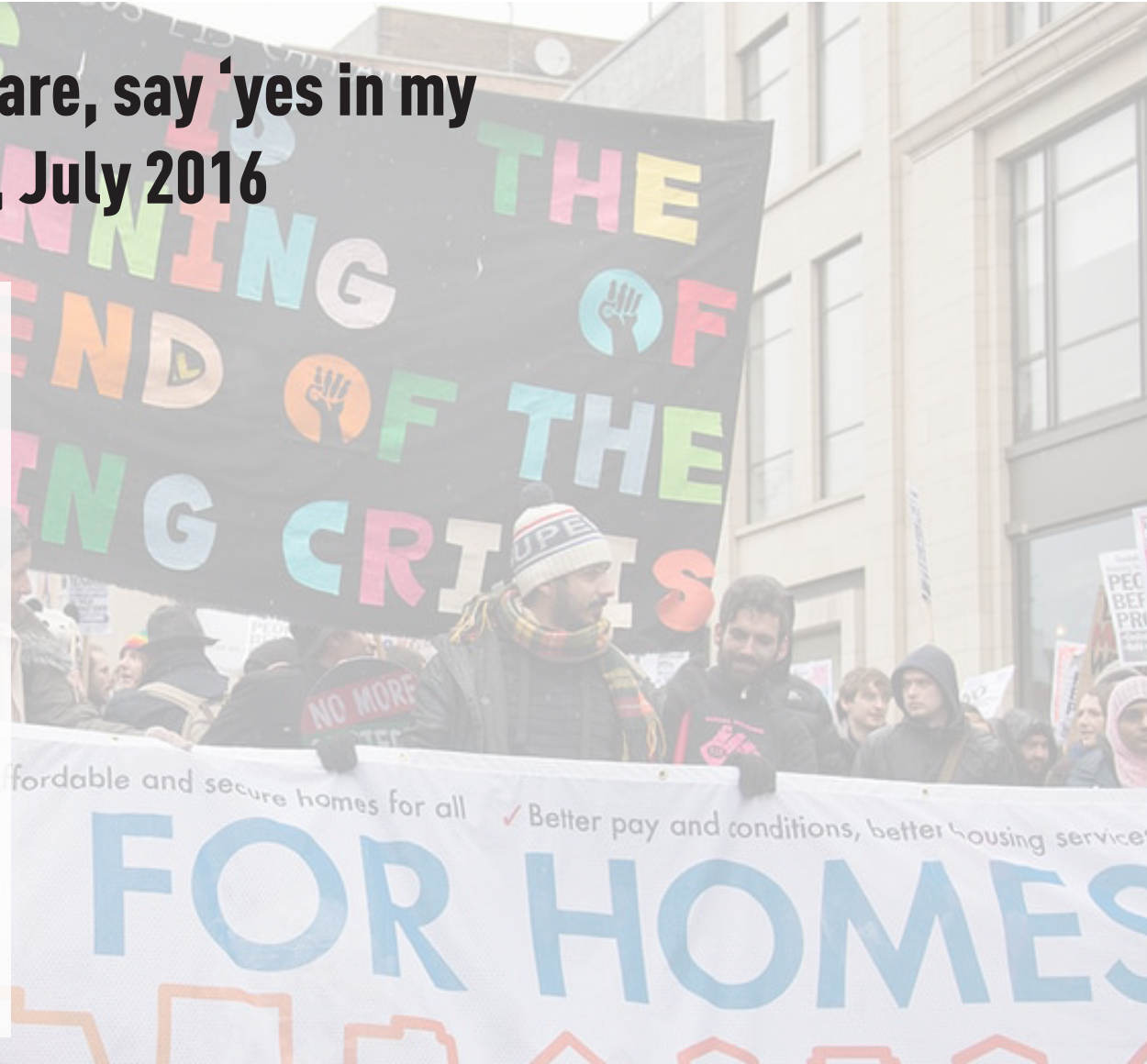
The first premise
of the Atlanta City
Design is that the city
is going to change;
that not changing is
not an option; that our
change will involve
significant growth;
and that if properly
designed, growth can
be a powerful tool for
shaping the Atlanta we
want to become.

The second premise
is that almost always,
more people are better
than fewer; that a
diverse population
is better than a
homogenous one; and
that the most strategic
scenario for growth
includes everyone.

ATL CITY DESIGN: We have a window of opportunity.

“To avoid a housing nightmare, say ‘yes in my back yard.’” - Boston Globe, July 2016

...let's learn from the mistakes that other cities (NYC, SF, Boston) have made and get ahead of them to avoid housing shortages, affordability issues, mass gentrification, etc.



<https://www.bostonglobe.com/opinion/2016/07/24/avoid-housing-nightmare-say-yes-back-yard/Ybqf87UACdAil8nSQiaN7M/story.html>

ATL CITY DESIGN: Housing

2.1 Housing Innovation & Affordability

2.1a Adequate Supply

Maintain a healthy supply of housing at all price-points to limit spiking prices that otherwise come with increased demand. Leverage market rate housing to support affordable units through inclusionary zoning with the long-term intent of changing the market.

2.1b Expand Initiatives

Maintain existing subsidies and develop additional revenues and other levers to support affordable housing, including for target populations such as immigrants, refugees, artists, seniors, and those requiring assisted/supervisory housing or workforce housing. Consider an expanded housing trust fund, the issuance of city bonds, or other initiatives.

2.1c Experiment with Housing

Conduct a housing innovation competition that designs new housing models based on significantly lower price points than the average home today. Unleash the private sector to build housing that low-income residents can afford. Permit certain types of housing within industrial and commercial districts. Encourage delivery innovation, including offsite construction methods.

2.1d Missing Middle

Eliminate barriers to the development of small or attached housing, including accessory dwelling units, two- and three-family homes, small-scale multi-family buildings, tiny houses, micro-units.

co-housing, shared housing, and other models. Encourage the design of family-friendly multi-family units.

2.1e Rethink Parking

Unbuckle the cost of parking from the cost of housing so people can choose to pay for parking or not. Eliminate parking requirements and set parking maximums where transit, walking, and bicycles are real options.

2.1f Ensure Durability

Better utilize existing and expanded subsidies, incentives, regulations, and other policies to maintain the affordability of units over time. Create new revenue sources that support durability, and advertise the Atlanta Community Land Trust Collaborative, property tax breaks for fixed or low-income residents, and other existing tools.

2.1g Hold On

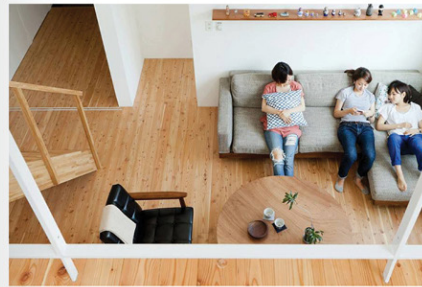
Prioritize the prevention of longtime residents and seniors from being priced out of neighborhoods by using additional tools like fair property tax policy, low-interest home rehabilitation loans, and expanded homeowner education programs.

2.1h Good Neighbors

Reward the development of affordable homes, smaller homes, ecological integrity, energy efficiency, and locational efficiency, with flexible, streamlined permitting processes or incentives.

2.1i Homes for Homeless

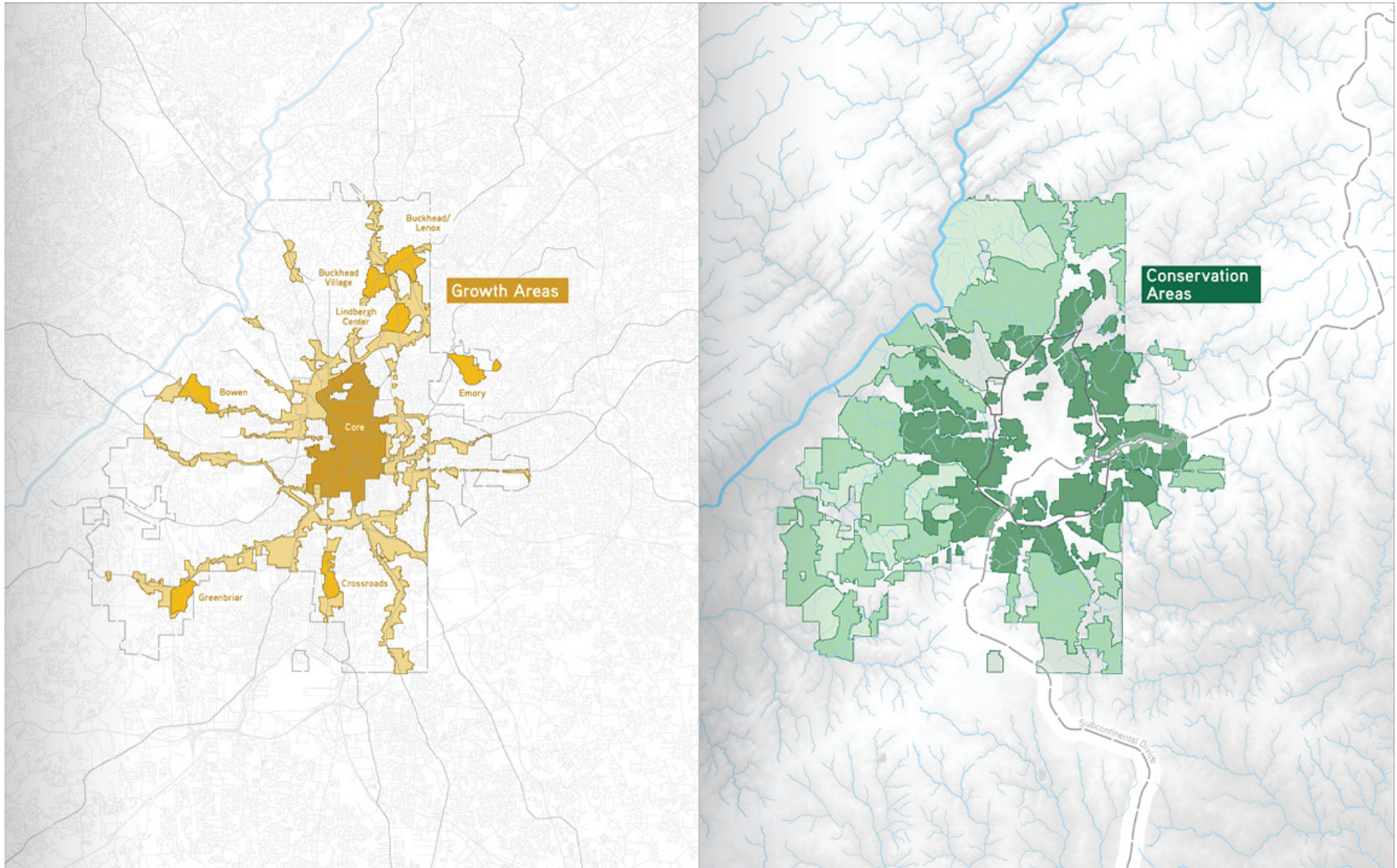
Identify sufficient, durable revenue streams and support networks for the homeless community.



TOP Unlock housing options (2 rbf). **BOTTOM** LT Josai, Share House (Source: Naruse Hirokuma Architects, Masao Nishikawa, Yoshiaki Tsutsumi, 2013). Experiment with new models for housing (2 rbf).

“Eliminate barriers to the development of small or attached housing, including ADUs, two- and three-family homes, small-scale multi-family buildings, tiny houses, micro-units, co-housing, shared housing, and other models.”

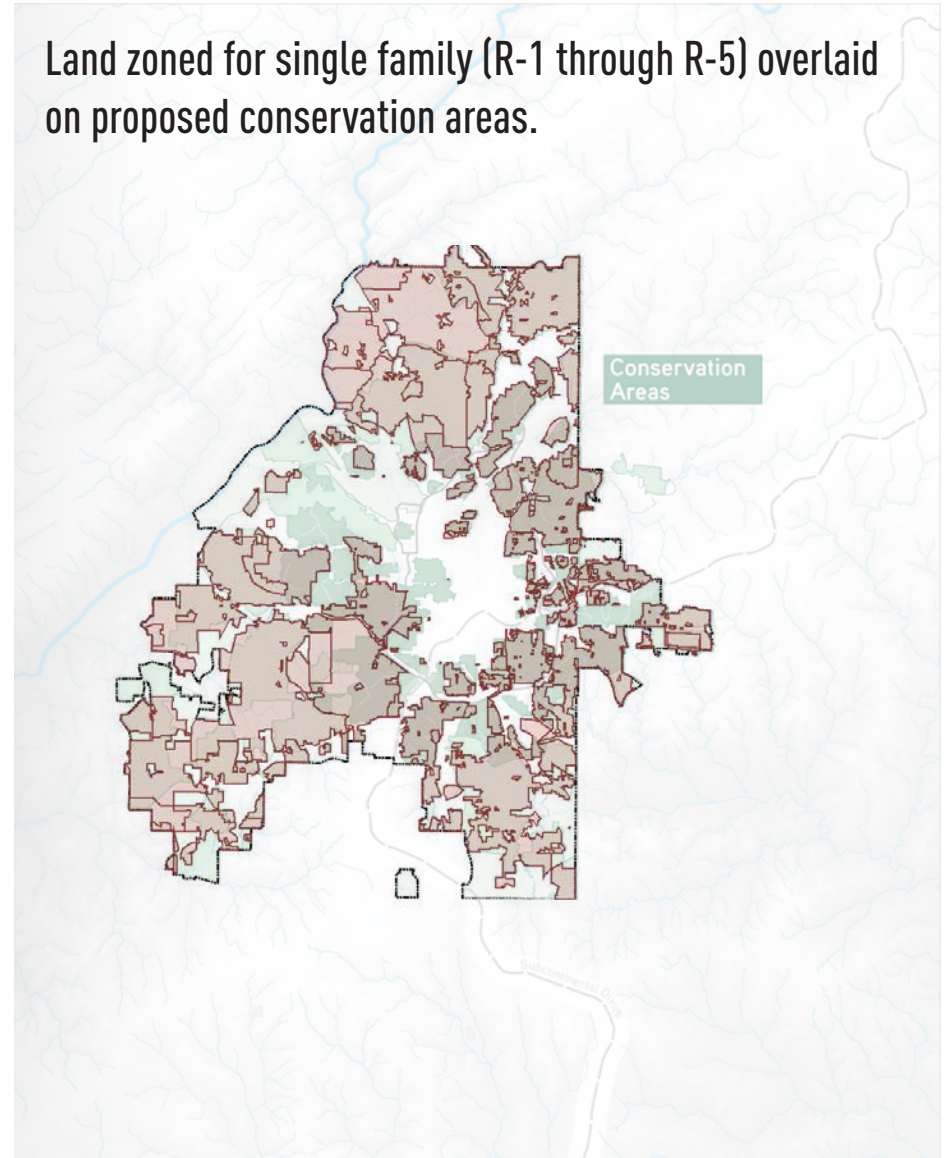
ATL CITY DESIGN: Growth + Conservation



ATL CITY DESIGN: Growth + Conservation

The overarching goal of design in Conservation Areas is to protect them from overwhelming growth, instead favoring goals like improved ecology, history, **housing variety, and other community interests.**

Land zoned for single family (R-1 through R-5) overlaid on proposed conservation areas.



6. We believe in the long-term sustainability of housing choice and affordability.

ADU: Responsible Infill

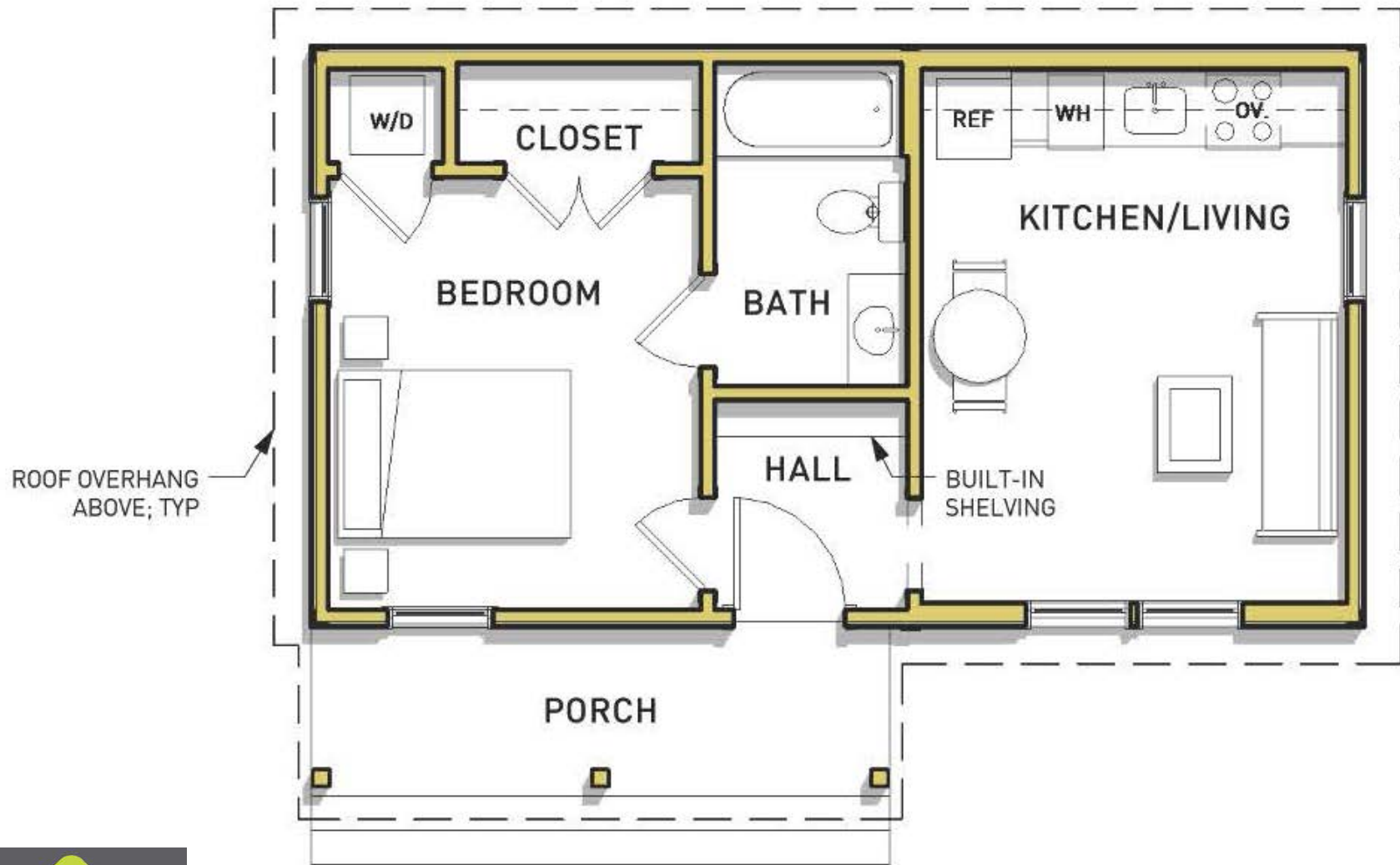
ADUs allow for increased housing choice and diversity in a discrete manner, doubling the density of neighborhoods while maintaining the traditional neighborhood character.

ADUS: Barriers

- 1. Tackling designs one at a time is highly inefficient for architects and builders.**
- 2. Permitting an ADU is as complicated as permitting a house, maybe more so, in the City of Atlanta.**
- 3. We need a more process-oriented solution.**



ATLANTA ADU CO
DESIGN BUILD POCKET COTTAGES



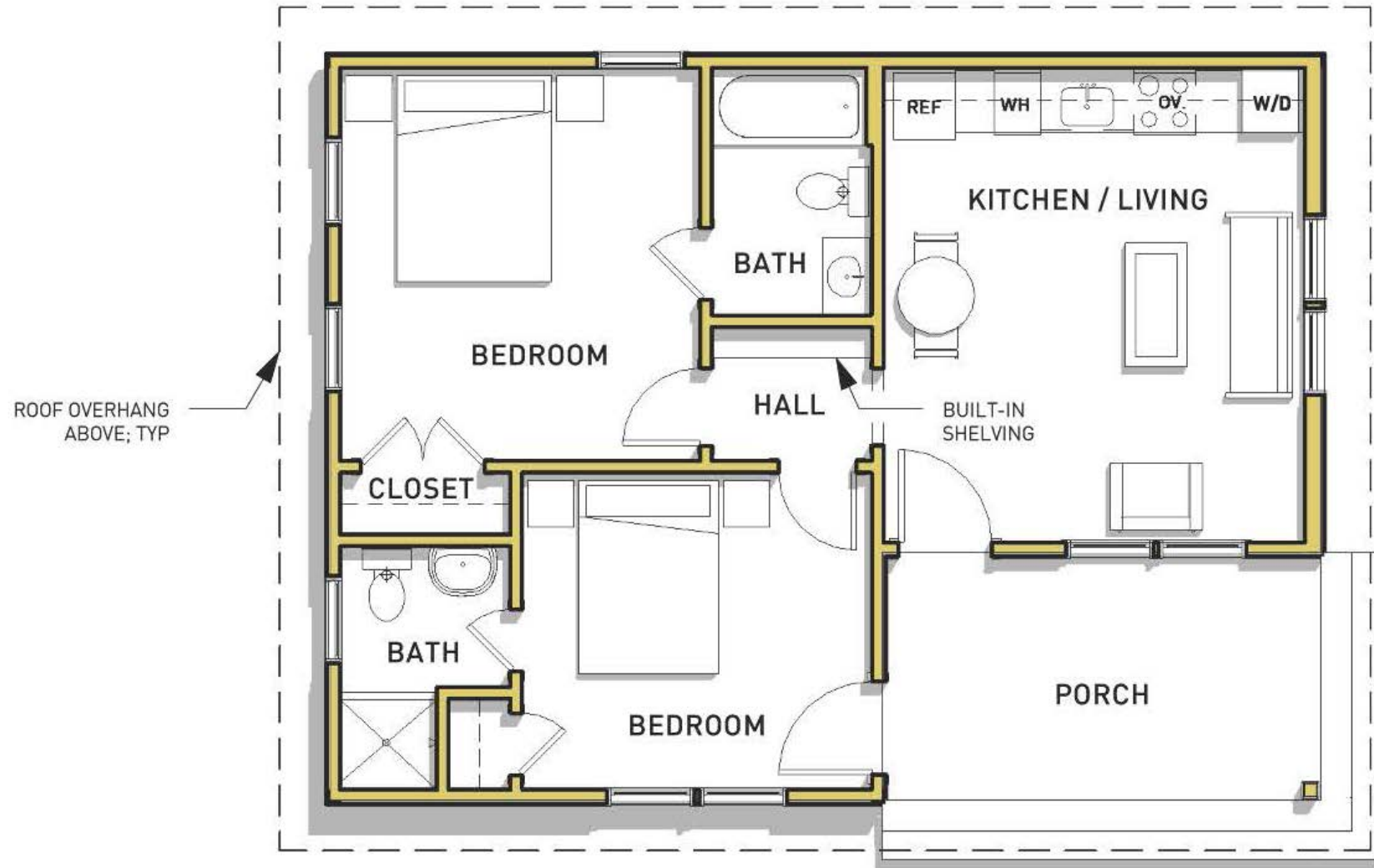
ACCESSORY DWELLING UNIT

ONE BEDROOM



ONE BEDROOM ACCESSORY DWELLING UNIT



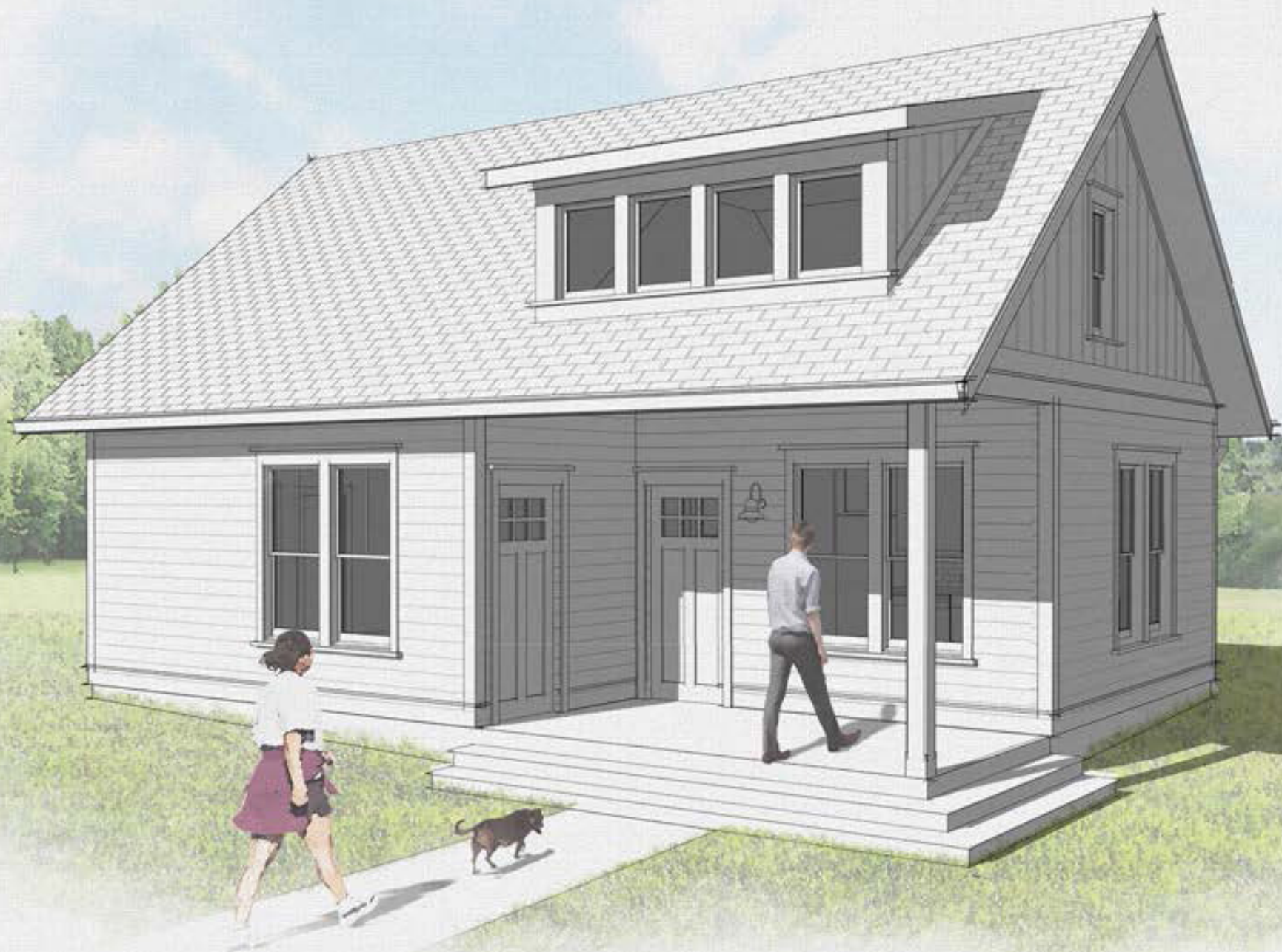


ACCESSORY DWELLING UNIT

TWO BEDROOM



TWO BEDROOM ACCESSORY DWELLING UNIT



ATLANTA ADU CO.



FOR MORE INFORMATION, VISIT:

facebook.com/atladuco

**FIND OUT IF AN ATL ADU
CO GUEST HOUSE IS RIGHT
FOR YOU TODAY!**

WHAT COULD AN ACCESSORY
DWELLING UNIT (GUEST HOUSE)
DO FOR YOU?

- AGING IN PLACE
- SUPPLEMENTAL INCOME
- IN-LAW SUITE

A SERVICE OF KRONBERG WALL ARCHITECTS
WWW.KRONBERGWALL.COM



TAKEAWAY

- 1. The Atlanta market needs to shift gears in order to meet trending market demand.**
- 2. Our zoning laws are changing, but not fast enough. We need to demand the change we want to see.**
- 3. Housing diversity and affordability are paramount to a successful city.**
- 4. ADUs offer immediate, diverse, affordable options without disrupting neighborhood character.**