What if Single-Family Homes House Multiple Households?

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The Panel

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Why This Session?

Current serious mismatch between housing supplies and demands

- Large supply of larger lot single-family detached housing exceeds long-term demand
- The demand for smaller housing units
  - Driven by personal preferences
  - Driven by smaller households
  - Driven by affordability
Why This Session?

The Housing Price / Wage Gap
Why This Session?

Over time, the market align supply and demand

• We’ll build more small lot and attached units and fewer large lot homes
• But we only replace 2% of housing stock each year
• Many larger homes in secondary locations will face decreasing demand
Declining demand for larger homes on larger lots will result in:

- Lower prices
- “Doubling up” of more than one household occupying the home

We’re already seeing this:

- Three generation homes
- Demand for ADUs and AirBnb
- Creation of illegal apartments
Why This Session?

Legal Occupancy of Housing Units is governed by

- Building & Occupancy codes (rarely violated)
- Zoning ordinances (particularly limits on the number of unrelated people)
- Restrictive Covenants

But enforcement could make many people illegal occupants – and when too many people are in violation rules don’t get enforced
Why This Session?

The ability to “hold the line” against multi-family occupancy varies

- Governmental enforcement is expensive and politically unpopular
- Private enforcement depends on an active HOA or Condo Association
- Many HOAs are weak – particularly in poorer neighborhoods
Why This Session?

We’ve seen this before

- 1960s “white flight” results in many urban single-family homes divided into apartments (legally or illegally)
- All large cities struggle with the creation of illegal additional second or third units
- Many newer ADU ordinances on the east and west coasts have been aimed at providing a “path to legality” for large numbers of illegal apartments
Why This Session?

• **Travis Parker** on Lakewood’s Experience

• **Tina Axelrad** on Denver’s Experience
How to Respond?

1. Allow conversion of some part of the single-family housing stock to allow additional dwelling units (larger than ADUs)?

2. Change the definition of “family” to allow more unrelated people to occupy a single-family dwelling unit?

3. Speed up efforts to allow smaller dwelling units on smaller lots (but remember the 2% rule)?
How to Respond?

1. Allow Conversion of Dwelling Units?
   - Building codes for multi-family dwellings are tougher and more expensive to meet
   - The same may be true of:
     - Energy codes
     - Seismic codes
     - Zoning codes
     - Landscape codes or manuals
How to Respond?

The Portland, Oregon, Study
How to Respond?

EXISTING BUILDING SUMMARY

The existing building is a two-story 1910s Portland foursquare on a tight site with an attic and basement. For the purposes of this study, the attic and basement are assumed to have adequate head height without beams, collar ties or other items that might prevent conversion to living space.

- Building Area: 3,550 sf
- Building Height: 22 ft
- Site Area: 2,500 sf
- FAR: 1.03 (without basement)
- Construction Type: V-B (Unprotected Wood Frame)
- Sprinklering: No
- Existing Occupancies: R-3

Scale: 1" = 10'

1900s FOURSQUARE EXISTING BUILDING

deea ARCHITECTURE INC
How to Respond?
How to Respond?
How to Respond?

EXISTING BUILDING SUMMARY

The existing building is a typical one-story single family bungalow house with a full height basement and habitable attic space. Existing dormers at the roof allow for light and additional space in the attic. An interior stair connects the basement, 1st level, and attic. An exterior stair also provides direct access to the basement. The construction of the house is wood framing on concrete basement/foundation walls.

- Building Area: 3,640 sf
- Building Height: 20'
- Site Area: 5,000 sf
- FAR: 0.51:1 (without basement)
- Construction Type: VB (Unprotected Wood Frame)
- Sprinkler: No
- Existing Occupancies: R-3

1910s BUNGALOW    EXISTING BUILDING

PLAN 1st Level  1,595 sf
PLAN Basement  1,095 sf
PLAN Attic  950 sf

Scale: 1" = 10'
How to Respond?
How to Respond?

Conclusion

CONCLUSIONS
Although internal conversions, especially those creating more than two units, can be challenging to complete, they represent a powerful tool for retaining existing building stock and encouraging diverse and less expensive housing options. Changing a building from the residential to commercial code is a significant barrier, but duplex and townhouse conversions are readily achievable and, if coupled with a detached structure, could provide a way to gently increase density while still preserving existing structures. Through strategic assistance and clarification of the complex issues associated with internal conversions, the City may be able to encourage and incentivize this type of development throughout Portland.
How to Respond?

Single-Family to Duplex or Townhomes Could Make a Big Difference

- About 70% of land use in medium sized cities is residential
- In most medium sized cities, about 2/3 of that 70% is single-family structures
  - Bigger cities have less, smaller cities have more
- Rules on conversion of single-family homes could affect almost 50% of the housing stock
  - Lots of room to narrow and tailor the rules to local conditions
How to Respond?

2. Allow Higher Occupancy of Dwelling Units?
   • Pressure will also exist for higher occupancy without changing the structure
   • The normal definition of “family” (or “household”) is:
     – Any number of persons related by blood or marriage or
     – Up to X unrelated persons
How to Respond?

Several problems with this definition

• Any number of persons related by blood or marriage
  – Declining marriage rates mean fewer households will meet this standard

• Up to X unrelated persons
  – You could increase X

• Fails to reflect requirements of the federal Fair Housing Act
  – Add “or any group of individuals whose right to live together is protected by state or federal fair housing laws
How to Respond?

The Right Response(s) Will Vary by Community

• Determine whether these pressures exist in your community

• If so, determine what types of adjustments are needed

• If it is happening in your community – don’t pretend that it isn’t
Questions?