



ADU & Middle Housing – Advocacy, Trends, and Opportunities

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Factors Impacting Affordable Housing

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Factors Impacting Affordable Housing

There are several contributing factors impacting the lack of affordable housing, including:

1

Land use regulations (zoning) that limit the types of housing that can be built.

2

The amount of land zoned to allow rental housing, and housing at higher densities

3

Increases in construction and development costs

4

Lack of financing and capital available for homeowners and builders looking to invest in workforce, affordable, and low-income housing

5

Lack of government funds earmarked for housing

6

The growth of institutional investment in housing (following recent foreclosures)

7

Allowing institutional investors to take over foreclosed property, (only to sell it for a higher price)

8

Transfer taxes, development impact fees, and other soft costs

9

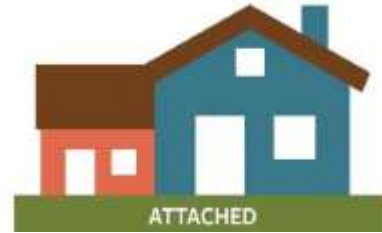
Increasing property taxes



Accessory Dwelling Units

Accessory dwelling units (ADUs) are independent housing units, typically (but not always) created on single-family lots through remodeling or expanding the existing home or constructed as a detached dwelling

Definition Source: [ADU Model State Act and Local Ordinance](#), Image Source: [The ABCs of ADUs](#)



Older Adults & ADUs



Independent living space



Extra Source of Income



Care of loved ones



Increasing Affordable Housing Options



Downsize



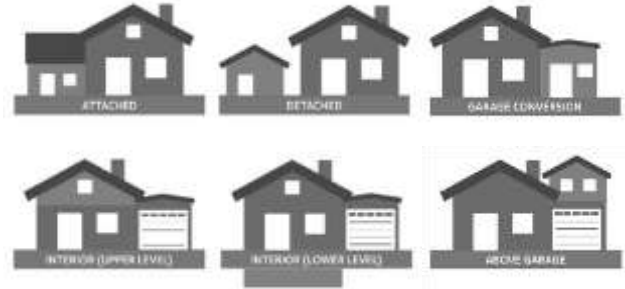
Intergenerational Housing



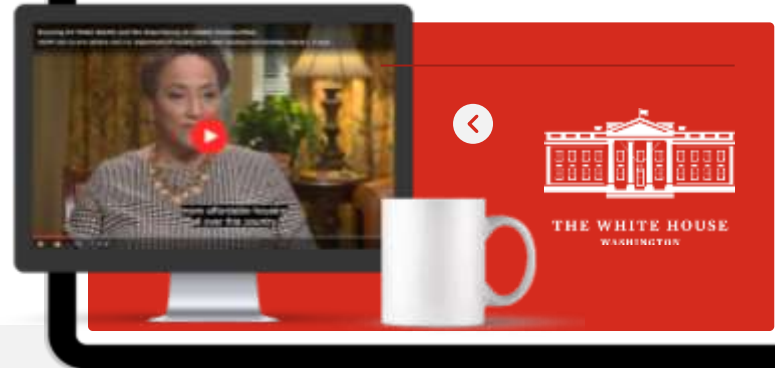
Source: [2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+](#)

ADU - National Discussion

- AARP CEO **Jo Ann Jenkins** and HUD Secretary **Marcia Fudge**;
- **White House Briefing** on ADUs: AARP was the only non-government organization invited to speak, and various stakeholders referenced AARP's ADU efforts;
- AARP's ADU Publications: [ABCs of ADU](#) and [ADU Model State Act and Local Ordinance](#)
- The **White House** released a fact sheet on September 1, 2021 stating the federal government will work with state and local governments to boost housing supply, including ADUs.



Access the full video at [Jo Ann Jenkins & HUD Secretary Marcia Fudge Interview](#), [White House Briefing on ADUs](#), and [Biden-Harris Administration Announces Immediate Steps to Increase Affordable Housing Supply](#)

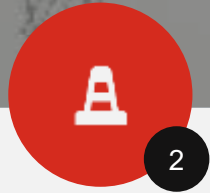


Poison Pills: ADU Legislation



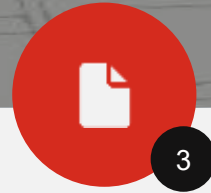
1

**Owner Occupancy
Requirements**



2

**Parking
Requirements**



3

**Conditional Use
Permitting for ADUs**



4

Short-term Rentals

ADU Legislative Landscape [Statewide]

Notes:

* Laws passed earlier in California, Washington, and Vermont had required that localities allow for ADUs but did not require by-right approvals.















** Connecticut's law requires by-right approvals. However, it also allows localities to opt out of this provision with a two-thirds vote of both their planning board and legislative body.

*** Rhode Island requires by right on owner occupied lots for family members, on large lots, for internal ADUs, or for an ADU within an existing accessory structure. Owner occupancy required if applying "by right".

****Colorado requires owners to live in the primary unit while the ADU is being constructed.

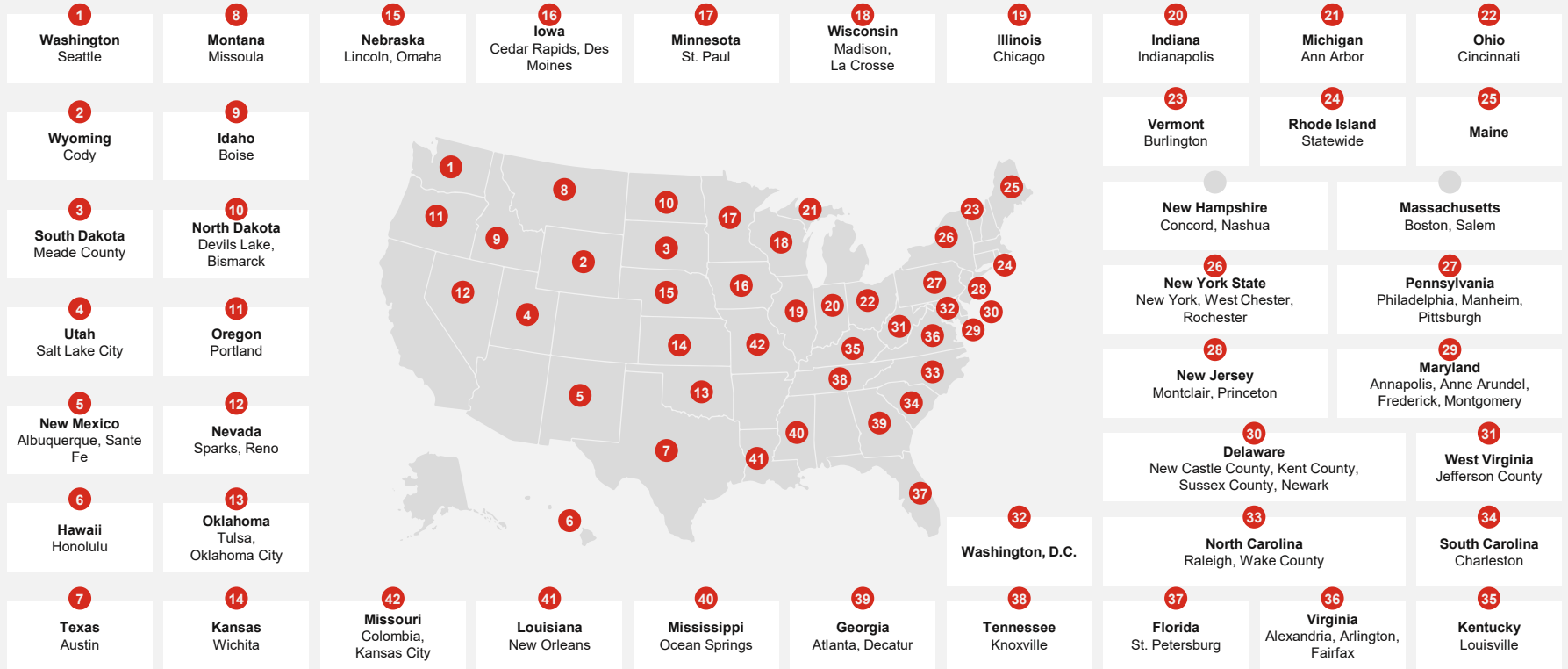
*****Hawaii recently updated their ADU laws in May 2024

*****Massachusetts prohibits parking mandates within ½ mile of transit.

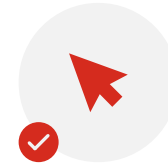
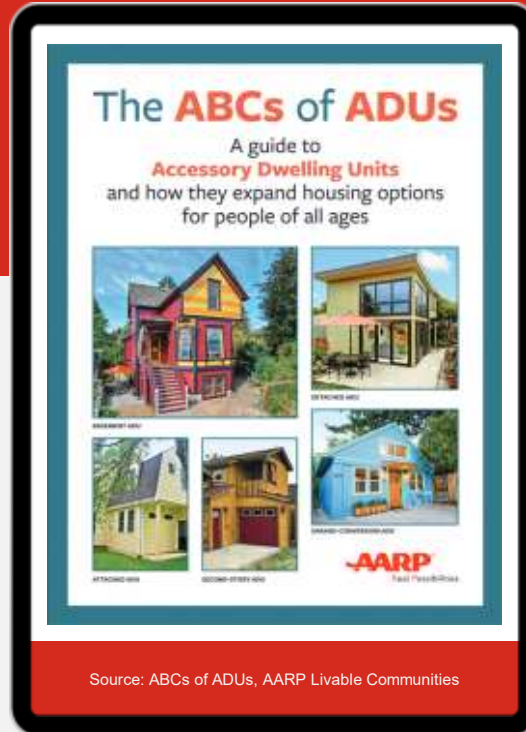
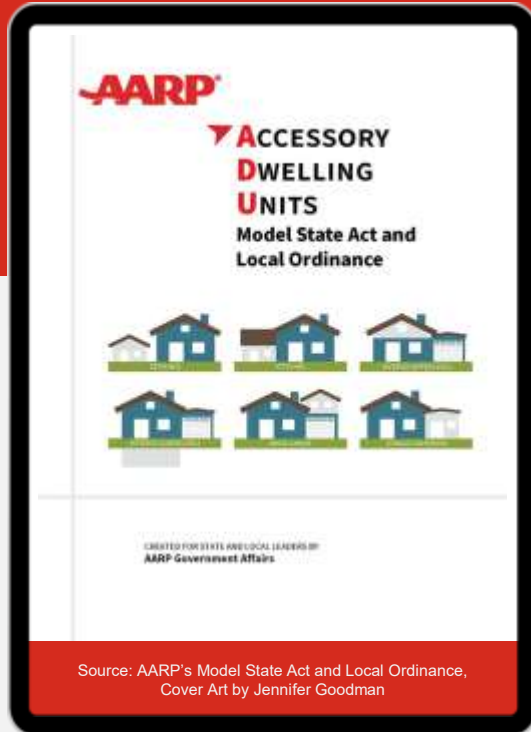
State	Year(s)	By-Right Permitting Required?	Ban on Owner Occupancy Requirements?	Limits on Parking Requirements?
 Hawaii	1981/2024*****	No	No	No
 California*	2016	Yes	Yes	Yes
	2019			
 Washington*	2023	Yes	Yes	Yes
 Oregon	2017	Yes	Yes	Yes
	2019			
 Utah	2021	No	No	No
 Montana	2023	Yes	Yes	Yes
 Vermont*	2020	Yes	No	No
 New Hampshire	2016	No	No	No
 Connecticut	2021	Mixed**	No	Yes
 Maine	2022	No	No	No
 Rhode Island	2022/2024	Yes***	Partial***	Yes
 Colorado	2024	Yes	Partial****	Yes
 Arizona	2024	Yes	No	No
 Massachusetts	2024	Yes	Yes	Yes*****

Source: Learning from State Efforts to Encourage Accessory Dwelling Units, Thursday, November 9, 2023 | Ellie Sheild, David Luberoff, Joint Center for Housing Studies, Harvard University, available at <https://www.jchs.harvard.edu/blog/learning-state-efforts-encourage-accessory-dwelling-units>

ADU Legislative Landscape [Local]



AARP's ADU Publications



Visit:

<https://www.aarp.org/livable-communities/housing/info-2019/accessory-dwelling-units-adus.html>

to learn more.

AARP Florida ADU Project: ADU Research

aarp.org/fl

AARP
Florida

Is Making a Difference Where You Live

The illustration shows a two-story house with a brown roof and a small, single-story ADU unit attached to the side. The house has a front porch and several windows. The ADU unit has a dark door and a window. The entire scene is set against a white background with a red base.

AARP
Florida

Is Making a Difference
Where You Live

Accessory Dwelling Unit Legislation Will Increase Affordable Housing Choices for Floridians, Without Taxpayer Subsidies

Accessory dwelling units (ADUs) can increase market affordable housing choices, across a range of neighborhoods, without taxpayer subsidies. ADUs can take many forms - detached cottages, additions, remodeling of upstairs or basements, or built above garages.

ADUs are flexible, meeting many different needs for people with different incomes and during different phases of life.

ADUs can fit the housing needs of retirees and empty-nesters, families with young children, parents needing care, first-time home buyers, and temporary housing for friends and loved ones.

Higher incomes and rental costs, like ADUs, are a better fit and more affordable for many Floridians today.

Two thirds of Florida households are just one or two persons. As of 2021, more than one half of all Florida renters spend more than 25% of their pre-tax income on rent.

Experience in St. Petersburg and Orlando shows that lifting unnecessary restrictions on ADUs increases housing supplies.

In 2015, Orlando amended its Land Development Code to reduce parking standards and allow more site planning flexibility for ADUs. In the five years following those amendments, 962 ADUs were built, compared to 121 in the eleven prior years.

St. Petersburg set a goal of 400 new ADUs between 2020 and 2030. In 2020 the City revised its ADU regulations to allow ADUs on most of its single-family residential lots and reduced on-site parking requirements. As of the first quarter of 2024, the City was a third of the way toward its ADU goal with 131 built and 42 more in development.

Of the 47 counties in Florida, 14 did not allow ADUs and most of the counties that allow ADUs imposed various restrictions, according to the Florida Housing Coalition.

ADU Homeowner & Housing Choice Legislation

- ▶ Treats ADUs like all other homes in how they are reviewed by local regulators.
- ▶ Allows ADUs to be rented out, just like any other home.
- ▶ Does not require owners to live in ADUs, just like other homes.
- ▶ Removes unrelated on-site parking requirements.
- ▶ Does not lift private HOA restrictions.

AARP Florida ADU Project: ADUs & Property Tax

aarp.org/fl

AARP
Florida

Is Making a Difference Where You Live



Is Making a Difference
Where You Live

Property Tax Issues for Accessory Dwelling Units in Florida

- Under existing state law and Department of Revenue appraisal guidelines an Accessory Dwelling Unit (ADU) is subject to the same assessment and valuation processes and procedures as any other real property.
- This includes classifying ADUs constructed as rental units as non-homesite property. When an assessor determines an ADU will be used as a rental, the ADU will be separately assessed from the homesite parcel. As a result, the homesite status of the existing property should remain intact.
- Florida's homesite exemption programs provide property tax relief for recipients who occupy their home as their principal residence (see below). Qualifying for the homesite exemption is critical since that status triggers eligibility for all the programs.

Homesite Exemption – Taxpayers who own their home and use it as their permanent residence receive an exemption for the first \$20k of value from all property taxes and an additional \$20k exemption for non-school taxes.

Save Our Homes Assessment Cap – recipients of the homesite exemption receive an additional benefit that limits the increase in assessed value to 3% or the change in the inflation, whichever is less. Taxpayers can transfer the exemption if they move to another property in Florida.

Senior Exemption – Seniors 65 or older with an income below the level (\$35k in 2023) qualify for an exemption set by local option up to 10% in assessed value.

Tax Deferral – A homesite exemption recipient can defer payment of their property taxes that exceed 3% of their household income. Seniors can defer taxes that exceed 3% of their income or all taxes if the household income is less than \$20k. Deferred taxes accrue interest at a competitive rate and must be repaid.

Reduction in Assessment for Living Area of Parents or Grandparents – Homesite properties can also receive an exemption for a property contacted to provide living quarters for parents or grandparents. This local option exemption is the lesser of the increased assessed value resulting from the addition to the property or 20% of the property's total value.

AARP Florida ADU Model Act (Model Act) and Property Taxes – Taxpayers with ADUs should receive the same exemption benefits as other properties if they meet the program's eligibility requirements. Tax ADU owners the property tax savings offered by Florida's homesite exemption programs are of particular importance.

- Section 17 (e) of the Model Act ensures that owners of properties with ADUs are eligible for all Florida's property tax exemption programs, including the homesite programs.
- Section 17 (d) of the Model Act further clarifies that a homeowner with an ADU that uses the unit for their own purposes – e.g., occupancy for family member, caregiver, etc. – still qualifies as a homesite for exemption purposes.

Middle Housing?



A group of different housing types that:



Have **multiple** housing units



Are more similar in scale to **single-detached homes** than to apartment buildings



COTTAGE



SIDE-BY-SIDE DUPLEX



STACKED DUPLEX



STACKED TRIPLEX



TOWNHOUSE



FOURPLEX

Why Does AARP Support Middle Housing?



Helps **meet housing needs** of growing communities and provides **diverse** housing options such as smaller homes, multigenerational homes



Allows for **lower-cost housing** options, **expands homeownership** opportunities in **high-opportunity neighborhoods** (schools, parks, jobs)



Promotes **smart land use and sustainability** by supporting infill and compact development, often in walkable neighborhoods, closer to public transit



Preserves neighborhoods and blends well in neighborhoods with single-detached homes

Source: [2021 AARP Home and Community Preferences Survey: A National Survey of Adults Age 18+](#)

Middle Housing Legislative Landscape (Statewide)

Oregon

HB 2001



(2019)

- Population based implementation
- There were concerns about local control even within this context
- The requirements for smaller cities and small jurisdictions simplified or exempted.
- More technical assistance provided by state to local jurisdictions
- Provided a timeline for implementation

Nebraska

LB 866



(2020)

- It directed cities with populations greater than 20,000 to adopt an affordable housing action plan by a set deadline
- Non-compliance would mean that jurisdictions must allow middle housing in areas zoned for single-detached dwellings
- Got bipartisan support, with local opposition
- Discussion around workforce and economic development

California

SB 9 2001



(2019)

- Allows homeowners to create up to four homes on an existing parcel
- AARP was part of the negotiating process
- Part of the YIMBY coalition
- Prior to its passage, other bills offering incentives to expand middle housing achieved minimal results
- This was more prescriptive

Florida

SB 102



(2023)

- Preemptive legislation
- Waiver of local processes for multifamily projects if 10% of Units are affordable
- Administrative approval for all multifamily projects
- Tax exemptions for middle housing projects

Middle Housing Legislative Landscape (Statewide)

Washington

HB 1110



(2023)

- To allow a broader range of housing options, including duplexes, triplexes, quadplexes, townhouses, stacked flats, courtyard apartments, and cottage housing
- Took two years of negotiation and broader YIMBY coalition
- Streamlining design review processes
- Restrictions on the ability to require off-street parking
- Limits on development standards that may create barriers to middle housing

Vermont

SB 100



(2023)

- Requires 5 or more units per acre in areas served by water and sewer
- Reduces parking minimums to no more than 1 space per dwelling unit
- Allows duplexes everywhere single-family homes are allowed and multi-unit dwelling up to 4 units in areas served by sewer and water

Montana

SB 382



(2023)

- Requires local municipalities to quantify their housing needs and adopt at least 5 out of 13 zoning reforms (Section 19)
- Including allowing multi-family housing
- Multi-round negotiations
- Local government buy in

Arizona

HB 2721



(2024)

- Allows the construction of missing middle housing types within central city areas and large new developments
- Require municipalities with a population of 75,000 or more to allow townhomes, duplexes, triplexes or quadplexes in all single-family zoned areas within a mile of their central business districts

Maryland

HB 538



(2024)

- Allows for middle housing, including duplexes, triplexes, quadplexes, cottage clusters, and townhouses
- Middle housing will be allowed in single family zoned

A Spectrum of Approaches: Local Middle Housing



**St. Petersburg,
FL**

Parcels near major corridors, outside flood-prone areas



**Tulsa,
OK**

Surrounding Tulsa's downtown core



**Durham,
NC**

Residential zones in the Urban Tier, plus some Suburban Tier zones



**Portland,
OR**

Citywide, single-dwelling zones, except environmentally constrained areas



**Kirkland,
WA**

All low-density residential zones



**Eugene,
OR**

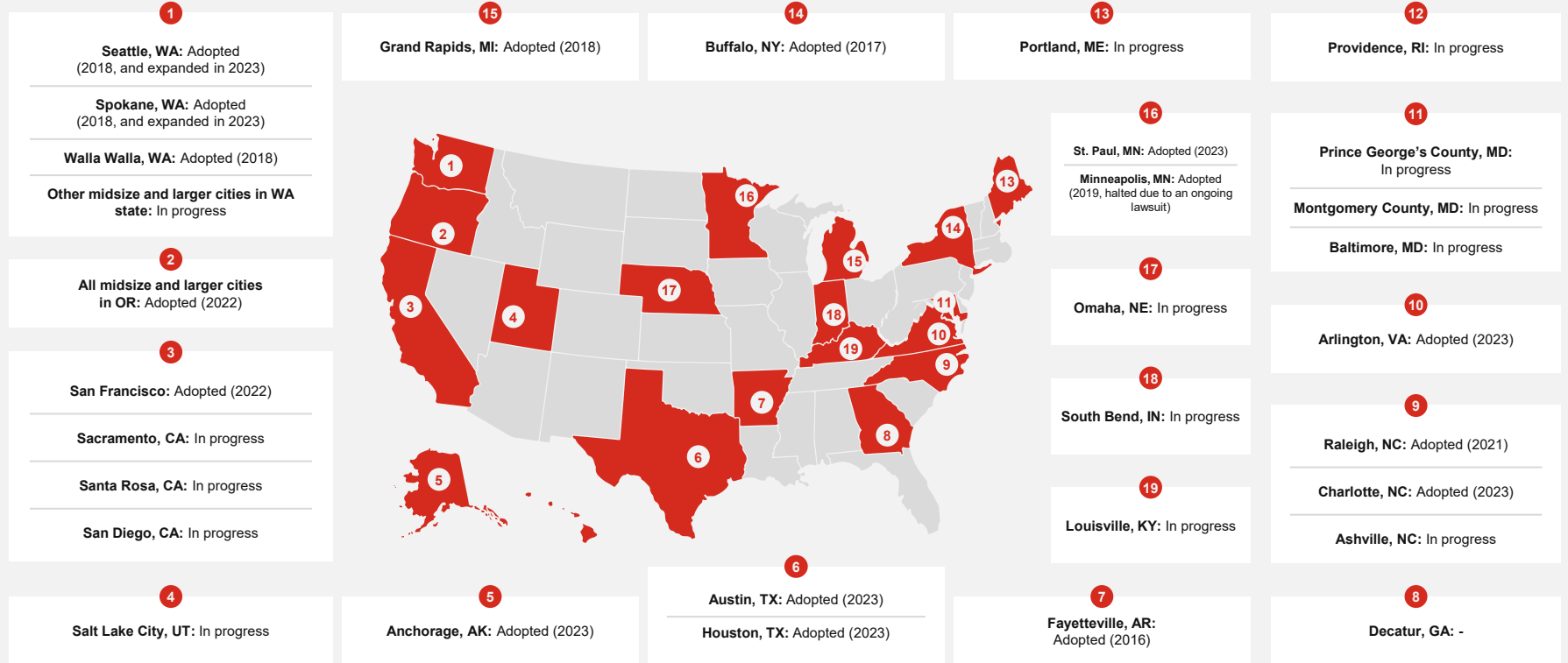
All residential areas allowing single-detached homes



**Madras,
OR**

3 low-density residential zones and 2 commercial zones

Middle Housing Legislative Landscape (Local)

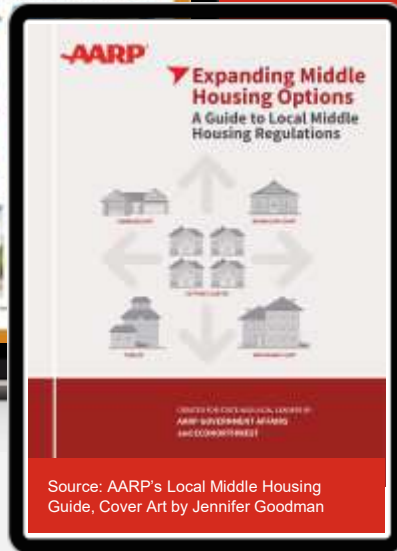


Source: Expanding Middle Housing Options: A Guide to Local Middle Housing Regulations, AARP Livable Communities, April, 2024

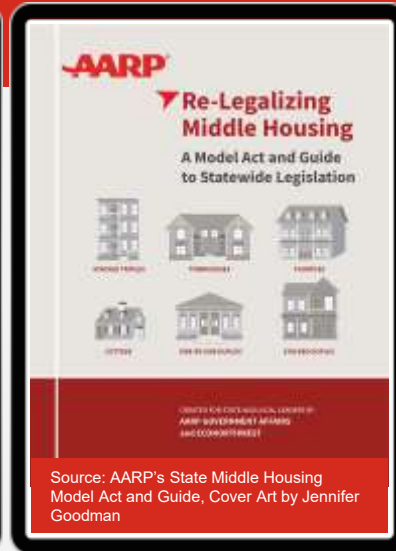
AARP's Middle Housing Publications



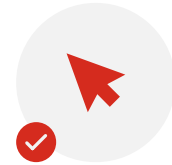
Source: AARP's Middle Housing Publication, AARP Livable Communities



Source: AARP's Local Middle Housing Guide, Cover Art by Jennifer Goodman



Source: AARP's State Middle Housing Model Act and Guide, Cover Art by Jennifer Goodman



Visit:

<https://www.aarp.org/livable-communities/>

to learn more.

Other Zoning Initiatives

Transit Oriented Development (TOD):

Land use planning approach that aims to create sustainable, walkable communities with high-quality public transportation. Mostly local legislative efforts that have been successful (E.g. Madison, Wisconsin). April 2024, the Federal Transit Administration (FTA) awarded TOD planning grants to 20 projects in 16 states. Currently Colorado, Washington, and Connecticut is legislating a statewide TOD bill. In Maryland, in 2023 under HB 12 the TOD Capital Grant and Revolving Loan Fund was established to promote the equitable and inclusive development of TODs throughout the State.

Tiny Homes:

A tiny home is a small house or mobile home that is usually less than 500 square feet, excluding lofts. Tiny homes are designed to be space efficient and ergonomic. They can be built on a permanent foundation or a mobile platform. States like **Montana** recently passed a Tiny House Legislation. **Maryland** does not have a statewide tiny house legislation. Vermont and **Massachusetts** have strong Tiny Homes legislation in the north-east. **Texas and Pennsylvania**, while it does not have statewide legislation, has strong local rules on the issue.



Universal design in housing :

Universal design is a design technique which creates public and private spaces for equal access by individuals of all ages and abilities. Such features can be incorporated into private homes and residential facilities to facilitate aging in place and those with disabilities and mobility issues. Prince George's County, MD passed a universal design legislation, and Rhode Island is currently legislating a statewide universal design legislation. AARP is currently working on a model universal design ordinance.



Manufactured Housing:

Manufactured housing, also known as a mobile home, is a single-family home built in a factory and transported to a property. Southern states have strong pipeline to produce manufactured housing.



For more visit:

<https://www.tinysociety.co/articles/tiny-house-laws-united-states/>



Thank
you!

AARP Livable Communities | [AARP.org/Livable](https://www.aarp.org/Livable)

