

**AMENDED
CITY OF BEAUFORT
PLANNING COMMISSION
WORKSESSION AGENDA**

1911 Boundary Street, Beaufort, SC 29902

Phone: 843-525-7011 ~ Fax: 843-986-5606

Monday, September 8, 2025, 1:00 P.M.

City Hall, Planning Conference Room, 1st Floor – 1911 Boundary Street, Beaufort, SC

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/89957663335?pwd=FpWaGSS7aUlIk6UL2IKU4HzsYgaFQm.1>

Password: 321534 Meeting ID: 899 5766 3335 Call in Phone #: 1+929 205 6099

STATEMENT OF MEDIA NOTIFICATION: "In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media were duly notified of the time, date, place and agenda of this meeting."

I. Public Comment

II. Discussion:

- Short Term Rental Ordinance Changes, Section 3.6.2
- Accessory Dwelling Unit Changes, Section 3.11.2, and Section 4.5.3
- Chapter 2 Maps and Districts
- Chapter 3 Land Use Provisions
- Chapter 4 Building Design and Infill Standards

III. Adjournment

Note: If you have special needs due to a physical challenge, please call Julie Bachety at (843) 525-7011.



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Community Development Department

SCOTT MARSHALL
City Manager

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CURT FREESE
Community Development
Director

To: Planning Commission

From: Curt Freese, Community Development Director

Date: 9/8/25

Issue: ADU's and Short Term Rentals

Background:

At the last Planning Commission meeting, a public discussion on Accessory Dwelling Units and Short Term Rentals was held. The goal was to allow the community and commissioners to freely discuss issues with the current code on these items. In addition, the City Council at August 19, 2025, held another meeting discussing STR's which included a draft ordinance to license Short Term Rentals in the municipal code.

Short Term Rentals

Staff is recommending the redline changes with a potential ordinance recommendation at the September 15 meeting. Again, the City Council is considering a separate ordinance to regulate Short Term Rentals in the Municipal Code. This draft ordinance and memo is included with this packet but should not be acted on by the Planning Commission.

ADU's

Staff is recommending changes to Section 3.11.2, and Section 4.5.3 (see redline changes). The core change is to restrict ADU's to no more than one per lot. Moreover, the Short Term Rental revisions would also only allow an ADU to be utilized for a STR, if the property is owner-operated.

Staff understands there are two primary citizen complaints on ADU's:

1. Short Term Rentals being operated out of ADU's and the impacts on the properties around them.
2. The Allowance of 2 ADU's in neighborhoods other than T3-S, in which the ADU's are being rented out and impacting the surrounding area and neighboring homes.

Staff also understand there is also citizen support for more permissive ADU regulations:

1. ADU's allow for a cheaper housing option not found in the market.



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2. ADU's may allow home owners to care for family members, retain their children, or be able to afford their homes.
3. There was a recommendation to remove the 1 ADU restriction to move to 2 ADUS in the T-3 S district.

Recommendation: Information only.

SHORT TERM RENTAL ORDINANCE CHANGES TO SECTION 3.6.2

3.6.2 ADDITIONAL STANDARDS FOR COMMERCIAL USES

The following additional standards apply to the approval and development of projects where the use is listed in the "Table of Permitted Uses" in Section 3.2 as Conditional (C), Special Exception (SE), or T4-Neighborhood Artisan (A). In addition, any Building Design standards, as set forth in Article 4, apply as applicable.

2. Short Term Rental:

- a. ~~Short Term Rentals are permitted in the following zoning districts: T3-S, T3-N, T4- HN, T4- N, T5-UC. Specific to T3-S, T3-N, and T4-HN: Short term rentals, where the owner does not live on the premises, are limited to 6% of the lots in the neighborhood as shown on the City of Beaufort Neighborhoods Map zoned T3-S, T3-N, and/or T4-HN with the following exceptions:~~
 - i. Structures on the City's List of Vacant and Abandoned Structures being rehabilitated for use as a short term rental; and
 - ii. Short term rentals are prohibited in The Point neighborhood, as shown on the City of Beaufort Neighborhoods Map and the LI, RMX, IC, and the T-1 districts.
- b. ~~Short Term Rentals shall follow the guidelines of Section xxx of the City of Beaufort Municipal Code. Minimum Stay: 2 nights.~~
- c. ~~Permitted Rental Types:~~
 - i. ~~Rental of the primary dwelling.~~
 - ii. ~~Rental of an accessory dwelling.~~
 - iii. ~~Rental of a portion of a primary dwelling.~~
 - iv. ~~Rental of a boat in an approved marina.~~
 - d. ~~Parking: Parking shall be provided on-site and located to the side or rear of the dwelling. On-site parking shall be clearly delineated with an improved surface such as pavement, gravel, or another method approved by the administrator. If formalized parking is provided on the street(s) adjacent to the primary or accessory unit, this may be utilized in lieu of on-site parking.~~
 - e. ~~Rental Agreement: The applicant shall provide a copy of the rental agreement that will be used. The rental agreement shall specify the following:~~
 - i. ~~The minimum stay.~~
 - ii. ~~The maximum number of guests—which shall be based on the number of beds in the unit. For Primary house rentals, the number of adult guests is limited to 2 per bedroom. For Carriage House rentals, the total number of adult guests is limited to 4.~~
 - iii. ~~The maximum number of vehicles permitted at the unit—which shall be based on the number of bedrooms and the design of the driveway. For Primary house rentals, the number of vehicles is limited to 1 per bedroom. For Carriage House rentals, the total number of adult guests is limited to 2.~~
 - iv. ~~Where guests are to park. Where no formalized on-street parking is available, the agreement shall specify that guests are to park on-site and not in the street.~~
 - v. ~~That the City's noise ordinance applies between 9:00 p.m. and 8:00 a.m.~~

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- vi. ~~Prohibit large gatherings such as weddings and reunions unless specifically approved by the City.~~
 - vii. ~~Pets, if permitted, are not to be left outside unattended.~~
 - f. ~~**Property Management Plan:** A property management plan shall be developed and approved by the administrator. The property management plan shall identify a property manager. Where the property owner does not live on the premises, the property manager must be available to appear on the premises to respond a complaint within three hours of being notified by the administrator. Where the property owner lives on the premises, a back-up property manager must be identified unless the owner certifies the unit will not be rented when the owner is out of town. The administrator shall be notified when management of the unit changes. Failure to comply with the approved property management plan shall result in the revocation of the zoning permit (Section 9.4).~~
 - g. ~~**Signs:** No on-site signs shall be permitted.~~
 - h. ~~**Rental Rules:** Rental rules, including use of the sanitation and recycling roll-carts, and emergency contact information including the police non-emergency number, shall be posted in a conspicuous location in the unit.~~
 - i. ~~**Monitored Fire Alarm:** A monitored fire alarm is required for all units except boats. Boats are required to provide documentation that a Coast Guard Auxiliary Safety Vessel Check has been performed is required. The Vessel Safety Check can be arranged through this link: <http://www.cgaux.org/vsc>. Existing facilities not meeting this requirement shall be brought into conformance within 6 months of the date of adoption of this Code.~~
 - j. ~~**Outside Approvals Required:** For properties located in a neighborhood with a property owners' association, written confirmation from the association president that short-term rentals are permitted in the neighborhood is required. In multifamily structures, written approval from the property management association is required. For boats in an approved marina, written permission from the marina manager is required.~~
 - k. ~~**Safety Inspection and Licensing:** A Safety Inspection shall be conducted before the Business License for the facility is issued. The facility shall comply with all business license, revenue collection, and health laws of the City of Beaufort, Beaufort County and the State of South Carolina.~~
 - l. ~~**Unlicensed Units:** For units that are found to be operating without approval of the City, the short-term rental application fee shall be \$1,000. If the property owner chooses not to submit a short-term rental application within 60 days of being notified by the City of being in violation of the ordinance, a short-term rental application shall not be approved for a period of 2 years.~~

**DRAFT STR
ORDINANCE AND
MEMO CITY COUNCIL
IS CONSIDERING**



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CURT FREESE
Community Development
Director

To: City Council

From: Curt Freese, Community Development Director

Date: 8/19/25

Issue: Short Term Rentals

BACKGROUND:

The City Manager tasked City Staff to draft a new standalone short term rental ordinance. The proposed draft ordinance attached, was developed after a number of meetings with the following internal staff group:

Curt Freese, Community Development Director

Alan Eisenman, Finance Director

Justin Rose, Business License Inspector/Administrator

Kat Kirkland, GIS

Christopher Klement, Planner III

Ken Meola, Code Enforcement Officer

Bruce Skipper, Building Official

John Badget, Fire Marshall

The group reviewed the current ordinance, the current short term rental licenses and policies, inspections, complaints, and staff capacity, with Short Term Rental policies and practices around the State of South Carolina. Moreover, the group placed great emphasis on the comments from City Council at its June 10, 2025, work session, and the data and materials provided at that work session. To that end, the major subjects Staff attempted to address with the proposed ordinance included:

- 1) The 6% cap which applies to lots, not structures
- 2) The owner exemption.
- 3) The allowance for ADU's to be utilized as STR's with no restriction or multiple structures on one lot to be utilized as ADU's, and not counted individually against the cap.
- 4) Clustering of STRS



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- 5) Nuisance issues related to STRS, including noise and events
- 6) Violations of STRS
- 7) Licensing, annual licensing and waitlists

The draft ordinance is intended for discussion and is intended to address the aforementioned issues. Staff would note such a standalone ordinance, should it be adopted, therefore requires revisions to the existing requirements of Section 3.6.2 C. 2. of the Development Code. This Section would merely lay out the eligible zoning districts, while all other regulation would be found in the standalone ordinance in the Municipal Code.

MAJOR TOPICS/DISCUSSION:

1) The 6% cap which applies to lots, not structures

The draft Ordinance would keep the 6% cap and only allow one structure per lot closing this loophole. Staff believes discussion is merited if this cap with the additional restrictions is still reflective of what the City desires.

2) The owner exemption

The draft ordinance separates owner occupied and investor occupied. Owner occupied is now part of the same 6% cap and is allowed to utilize an ADU. As per number 1, this may merit discussing the cap. Other STR ordinances around the state have either the cap, or a specific limit on total STRs.

3) The allowance for ADU's to be utilized as STR's with no restriction or multiple structures on one lot to be utilized as ADU's, and not counted individually against the cap.

The draft ordinance restricts ADU's only to be allowed in owner occupied STR's, and only one ADU may be allowed.

4) Clustering of STRS

Staff has added a 300' distance requirement from any other STR. 300 feet is the average size of a block in the downtown. Staff believes the changes to the distance based requirements, as well as moving to one per lot, and one ADU for only owner occupied STR's, as well as eliminating the owner occupied exemption, will go a long way in naturally preventing the clustering of STR's.

5) Nuisance issues related to STRS, including noise and events



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The draft ordinance restricts noise, events, and a number of other activities as part of the STR license, and not as a zoning code violation.

6) Violations of STRS

The draft ordinance requires yearly licensing, and has a three strike system wherein a STR can be revoked for violations including noise, events, etc. Such a system allows the city the clear ability to address complaints and nuisances with STR's.

7) Licensing, annual licensing, inspections, and waitlists

Staff discussed doing inspections, and all departments felt that with over 250 current STR's, there is not Staff capacity to handle a yearly inspection. Thus, the ordinance requires the applicant to attest to their compliance and allows inspections should there be any complaints at any time. In that same vein, Staff also felt the rolling date for each STR should be kept, instead of switching to a yearly deadline (June or July) that all STR's must be licensed by. The draft ordinance requires a new STR license approved every year, which would be added to the annual business license renewal after discussion with the City Council. A single yearly deadline would be an undue burden on Staff.

A waitlist with an application requirement is part of the ordinance.

Finally, the annual fees range from \$100 to up to \$1,000 in other communities. Currently, the city only takes a one time fee to set up the STR, and then business license fees.

SUMMARY OF DRAFT CODE:

- Requirements and Eligibility: Compliance: STRs must adhere to the Beaufort Development Code (Section 3.6.2 C 2).
- Grandfathering of existing STR's (if sold, revoked, or expired, grandfathering status is lost).
- Cap on STRs: Limited to 6% of dwelling units in specific zones (T3-S, T3-N, T4-HN, T4-N, T5-UC); prohibited in The Point, LI, IC, RMX, and T-1 zones.
- 300' distance requirement.
- Limit per Lot: One STR per lot for both OSTR and ISTR.
- Accessory Units: Only OSTRs may use accessory dwelling units (e.g., carriage or pool houses) as STRs.
- Minimum Stay: 2 nights.



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- Parking: One on-site parking space per bedroom, located to the side or rear, with an improved surface.
- Signs: No on-site signs allowed.
- Fire Safety: Monitored fire alarms required.
- External Approvals: Written approval from property owners' associations or property management is required for applicable neighborhoods or multifamily structures.
- Safety Inspection: Required before issuing a business license.
- License and Registration: Owners must obtain and annually renew a business license and rental registration permit, paying applicable fees and taxes.
- Licenses are issued only to owners, not lessees; a designated agent may apply on behalf of the owner.
- Licenses for units under construction require a certificate of occupancy.
- Failure to maintain good standing or renew within 10 days of license expiration may lead to denial or revocation.
- Registration requires detailed information, including property details, owner/agent contact info, parking plans, and certifications of compliance with city ordinances (e.g., noise, trash, parking).
- Owners must designate a local agent (self or a licensed professional) who can respond to emergencies within 60 minutes.
- Changes in ownership or registration details must be updated within 60 days.

VIOLATIONS:

- Violations include operating without a license/permit, false advertising, exceeding permitted occupancy or bedroom counts, hosting large events (>25 people), failing to provide required tenant information, or accumulating three strikes within a 12-month period for ordinance violations (e.g., noise, parking). Strikes reset upon property transfer with no overlapping ownership. Penalties: Fines up to \$500 per violation, with each day considered a separate offense.
- Denial, revocation, suspension, or non-renewal of licenses for non-compliance or three strikes in a 12-month period.
- Noise violations trigger a strike and a recommendation to install noise monitoring.
- Additional Requirements: Owners/agents must retain rental agreement details, signed city regulation summaries, and occupant certifications for one year.



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- Tenants must receive property details, emergency contacts, parking diagrams, and city ordinance summaries.
- STRs are limited to one rental contract per dwelling unit at a time.
- Events are capped at 25 people with no outdoor amplified music, except for owner-hosted, non-compensated events with proper notification.
- Mobile food trucks or outdoor retail are prohibited, though catering is allowed.

RECOMMENDATION:

This item is intended for discussion and Council direction.

A. PURPOSE, APPLICABILITY, AND DEFINITIONS.

The purpose of this chapter is to regulate the use of residential licensing of dwelling units as short-term rentals in order to:

1. Protect the integrity of the city's neighborhoods and the quality of life of its citizens;
2. Establish a system to track the short-term rental inventory in the city;
3. To protect the health and safety of occupants of short-term rental units;
4. To ensure a level playing field for individuals in the short-term rental market; and
5. To protect the residential character of the residential dwelling units within the city.

B. DEFINITIONS

The following definitions apply:

DWELLING UNIT. A structure, or portion thereof, providing complete living facilities for a single family including a complete kitchen. One structure may contain multiple dwelling units with different property tax classifications.

GOOD STANDING. A license shall be considered in good standing if:

1. The license has not been denied, revoked, or suspended in the current license year. A license which has been denied, revoked, or suspended in the current license year shall not be renewed except upon successful appeal of the denial, revocation, or suspension.
2. The license has not expired. A license shall be deemed expired ten (10) business days after the final day of the previous business license year.
3. A natural disaster or other Act of God renders the dwelling unit uninhabitable for a period of more than six months in the current business license year, or
4. Work related to valid building permit, carried out to address life, safety, or health violations documented by the Building Official renders the dwelling unit uninhabitable for a period of more than six months in the current business license year.

INVESTMENT SHORT TERM RENTAL BUSINESS LICENSE (ISTR). A license issued for a dwelling unit, to be rented as a short term rental, that:

1. Is not the legal residence of the owner; or
2. Is not the legal residence of the owner and was inherited from the person named as of record on XXX, 2025; or
3. Proof of inheritance shall be shown through a deed of distribution, court order, will or similar document.

LEGAL RESIDENCE. A dwelling unit assigned a 4% property tax ratio by the Beaufort County Assessor's Office under the requirements of S.C. Code § 12-43-220.

OWNER-OCCUPIED SHORT TERM RENTAL BUSINESS LICENSE (OSTR). A license issued for a dwelling unit to be rented annually and is the legal residence of the owner to be used as a short-term rental.

SHORT TERM RENTAL OCCUPANT. Any person who, in exchange for compensation paid, occupies a dwelling unit for less than 30 days.

SHORT TERM RENTALS. A dwelling unit, or any portion thereof, rented for any period less than 30 days and used in a manner consistent with the residential character of the dwelling. Tourist accommodations, including hotels, motels, inns, and bed and breakfasts, are not considered Short Term Rentals.

TIME SHARES. "Vacation time sharing plans" as defined in S.C. Code § 27-32-10(9) are not short-term rentals. However, any "vacation time sharing lease plan" as defined in S.C. Code § 27-32-10(8) that is less than three years is considered a short term rental. "Vacation multiple ownership interests" as defined in S.C. Code § 27-32-250(1) are not short term rentals.

TRANSFER OF PROPERTY. An assessable transfer of interest in real estate triggering an appraisal and reassessment for taxation purposes as defined by SC Code 12-37-3150.

C. REQUIREMENTS AND ELIGIBILITY:

1. Any Short-Term Rental shall comply with Section 3.6.2 C 2 of the Beaufort Development Code.
2. Short Term Rentals operating before November xx 2025, with valid permit or proof of operation, may continue operation without counting toward the 6% cap, or the 300 foot distance requirement found in this code. The exemption of the 6% cap and 300 foot distance requirements for valid Short Term Rentals operating before November xx 2025, shall be lost at the sale, transfer of ownership, revocation of license as set by this ordinance, or non-operation of the Short Term Rental.
3. Short-term Rentals are limited to 6% of the dwelling units in the neighborhood as shown on the City of Beaufort Neighborhoods Map zoned T3-S, T3-N, T4-HN, T4-N and T5-UC.
4. A Short Term Rental may not be located closer than 300 feet to any other Short Term Rental (measured from property line to property-line).
5. Each eligible Investment Short Term Rental (ISTR) and Owner occupied short term rental (OSTR) lot is limited to one short term rental.
6. Short term rentals shall not be permitted for any accessory dwelling unit, carriage or pool house, with the following exception:
 - a) Owner occupied (OSTR) short term rentals, may be allowed one short term rental on any accessory dwelling unit, carriage or pool house.
7. Minimum Stay: 2 nights.
8. Parking: Parking shall be provided on-site and is encouraged to be located to the side or rear of the dwelling. The number of parking spaces provided on site as well as a site plan showing the location of all on-site parking spaces. One on-site parking space must be

provided for each bedroom being rented. On-site parking shall be clearly delineated with an improved surface such as pavement, gravel, or another method approved by the administrator.

9. Signs: No on-site signs shall be permitted.
10. Monitored Fire Alarm: A monitored fire alarm is required for all units.
11. Outside Approvals Required: For properties located in a neighborhood with a property owners' association, written confirmation from the association president that short-term rentals are permitted in the neighborhood is required. In multifamily structures, written approval from the property management association is required.
12. Safety Inspection: A Safety Inspection shall be conducted before the Business License for the facility is issued.

D. LICENSE, REGISTRATION, AND TAX REQUIREMENTS.

- a) Any owner wishing to operate a short-term rental must maintain a current business license, comply with rental registration permit requirements, and make proper payment of local, county, and state taxes.
- b) *Business license.* A business license must be obtained and renewed annually by the submittal of a form and fee as established by the city for each residential dwelling unit or portion thereof offered as a short-term rental.
- c) No business license shall be issued for the rental of a residential unit which is planned or under construction until a certificate of occupancy is issued for the unit, except that a license issued for the rental of an existing residential unit may be renewed, or a new license issued for the rental of a replacement unit on the same site, upon issuance of a new certificate of occupancy and satisfaction of all other requirements for short term rental licenses. The replacement unit must be under the same ownership, contain the same or fewer heated square feet, and contain the same number or fewer bedrooms as the original STR permit.
- d) A business license shall only be issued to owners of a residential unit. Lessees of residential dwelling units may not apply for a business license to rent the unit.
- e) A designated agent may apply for a short-term rental business license on behalf of an owner. An application for a business license submitted by a designated agent must provide the correct taxpayer identification and contact information for the owner including name, address, phone number, email, and any other information as required on the application form.
- f) Failure to maintain good standing shall be considered grounds for denial of an application to renew and existing license
- g) To remain in good standing, an application to renew an existing license must be submitted no later than Ten (10) days after the final day of the previous business license year.

E. SHORT TERM RENTAL PERMIT

Short Term Rental Permit. A rental registration permit must be obtained and renewed annually by the submittal of a form and fee as established by the city for each residential dwelling unit or portion thereof offered as a short-term rental.

1. *Annual registration.* The short term rental registration permit shall be effective for one calendar year.
2. No new business license to operate a short-term rental shall be issued prior to the approval of a rental registration permit.
3. Renewals of valid prior year business licenses shall be allowed prior to the approval of a rental registration permit. Failure to complete a rental registration permit application within 30 days of the business license renewal date shall be grounds for revocation of the license.
4. *Annual fee.* The fee for a rental registration permit shall be set by City Council and shall be reviewed periodically.
5. A rental registration permit shall only be issued to owners of a residential unit. Lessees of a residential dwelling unit may not apply for a rental registration permit.
6. A designated agent may apply for a rental registration permit on behalf of an owner. An application for a rental registration permit submitted by a designated agent must provide the correct taxpayer identification and contact information for the owner, including name, address, phone number, email, and any other information as required on the application form.
7. *Change in registered information.* The owner or designated agent of a rental dwelling already registered with the city shall re-register within 60 days after any change occurs in the registration information. There shall be no additional fee upon change of registration information except that a new owner of a registered dwelling, upon application for a new business license, shall re-register the dwelling and pay the appropriate fee within 60 days of assuming ownership.
8. *Information required.* Application for rental registration permit shall contain the following information:
 - a) The street address of the rental dwelling unit;
 - b) The unit number if applicable;
 - c) The number of bedrooms in each rental dwelling unit;
 - d) *Designation of local agent.* The owner of a rental dwelling shall designate a responsible agent who shall be responsible for operating the rental dwelling in compliance with the law. Official notices may be served on the responsible local agent and/or the owner, and any notice served on the agent shall be deemed to have been served upon the owner of record. Nothing shall prevent the owner of rental property from designating himself or herself as the agent.
 - e) Non-owner agents must be licensed by the State of South Carolina as an attorney, real estate agent, broker in charge, or property manager. Employees under the direct

supervision of attorneys, real estate agents, brokers in charge, or property managers licensed by the State of South Carolina may be designated as local agents.

- f) The agent shall be required to be able to physically respond to the site upon notification from the city within 60 minutes in case of emergency or need by the city for entry into the property.
- g) *More than one owner or ownership by entity.* Where more than one person has an ownership interest in a short-term rental, the required information shall be provided for each owner. In those cases in which the owner is not a person, the information required shall be provided for the organization owning the rental dwelling, and for the president, general manager, or other chief executive officer of the organization.
- h) The number of parking spaces provided on site as well as a site plan showing the location of all on-site parking spaces.
- i) The name, mailing address, email address, business phone number, personal phone number, and business address of the owner and local agent;
- j) The physical address and email address where the owner and local agent will accept notices and orders from the city and acknowledgment that service by U.S. Mail and/or transmission to the provided email addresses will constitute acceptable service of any notice, notice of violation, ordinance summons, or ticket;
- k) Certification that the owner has read applicable city ordinances, including, but not limited to, regulations regarding noise, trash, parking, alcohol on the beach, animals, litter, , requirements for special events, maximum occupancy, and golf carts;
- l) Certification that a copy of the parking diagram provided to the city for the property as well as a summary of applicable city ordinances, including, but not limited to, regulations regarding noise, trash, parking, animals, litter, requirements for special events, maximum occupancy, and golf carts is prominently posted within the residential dwelling unit to be rented;
- m) Certifications that tenants listed on any rental agreement shall receive a copy of the parking diagram provided to the city for the property as well as a summary of applicable city ordinances, including, but not limited to, regulations regarding noise, trash, parking, animals, litter, requirements for special events, maximum occupancy, and golf carts is prominently posted within the residential dwelling unit to be rented. The summary of applicable ordinances shall be in a form determined by the city, and made available to all owners of rental property;
- n) Proof of payment from the owner or designated agent for payment of local, county, and state taxes due on short term rental accommodations;
- o) Certification that the owner is aware that short term rental licensees shall be subject to strikes issued against the license when the owner, agent, occupant, or guest has been convicted of any violation of the requirements of this chapter or other city ordinances related to the use of the property as a short term rental, and that three strikes during

any rolling twelve-month period can result in suspension, revocation, or non-renewal of the license;

- p) Certification by the owner verifying the presence of smoke alarms, carbon monoxide monitors, fire extinguishers, the number of bedrooms, the number of parking spaces, the provision of trash receptacles, the posting of address and house numbers, and posting of rules and regulations, and, if present, that sprinklers are operational; and
- q) Documentation in the form of Beaufort County property records or a certificate of occupancy confirming the number of bedrooms offered for rent.
- r) Wait-List: The City shall maintain a Short Term Rental waitlist for each defined neighborhood. The Waitlist will require the same application procedure as a Short Term Rental. The City shall utilize the wait-list and the next eligible valid Short Term Rental application, in permitting new Short Term Rentals.

F. VIOLATIONS.

Violations. Violations of this chapter include but are not limited to:

1. Operating a short-term rental without complying with the requirements of this chapter and the city code of ordinances;
2. Advertising a property as being available as a short-term rental without first complying with the requirements of this chapter;
3. Operating a short-term rental without a business license, registration permit, and accommodations tax account;
4. Advertising a short-term rental without listing the business license number and rental registration permit number;
5. Operating a short-term rental in such a manner that individual rooms are rented at the same time under separate rental contracts;
6. Advertising a short-term rental as being available for more overnight occupants, or more than the number of bedrooms, than have been permitted pursuant to this chapter;
7. Expanding the allowable occupancy of a short-term rental without obtaining a new permit;
8. Advertising more short-term rental units on a property than have been permitted pursuant to this chapter. For example, advertising a single-family dwelling as accommodating multiple short-term rentals is not permitted;
9. Advertising a property as a short-term rental or "event house" for events or parties with more than 25 people in attendance;
10. Offering a short-term rental in any zoning district for fewer than two consecutive nights;
11. Failure to post the business license number, rental registration permit number, allowable overnight occupancy, prominently within a rental unit;

12. Failure to obtain a rental registration permit within 30 days of renewing a business license, failure to provide accurate information for the registration of rental dwellings, failure to provide information required by the application form;
13. Failure to complete a new rental registration permit application within 60 days of a change in ownership;
14. Failure of the designated agent listed on the rental registration permit to respond physically to the site within 60 minutes of notification from the city of an emergency;
15. Failure to maintain, and provide to the city, any and all information required in this Section.
16. Failure to provide tenants listed on any rental agreement information as required in this Section.
17. Failure to inspect and repair any water or sewer related issues.
18. Operating a business out of a short term rental or otherwise using a short term rental for non-residential use except for allowable home occupations, e-commerce, and remote work; and
19. Operating a short term rental that has received three strikes within any twelve-month rolling period.
20. The number strikes shall be reset upon a change of ownership that results in no overlap with prior common ownership.
21. For the purpose of determining the total number of strikes, all convictions stemming from violations occurring within a single rental contract period shall be considered one instance. In no case shall strikes exceed one per rental contract period.

G. PENALTIES.

No permit may be issued or approved unless the requirements of this chapter, or any ordinance adopted pursuant to it, are complied with. A violation of this chapter may result in the following penalties:

1. Any person violating any provision of this chapter shall be deemed guilty of a civil offense and shall be subject to a fine of up to \$500 upon conviction. Each day of violation shall be considered a separate offense. Punishment for violations shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided for in this chapter.
2. Denial, revocation, suspension, or non-renewal of a business license pursuant to §§ or and in accordance with the appeal procedures set forth in §
3. Revocation, suspension, or non-renewal of the short-term rental business license, in accordance with the appeal procedures set forth in §, for three strikes during a rolling twelve-month period.
4. The license will be assessed a strike when the owner, agent, occupant, or guest of the property has been convicted of any violation of the requirements of this chapter or any other city ordinances related to the use of the property as a short-term rental, including

but not limited to noise, trash, parking, litter, , animals at large and when the registered agent of the property is given notice of the strike as set forth herein.

5. For the purpose of determining the total number of strikes, each strike issued upon conviction shall be considered in effect on the date of the original offense and all convictions related to offenses occurring within a single rental contract period shall be considered one strike. In no case shall strikes exceed one per rental contract period.
6. Strikes will re-set upon the transfer of the property.
7. The city will provide notice of each strike to the registered agent of the property as follows:
 - a) First strike: a description of the violation and resultant conviction, and a warning that progressive action shall be taken by the city in the case of further violations.
 - b) Second strike: a description of the violation and resultant conviction, and a warning that the city shall initiate revocation of the rental license in the case of further violations.
 - c) Third strike: a description of the violation and resultant conviction, and notice of the initiation of license revocation procedures.
8. Any violation of a noise ordinance that occurs on the property will result in a notice that the owner is strongly encouraged to install noise monitoring, and one strike as set forth in this section.

H. ADDITIONAL REQUIREMENTS FOR SHORT-TERM RENTALS.

1. All owners and/or agents responsible for the leasing of short-term rentals shall be required to keep the following for city inspection and copying for a period of one year:
 - a) The name, address, and other contact information of each signatory on the rental agreement;
 - b) A copy of the city approved rental regulations summary, signed by each signatory of the rental agreement.
 - c) A document signed by the owner and/or agent responsible for renting the dwelling, certifying the number of persons intended to occupy the dwelling.
 - d) The information required by this section shall be updated by the owner and/or agent for each rental to different tenants or occupants.
2. The owner and/or agent shall provide the following for each person signing a rental agreement as a responsible party for a short-term rental:
 - a) The address of the short-term rental and emergency contact numbers;
 - b) The name and contact information for the owner or designated agent; and
 - c) copy of the parking diagram provided to the city for the property as well as a copy of the city's rules and regulations regarding noise, trash, parking, , animals, litter, surfing, , requirements for special events, maximum occupancy, and golf carts.

3. Each residential dwelling unit may contain only one short term rental. Individual rooms in short term rentals may not be rented under separate contracts at the same time. For example, a single-family home or individual multi-family unit may only be rented as a single short-term rental under one contract.
4. Shall be subject to all applicable provisions of the noise regulations in §§
5. Shall not feature mobile food trucks, carts, or other outdoor retailers offering products for sale or in exchange for donations. Caterers are allowed at events on the premises of short-term rentals.
6. All events held on the premises of a short-term rental shall meet the following requirements:
 - a) May not exceed 25 people; and
 - b) May not include outdoor amplified music, including bands, deejays, music broadcast through speakers and electronic musical instruments.
 - c) These requirements do not apply to events hosted by the owner of the property for which the owner is on site for the duration the event, the owner has completed the required special event notification, and for which no compensation has been paid for the event or the use of the house.

**DRAFT CHANGES TO
ADUS: SECTION 3.11.2
and SECTION 4.5.3**

3.11.2 USES CUSTOMARILY ACCESSORY TO RESIDENTIAL DWELLINGS

TYPE ²	#/LOT ¹	SIZE ¹	ADDITIONAL STANDARDS ⁴
A. CC. A. Accessory Dwelling Unit (syn. Carriage House) - detached	See Section 4.5.3 for complete standards ³		
D. B. Accessory Dwelling Unit - attached	1	Min.: 240 sf Max.: 50% of the footprint of the primary unit, or 1,500 SF max., whichever is smaller	1. All standards from 4.5.3 apply, with the following addition: Any additional entrances will be located in the side or the rear of the primary structure. Additional external stairways or fire ladders are strongly discouraged but may be permitted at the discretion of the Fire Marshal when no practical alternative exists.
E. C. Garage/Carport/Workshop	2 ³	Maximum: 50% of the footprint of the primary unit, or 1,500 SF max., whichever is smaller	1. Specific to T3-N, T4, T5, RMX and IC Districts: prefabricated/per-manufactured metal structures are not permitted when visible from a public right-of-way. 2. May be provided with electricity, sink and a commode but shall not be used as an ADU. 3. If a carport is used for storage, any side visible from an adjacent property or street right-of-way must be enclosed to screen the building contents.
D. F. Shed	2	Max.: 320 SF	1. Specific to T3-N, T4, T5, RMX and IC Districts: prefabricated/pre-manufactured metal structures are not permitted when visible from a public right-of-way. 2. Shed may be provided with electricity, sink and a commode but shall not be used as an ADU. 3. Any shed that is 3' or closer to a house shall meet the fire protection prescribed for Garages in the IRC. 3. Specific to T3-N, T4-N and T4-HN: Side and rear setbacks may be reduced to 2' if the following conditions are met: a. Residential Sheds are <200 SF and Commercial sheds are <120SF. b. Shed doesn't contain plumbing or HVAC and is not used as a habitable space. c. Lot size is 6,000 SF or less.
E. G. Pool	1	n/a	1. Barriers shall be required per Section 305 of the 2015 International Swimming Pool and Spa Code, or equivalent as updated. All pool permits shall include such barrier. Before the pool can be filled with water, barriers shall be installed, inspected and approved.
F. H. Pool House	1	Max.: 50% of the footprint of the primary unit,	1. Standards from 4.5.3.B.8 apply. 2. A Pool House may be utilized as an Accessory Dwelling Unit, provided the total number of Accessory Dwelling Units on a lot do not exceed 1.

		or 640 SF max., whichever is smaller	
G-1. Covered/Open-Air Structure (ex. Gazebos and Trellises)	2	Max.: 320 SF	1. May not be used for parking. If used for storage, any side visible from an adjacent property or street right-of-way must be enclosed to screen the building contents.
H-1. Greenhouse	1	Max.: 320 SF	1. See 8.5.4 for additional standards on food production.
I-1. Outdoor Living and Recreation	Playhouses, picnic tables, dog houses, chicken coops, flagpoles and furniture designed specifically for outdoor use are permitted, and do not require a Project Permit, if they are not permanently affixed to the ground (e.g., on a slab or pier foundations). If a structure under roof (e.g., playhouse, doghouse, chicken coop) is permanently affixed to a the ground, it is considered a shed and shall comply with the standards in paragraph C of this section.		

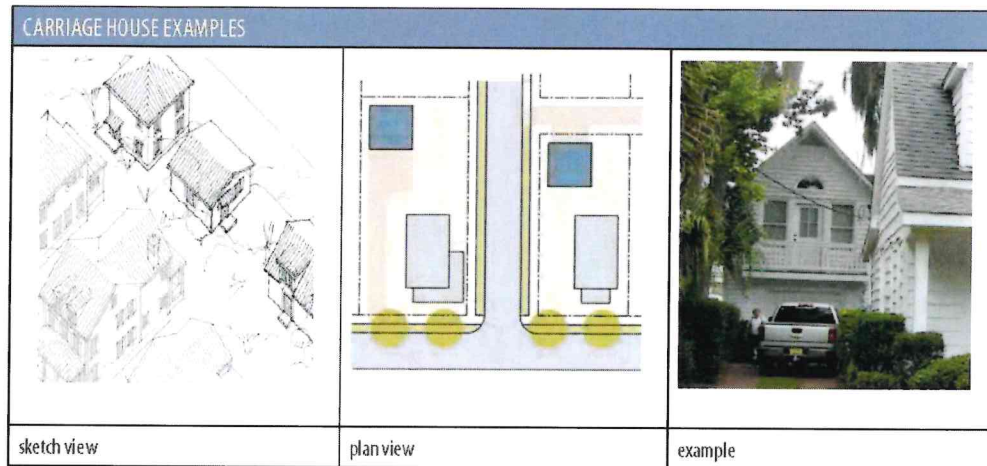
¹ The number and size of the units shall not cause the property to exceed the maximum lot coverage by roofs in 2.4.1.A.3 or total impervious coverage found in 2.4.2.B.3. The total number of Accessory Structures per lot is limited to 4.

² Location for all Accessory Types shall meet the Accessory Building Placement standards in 2.4.1.C, unless specifically noted in this section.

³ A maximum of 2 garage/carport/workshops are permitted, regardless of whether they are attached or detached, or contain an Accessory Dwelling Unit; however only one of each type is permitted per lot. *Example: A lot may have one attached garage and one detached garage but cannot have two detached garages.*

⁴ Items B-I may not be built before the Primary Structure on a lot.

4.5.3 CARRIAGE HOUSE



- A. **Description:** This is an Accessory Structure that provides small, flexible living spaces adjacent to a main house (a.k.a. Accessory Dwelling Unit [ADU], Granny Flat). It is often used for rental housing, and may be free standing, or located above a garage or parking area.
- B. **Special Requirements:**
1. **Infrastructure:** The lot shall be served with public water and sewer.
 2. **Number allowed:** 1 2 per lot, ~~except in T3-S where 1 per lot is permitted.~~
 3. **Placement on the Lot:** The carriage house shall be located to the rear of the primary structure, or to the side as a secondary option, with the following exceptions:
 - a. Units may be placed at the front of a lot where the front of the primary structure is not the street, and the structure has clearly been designed to take advantage of unique site amenities, such as location on the water.
 - b. Units may be placed in the front of the lot where the prevailing character of the neighborhood has other similarly-placed units.
 4. **Frontage Type:** No frontage type is prescribed unless the building is close to the street; in which case, appropriate frontage types are: porch, stoop.
 5. **Maximum Number of Bedrooms:** 2.
 6. **Minimum Size:** 240 square feet in total area.
 7. **Maximum Size:** The footprint shall not exceed 50% of the footprint of the primary building, or 1,500 square feet, whichever is smaller. Conversions of existing accessory structures that exceed this maximum may be permitted if the administrator determines that there is no adverse impact on surrounding property.
 8. **Compatibility with Primary Structure:** Architectural details, including color, siding, roof pitch, window detailing, roofing materials, height, and foundation, shall be compatible with the primary dwelling unit.
 9. **Parking:** 1 parking space per Carriage House is required, and shall be clearly defined. See Section 7.3 for additional parking standards.

-
10. **Timing:** The carriage house(s) shall be permitted to be built prior to the primary structure on the lot if the following requirements are met:
- a. A sketch plan showing the potential build-out, including parking, of the site is required;
 - b. The size(s) must be appropriate to permit a primary structure without exceeding the maximum lot coverage; and
 - c. Materials of the future primary structure must coordinate with the carriage house.

Letters From Community and Chamber

Argument in Favor of Retaining Two ADUs (with Special Exception for the Second)

1. Supports Housing Diversity Without Dramatically Altering Neighborhood Character

Allowing two ADUs offers flexibility for a range of household needs—aging parents, adult children, live-in caregivers, or rental income—without introducing large multifamily structures. ADUs are inherently smaller in scale and more compatible with single-family neighborhoods.

2. Addresses Affordable and Workforce Housing Shortages

Beaufort’s housing market is under pressure from rising costs, limited supply, and demand from both residents and seasonal populations. Two ADUs per lot allow property owners to create modestly priced rental units that can serve local workers, teachers, service employees, and others vital to the community—without requiring major public investment in new housing projects which tend to contribute to suburban sprawl and more traffic congestion.

3. Promotes Economic Stability for Property Owners

An additional rental unit can help property owners offset mortgage payments, maintenance costs, and rising property taxes.

4. Balances Opportunity with Oversight Through Special Exception for the Second ADU

While some may worry that two ADUs could over-intensify certain neighborhoods, requiring a Special Exception for the second unit gives the City the ability to review each case individually. The Special Exception process could consider:

- Lot size and capacity
- Landscape buffering
- Parking availability
- Utility and infrastructure limits
- Compatibility with surrounding properties

This ensures that higher-density use happens in appropriate contexts while still allowing flexibility where it’s feasible.

5. Aligns With Comprehensive Plan Goals for Smart Growth

The Comprehensive Plan calls for increasing housing choices, encouraging infill development, and making efficient use of existing infrastructure. Allowing two ADUs supports these goals without the sprawl, traffic, and infrastructure costs associated with outward expansion.

6. Responds to Demographic Trends

Households are getting smaller, multi-generational living is on the rise, and more people are working from home. Two ADUs per lot provide adaptable housing solutions that can evolve with the needs of residents over time.

Recommendation:

Keep the current allowance of two ADUs per lot in most zoning districts, but amend the code so that:

- **One ADU is permitted by right** (subject to existing dimensional and design standards).
- **A second ADU requires a Special Exception** to ensure neighborhood compatibility and infrastructure adequacy.

This approach preserves flexibility, supports the housing market, and addresses concerns about over-intensification through targeted, case-by-case review.

Argument Against Non–Owner-Occupied ADUs as Short-Term Rentals

1. Undermines the Intent of ADUs

Accessory Dwelling Units were introduced primarily to expand long-term housing options—especially for local residents, workers, and family members—not to create income-generating mini-hotels. Allowing non-owner-occupied short-term rentals shifts ADUs away from their original purpose.

2. Reduces Long-Term Housing Supply

In tight housing markets like Beaufort’s, every home counts. Turning ADUs into short-term rentals removes them from the long-term rental pool, driving up rents and limiting options for year-round residents.

3. Increases Neighborhood Impacts

Short-term rentals—especially without an owner living on-site—can bring increased traffic, noise, parking pressure, and higher turnover of strangers in residential neighborhoods, eroding community cohesion.

4. Encourages Investor Takeover

If non-owner-occupied ADUs can operate as short-term rentals, it creates a financial incentive for outside investors to purchase properties purely for tourism income, displacing full-time residents and changing neighborhood character.

5. Burden on Enforcement

Regulating noise, occupancy limits, and parking for transient guests is far more challenging when there’s no owner on-site. Enforcement costs rise, but those costs are typically not covered by revenues.

6. Conflicts With Comprehensive Plan Goals

Most comprehensive plans—Beaufort’s included—emphasize increasing housing availability for residents and preserving neighborhood character. Non-owner-occupied ADUs work against both objectives.



BEAUFORT, SC

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Christina Wilson
Child Abuse Prevention Association

Rita Wilson
AlphaGraphics

August 28, 2025

City Council and Planning Commission
City of Beaufort
1911 Boundary Street
Beaufort, SC 29902

RE: Policy Position on Accessory Dwelling Units and Short-Term Rental Regulations

Dear Members of City Council and Planning Commission,

Thank you for sharing a public call for input on current discussion related to Accessory Dwelling Units (ADUs) and Short-term Rentals (STRs).

In September 2023, the Beaufort Regional Chamber of Commerce wrote to Council about the critical connection between workforce availability and housing affordability in our community. We advocated for development code changes to address "missing middle" housing, specifically recommending that Accessory Dwelling Units (ADUs) be allowed by right in all residential zones with clear design standards. That letter is also included for reference.

Today, we write to reinforce and expand upon that position, focusing on two interconnected policy areas that can meaningfully advance housing solutions for our community: Accessory Dwelling Units and Short-Term Rental regulations.

Accessory Dwelling Units represent one of the most practical and immediate opportunities to increase housing supply while supporting existing homeowners. ADUs can:

- Provide affordable housing options for young professionals and workforce members
- Enable seniors to age in place and create multi-generational housing options
- Support infill development that maximizes existing infrastructure
- Generate supplemental income for homeowners facing rising costs of living

Short-Term Rental Policy should be structured to balance community character with economic opportunity. Thoughtful STR regulations can:

- Allow property owners to generate revenue that helps offset housing costs
- Support tourism while maintaining residential neighborhood integrity
- Create pathways for ADUs to serve dual purposes as long-term and short-term housing

The Chamber supports balanced policies that advance these goals:

- Increasing overall housing stock through infill development
- Providing diverse housing options at various price points
- Leveraging private investment to address public housing needs

We believe that allowing ADUs by right with clear standards, combined with reasonable STR regulations that preserve neighborhood character while enabling economic opportunity, will help address the workforce and housing challenges our members consistently identify as top concerns.

The Chamber looks forward to continuing our partnership with the City as you work to create policies that support both our community's character and its economic vitality.

Respectfully submitted on behalf of the Board and Membership,



Mark Cutler
Board Chairman



Megan Morris
President & CEO

Cc: Scott Marshall, City Manager



September 13, 2023

Hon. Stephen Murray
Mayor, City of Beaufort
1911 Boundary Street
Beaufort, SC 29902

RE: Development Code Changes to Address “Missing Middle” Housing

Dear Mayor Murray,

Surveys and conversations consistently reveal two dominant concerns for members of the Beaufort Regional Chamber of Commerce: workforce availability and housing affordability. The issues are linked. We cannot hope to address our workforce challenges without also addressing housing. Likewise, we cannot meaningfully improve housing affordability without increasing supply of “missing middle” housing types.

We applaud the City of Beaufort for recognizing housing concerns in its Comprehensive Plan, and for undertaking a process to review and revamp the City’s development code and processes. There is no single “silver bullet” solution to address housing, but changes to local public policy and to the approvals processes can allow the private sector to deliver more housing units. To make progress on the region’s affordable housing challenge, please consider the following:

- **Accessory Dwelling Units (ADUs)** – smaller footprint stand-alone housing units on existing lots can allow local residents to age in place near family or for young professionals to afford housing. Many detached carriage houses in historic neighborhoods have already been converted for this purpose. With clear standards for design, ADUs should be allowed by right in all residential zones.
- **Small Scale Multifamily** – many established neighborhoods like Pigeon Point, where I live, enjoy generous lot sizes and close proximity to parks, retail and other amenities. Neighborhoods like this are ideal for small scale multifamily redevelopment including duplexes, triplexes, quadplexes and attached townhouses. With clear standards for design, small scale multifamily housing should be allowed by right in all residential zones.
- **Expedited Review and Permitting** – ADUs and small scale multifamily are not novel in our community, but they are uncommon. Property owners and developers are unlikely to take the financial risks associated with building them if they are unsure that the project approval process will be swift. Establish clear and rigorous guidelines and empower City staff to issue permits without board approval or public hearings. If we are serious about “missing middle” housing, we should allow it to be built with the same efficiency we allow single family housing.
- **No New Barriers** – easing our region’s housing affordability challenge will require more housing supply of all types. Do not implement any new requirements that might impede housing in the interest of promoting other laudable goals like increasing mixed use. Instead, look for real value incentives, like reduced parking requirements or fee abatements, to incentivize more mixed use.

- **Explore Existing Barriers** – as the city continues the development code review process, please look for other policy areas for changes that may reduce cost and add efficiency to the development process for affordable housing. Elevation, parking, construction materials, and road frontage requirements may all present opportunities for meaningful discussion and refinement in the interest of generating more affordable housing units.

Thank you for your leadership to address our region's housing challenges and to promote the economic prosperity of this great community.

Sincerely,



Ian D. Scott
President & CEO

Cc: Curt Freese, Neil Lipsitz, Scott Marshall, Mike McFee, Mitch Mitchell, Josh Scallate



The ABCs of ADUs

A guide to
Accessory Dwelling Units
and how they expand housing options
for people of all ages



DETACHED ADU



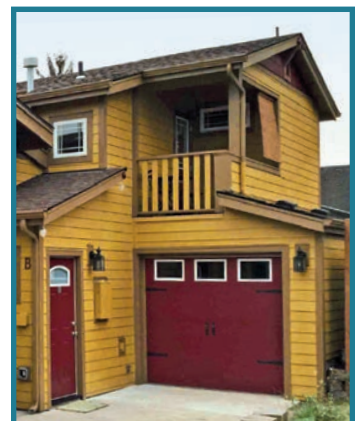
BASEMENT ADU



GARAGE-CONVERSION ADU



ATTACHED ADU



SECOND-STORY ADU

[AARP.org/ADUs](https://www.aarp.org/ADUs)



Websites: [AARP.org](https://www.aarp.org) and [AARP.org/Livable](https://www.aarp.org/Livable)
Email: Livable@AARP.org
Facebook: /AARPLivableCommunities
Twitter: @AARPLivable
Free Newsletter: [AARP.org/LivableSubscribe](https://www.aarp.org/LivableSubscribe)

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering people 50 or older to choose how they live as they age. With nearly 38 million members and offices in every state, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, AARP strengthens communities and advocates for what matters most to families: health security, financial stability and personal fulfillment. The AARP Livable Communities initiative works nationwide to support the efforts by neighborhoods, towns, cities, counties, rural areas and entire states to be livable for people of all ages.

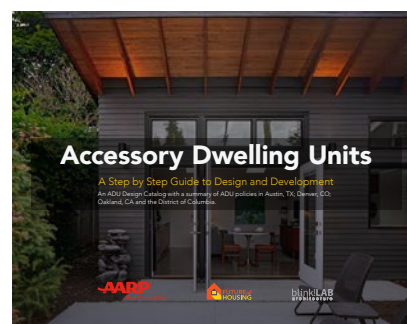
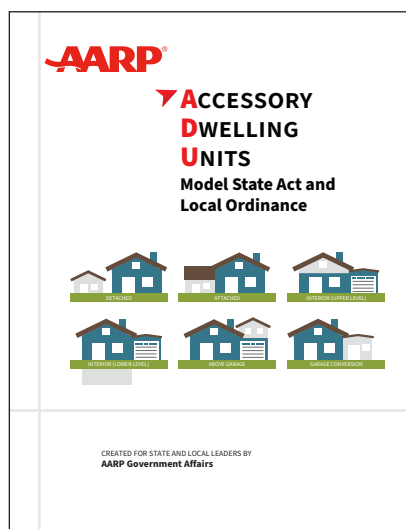
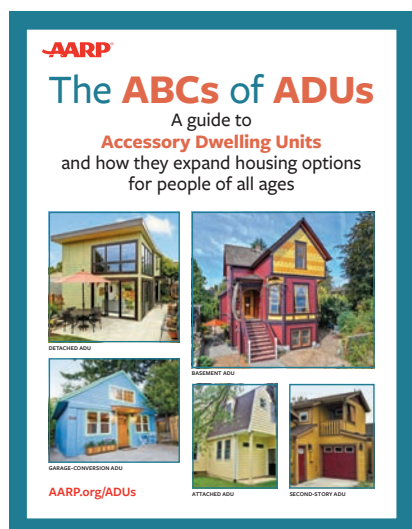


Website: [OrangeSplot.net](https://www.angesplot.net)
Email: eli@OrangeSplot.net

Orange Splot LLC is a development, general contracting and consulting company with a mission to pioneer new models of community-oriented, affordable green housing developments. Orange Splot projects have been featured in the *New York Times*, *Sunset* magazine and on NBC's *Today* show. (The detached ADUs on page 3 and the back cover are by Orange Splot.) Company founder Eli Spevak has managed the financing and construction of more than 300 units of affordable housing, was awarded a Loeb Fellowship by the Harvard University Graduate School of Design, cofounded the website [AccessoryDwellings.org](https://www.AccessoryDwellings.org) and serves as chair of Portland, Oregon's Planning and Sustainability Commission.

AARP and Accessory Dwelling Units

Visit [AARP.org/ADU](https://www.aarp.org/ADU) to order or download our free publications and find more resources about ADUs.



AARP's ADU Publications
(from left): This introductory guide; guidance about creating an ADU model state act or local ordinance; a detailed guide to design and development.

Welcome! Come On In

Accessory dwelling units are a needed housing option for people of all ages

We know from surveys by AARP and others that a majority of Americans prefer to live in walkable neighborhoods that offer a mix of housing and transportation options and are close to jobs, schools, shopping, entertainment and parks.

These preferences — coupled with the rapid aging of the United States' population overall, the decrease in households with children and the national housing shortage — will continue to boost the demand for smaller homes and affordable, quality rental housing.

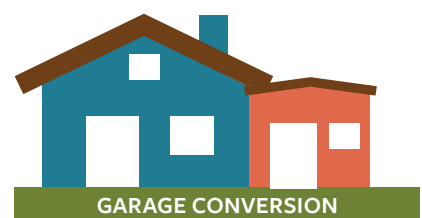
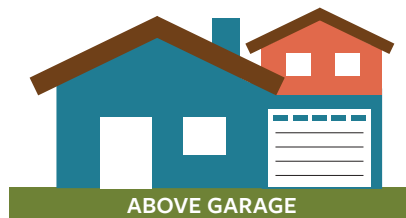
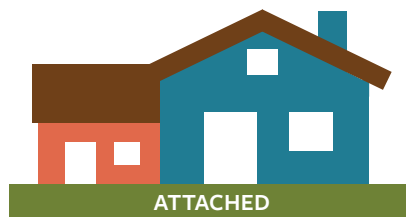
As small houses or apartments that exist on the same property lot as a single-family residence, accessory dwelling units — or ADUs — play a major role in serving a national housing need.

This traditional home type is reemerging as an affordable and flexible housing option that meets the needs of older adults and young families alike.

In fact, in the 2021 AARP Home and Community Preferences Survey, adults age 18 or older who would consider creating an ADU said they'd do so in order to:

- provide a home for a loved one in need of care (86%)
- provide housing for relatives or friends (86%)
- have a space for guests (82%)
- create a place for a caregiver to stay (74%)
- increase the value of their home (69%)
- feel safer by having someone living nearby (67%)
- earn extra income from renting to a tenant (63%)

Since ADUs make use of the existing infrastructure and housing stock, they're also environmentally friendly and respectful of a neighborhood's pace and style. An increasing number of towns, cities, counties and entire states have been adapting their zoning or housing laws to make it easier for homeowners to create ADUs. ■



▲ Accessory dwelling units (or ADUs) come in many shapes and styles.

The ABCs of ADUs is a primer for elected officials, policymakers, local leaders, homeowners, consumers and others to learn what accessory dwelling units are and how and why they are built. The guide also suggests best practices for how towns, cities, counties and states can support the creation of ADUs as a way to expand and diversify housing options.

What ADUs Are — And What They Can Do

ADUs are a family-friendly, community-creating type of housing the nation needs more of

Although many people have never heard the term, accessory dwelling units have been around for centuries (see page 6) and are identified by many different names. To be clear about what’s being discussed:

- An ADU is a small residence that shares a single-family lot with a larger, primary dwelling
- As an independent living space, an ADU is self-contained, with its own kitchen or kitchenette, bathroom and sleeping area
- An ADU can be located within, attached to or detached from the main residence
- An ADU can be converted from an existing structure (such as a garage) or built anew
- ADUs are found in cities, in suburbs and in rural areas, yet are often invisible from view because they’re positioned behind or are tucked within a larger home
- Because ADUs are built on single-family lots as a secondary dwelling, they typically cannot be partitioned off to be sold separately
- An ADU can enable family members (including family caregivers) to reside on the same property while having their own living spaces
- An ADU can provide housing for a hired caregiver
- An ADU can provide rental income to homeowners
- ADUs are a practical option for tenants seeking small, affordably priced rental housing
- For homeowners looking to downsize, an ADU can be a more appealing option than moving into an apartment or, if they’re older, an age-restricted community
- ADUs can help older residents remain independent and “age in place”
- As an adaptable form of housing, ADUs provide flexible solutions for changing needs. ■



▲ Accessory dwelling units show up in neighborhoods throughout the country — and even in pop culture. One example: In the sitcom *Happy Days*, Fonzie (right) rents an above-garage ADU from the Cunningham family in 1950s-era Milwaukee, Wisconsin.

CREATIVE COMMONS

ADUs Are Also Known As ...

Although most local governments, zoning codes and planners in the United States use the term *accessory dwelling unit* or *ADU*, these small homes and apartments are known by dozens of other names. The different terms conjure



▲ Renting out this 350-square-foot garage-conversion ADU in Portland, Oregon, helps the property owner, who lives in the lot’s primary residence, pay her home mortgage.

up different images. (Who wouldn’t rather live in a “carriage house” than in an accessory or “ancillary” unit?) Even if you’ve never heard of accessory dwelling units or ADUs, you have likely heard of — and perhaps know the locations of — some of the home types noted in the list at right. ■

- accessory apartment
- backyard bungalow
- basement apartment
- casita
- carriage house
- coach house
- English basement
- garage apartment
- granny flat
- guest cottage
- guest house
- in-law suite
- laneway house
- multi-generational house
- ohana unit
- secondary dwelling unit

PHOTO AND LIST FROM ACCESSORYDWELLINGS.ORG

ADUs Come in Many Shapes and Styles

Since ADUs are custom designed and created, they're able to fit discreetly into all sorts of locations, including suburban subdivisions, walkable towns, urban neighborhoods — and, of course, large lots and rural regions.



◀ A **DETACHED ADU** (aka DADU) is a stand-alone home on the same lot as a larger, primary dwelling. Examples include backyard bungalows and converted outbuildings.

Location: Portland, Oregon
Photo by David Todd



▲ An **ATTACHED ADU** connects to an existing house, typically through the construction of an addition along the home's side or rear. Such units can have a separate or shared entrance. In this example, the owners built a connection between the house and what was a detached garage. The addition and the space above the garage contain the ADU, which has its own entrance (pictured at right).

Location: Anne Arundel County, Maryland
Photo by Melissa Stanton, AARP



▶ Access to an **UPPER-LEVEL ADU** can be provided through a stairway inside the main home or directly from an exterior staircase. This 500-square-foot ADU is part of a 1,900-square-foot primary dwelling.

Location: Portland, Oregon
Photo by Eli Spevak,
Orange Splot LLC



▲ A **GARAGE ADU** converts all or part of an attached or detached garage into a residence. Other options: adding an ADU above a garage or building a new unit for both people and cars.

Location: Cape May, New Jersey
Photo by Melissa Stanton, AARP



▲ A **LOWER-LEVEL ADU** is typically created through the conversion of a home's existing basement (provided that height and safety conditions can be met) during construction of the house or (above and on page 7) as part of a foundation replacement and house lift.

Location: Portland, Oregon | Photo by Chris Nascimento

ADUs Are Good for People and Places

Communities that understand the benefits of ADUs allow homeowners to create them

ADUs are an economical housing option

- ADUs can generate rental income to help homeowners cover mortgage payments or simply make ends meet. The income provided by an ADU tenant can be especially important for older people on fixed incomes.
- Since the land on which an ADU is built already belongs to the homeowner, the expense to build a secondary residence is for the new structure only.
- Many ADUs are created for family members or friends to reside in for free or at a discounted rate. In fact, when a loved one is in need of care or can't live alone, an ADU can be a viable alternative to a costly assisted-living facility.
- Although market rate rents for ADUs tend to be slightly more than for similarly sized apartments, they often represent the *only* affordable rental choices in single-family neighborhoods, which typically contain few or no small or rental housing options at all.
- The state of California and some municipalities are boosting ADUs by providing grants and other incentives as part of affordable housing and anti-displacement strategies to help lower-income households build ADUs or reside in them at reliable rents.

ADUs are community-compatible

- ADUs offer a way to include smaller, relatively affordable homes in established neighborhoods with minimal visual impact and without adding to an area's sprawl.
- ADUs provide a more dispersed and incremental way of adding homes to a community than other options, such as multistory apartment buildings.
- ADUs are typically managed by homeowners who live on the premises. Such landlords are less likely to tolerate a destructive tenant.

ADUs are good for the environment

- ADUs require fewer resources to build and maintain than full-sized homes.
- ADUs use significantly less energy for heating and cooling. (Of all the ADU types, internal ones tend to have the lowest building and operating costs.)

ADUs are just the right size

- Generally measuring between 600 and 1,000 square feet, ADUs work well for the one- and two-bedroom homes needed by today's smaller, childless households, which now account for nearly two-thirds of all households in the United States.

ADUs are able to house people of all ages

- ADUs offer young people entry-level housing choices.
- ADUs enable families to expand beyond their primary home.
- ADUs provide empty nesters and others with the option of moving into a smaller space while renting out their larger house or letting an adult child and his or her family reside in it.
- An ADU's use can be adapted for different household types, income levels, employment situations and stages of life. ■

Big houses are being built, small houses are needed

Do we really need more than three times as much living space per person as we did in 1950? Can we afford to buy or rent, heat, cool and care for such large homes?

YEAR	1950	2020
Median square footage of new single-family homes	983	2,261
Number of people per household	3.8	2.5
Square feet of living space per person	292	904

FACT: ADUs house more people per square foot of living area than single-family homes do.

HOME VISIT #1

Attached ADU Addition

Santa Cruz, California

Size: 500 square feet



AARP



▲ The area with the darker roof shingles is the ADU that was added onto the home of Carrie and Sterling Whitley.

◀ ▼ The Whitleys' ADU (that's Carrie showing off the front yard's new paths and plantings) has its own entrance on the side of the home and is being rented to the couple's daughter so she can help her elderly parents when needed.

When Carrie and Sterling Whitley bought their house in 1971, they paid less than \$15,000. Nearly 50 years later, similar homes on their street have sold for more than \$1 million.

THE PROBLEM: The Whitleys, who are in their 80s, own the house outright and don't want to move. But the financial and physical demands involved in maintaining the house are a challenge.

A SOLUTION: To help low-income homeowners age 62 or older live independently and keep their homes, the Monterey Bay affiliate of Habitat for Humanity and the City of Santa Cruz launched My House My Home: A Partnership for Aging-in-Place. The pilot program builds accessory dwelling units so older homeowners can downsize into a new, aging-friendlier home and earn rental income from their original house. Or such homeowners can remain in their house and rent out the new, smaller residence. Participating homeowners are required to charge an affordable rental rate.

REALITY CHECK: When the Whitleys' project broke ground in April 2017, they were the first homeowners to receive an ADU through the program, which worked with them to design the ADU as an addition to their existing home. Since the dwelling was built with accessibility features, Carrie and Sterling know they can downsize into it if they ever need to. Until then, their daughter, Brenda, resides in the addition.

REAL LIFE: "I'm right next door to my parents in case they need me or need any help," Brenda says.

Design: Historic Sheds | Builder: Historic Sheds | Cost to build: \$158,000 in 2017 (not including volunteer labor) | Photos by Michael Daniel | Article adapted from Where We Live: Communities for All Ages (AARP 2018)



ADU ADVICE: With an attached ADU, privacy between the two residences can be achieved by locating the ADU bedroom(s) and bathroom(s) as far as possible from the main house. Providing the ADU with its own yard or outdoor space is helpful too.

ADUs Are an American Tradition

While today's interest in ADUs may be new, the housing type is centuries old

Early settlers often built a small home to live in while constructing their larger, primary house nearby.

When farming was a source of survival for most of the nation's households, families routinely constructed additional homes on their land when needed.

People with wealth and acreage regularly populated their lands with secondary mansions and ancillary buildings independent of the main estate house.

In fact, until the 20th century, people who owned land built as many homes as they wished, often for extended family or workers. There were few or no zoning rules, municipal services or infrastructure needs (utilities, roads, schools, trash collection, first-responders) to consider.

A historic precedent for the modern day accessory dwelling unit is the “carriage house,” or “coach house.” Originally built for horse-drawn carriages, the structures associated with grander homes were frequently large enough to double as living quarters for workers such as stable hands.

Decades later, in response to housing shortages and economic needs, many surviving carriage houses were

converted into rental homes. By becoming landlords, the owners gained income from their often unused outbuildings.

Automobile garages have a similar history. Some were originally built with a housing unit upstairs. Over time, many garages were converted (often illegally or under zoning codes no longer applicable today) into small homes when the spaces became more valuable for housing people than vehicles.

With the rise of suburban single-family home developments following World War II, ADUs practically ceased to be built legally in the United States. Then as now, residential zoning codes typically allowed only one home per lot, regardless of the acreage and with no exceptions. Attached and detached garages occupied yard space that might otherwise have been available for ADUs.

Some cities, including Chicago, grandfathered in pre-existing “coach house” ADUs — but only if they remained consistently occupied. In Houston's historic and trendy Heights neighborhood, old and new garage apartments are common and desired.

Many communities don't allow new ADUs, even if they did in the past. Even in rural areas with ample land, property owners are often prohibited from creating secondary dwellings or continuing to live in preexisting ones. Countless units in single-family homes or yards are technically illegal simply because they date from when such units were not allowed.

ADUs began making a comeback in the 1980s as cities explored ways to support smaller and more affordable housing options within single-dwelling neighborhoods. In 2000, in response to a growing demand for ADU-supportive guidelines, AARP and the American Planning Association partnered to release a model state act and local code for ADUs. An updated resource was published by AARP in 2021. (See an image of it on the inside front cover of this guide.)

Many state and local governments are legalizing and encouraging the creation of ADUs (see page 8), driven by high housing costs and, in some cases, the belief that homeowners with suitable space shouldn't be so restricted in the use of their property. ■

▼ This carriage house containing a one-bedroom, one-bath ADU above a two-car garage sits behind a six-level, Gilded Age, Hoboken, New Jersey, townhome that was built in 1883. The dual residence property was on the market in 2018 for \$5 million.



HOME VISIT #2

Garage Apartment ADU

Denver, Colorado

Size: 360 square feet



▲ The apartment above the garage can be reached from inside the garage or from an exterior side entrance accessed from the yard it shares with the primary residence.

“I see our ADU as something very similar to a student loan,” says Mara Owen. “It’s something you invest in the future with. It was cheaper than buying a house for Mom, and it lets her have independence. It’s great knowing we can check in on her whenever.”

AH-HA MOMENT: Owen, her partner, Andrew, and their three dogs were sharing a one-bedroom, one-bath house with her mother, Diane. When Owen learned that ADUs were allowed in the city, she decided the best way to get more space for her small home’s many residents would be to remove their “leaky and defunct” garage and build a new two-car garage with an apartment above it.

WISE ADVICE: “Get a really great builder and architect,” says Owen. “Interviewing architects was similar to a first date. It’s not just who you feel connected with. That’s important, but get to the values. It’s a niche market, so see if you can find someone who has built ADUs before, because ADUs are a little different.”

FUTURE PLANS: The stairs to Diane’s apartment are wide enough for a stair lift, if it’s ever needed. The roof was built at the correct slope for the eventual installation of solar panels.

Design: Hive Architecture | Builder: Hive Architecture | Cost to build: \$167,000 in 2016 | Photo by Mara Owen | Article adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org. Visit the website to read about and see photographs of more ADU projects.

HOME VISIT #3

Basement ADU

Portland, Oregon

Size: 796 square feet

The transformation of this colorful Victorian was both a preservation and expansion project.

TEACHING MOMENT: “Here’s a very welcome breath of fresh air, especially in the face of so much gentrification that is going on in Portland!” declared Mark Lakeman, principal of Communitecture, an architectural, planning and design firm, about the pictured remodel. Writing on his company’s website, he says the project provides a lesson in how to “adapt and reuse our precious historic houses so they can accommodate more people while also providing more income to support the existing home.”

HOW’D THEY DO IT? To add a basement rental unit, engineers lifted the house. The resulting ADU is roughly four feet underground and four feet above.



▲ By lifting the house and digging beneath it, designers, engineers and builders turned a two-story, single-family home into a three-story, multifamily residence. (The ADU’s entrance is pictured on page 3.)

THE ACHIEVEMENT: Adds Lakeman: “Unlike the seemingly pervasive method of simply tearing down existing buildings so that new, giant ones can be built, this approach achieves upgrades in energy efficient living places and adds density while retaining the continuity of our beloved historical urban environment.”

*Design: Communitecture | Home Lift: Emmert International
Builder: Tom Champion | Cost to build: \$125,000 in 2015 | Photos by Communitecture (before) and Chris Nascimento (after)*

The Time Is Now

Rules for ADUs continue to evolve and frequently differ from one town to the next

Some communities allow almost any home to be set up with an ADU — so long as size limits, property line setbacks and placement caveats in relation to the primary dwelling are met. Others start with those basic standards and then layer on extra requirements that can make it challenging to create an ADU. (Learn more on pages 14 and 15.)

Municipalities nationwide have been relaxing their restrictions against ADUs, and several states now require communities to allow them. Some examples:

- New Hampshire and Vermont allow ADUs nearly everywhere single-family housing is permitted. New Hampshire's 2017 legislation stemmed in large part from the frustration of builders who couldn't construct the backyard cottages and garage apartments their clients desired.
- In 2020, the California legislature declared that "allowing accessory dwelling units in zones that allow single-family and multifamily uses provides additional rental housing, and is an essential component in addressing California's housing needs." The state allows up to one ADU *and* one JADU per lot. (What's a JADU? See page 14.)
- Oregon requires cities and counties of certain sizes to allow ADUs in all single-family areas within urban growth boundaries. In 2021, the state extended ADU rights to rural residential areas.
- Other states allowing ADUs include Connecticut, Rhode Island and Utah. Many cities now allow ADUs, including Anchorage, Alaska; Atlanta, Georgia; Annapolis, Maryland; Asheville, North Carolina; Austin, Texas; Denver, Colorado; Honolulu, Hawaii; Houston, Texas; Louisville, Kentucky; Philadelphia, Pennsylvania; Phoenix and Tucson, Arizona; Seattle, Washington; and Washington, D.C. ■

► Located on the lowest floor of a town house, an English basement is a partially belowground apartment that has its own exterior entrance. They are typically found in older cities such as New York or (pictured) Washington, D.C. In the past, property owners used the space as servant quarters. Today, these essentially built-in ADUs are often used as rental apartments.

To Encourage ADUs

LOCAL OFFICIALS can ...

- allow all ADU types (detached, attached, interior)
- simplify the building permit process for ADUs
- waive or reduce permit and impact fees
- establish funding programs to help homeowners create ADUs
- let garages be converted into ADUs without requiring replacement off-street parking
- allow for the creation of a second ADU, subject to a combined size cap

COMMUNITY PLANNERS can ...

- adopt simple, flexible but nondiscretionary ADU rules about setbacks, square footage and design compatibility with the primary dwelling

LENDERS can ...

- work with homeowners to finance the construction of ADUs by using renovation loans

ADVOCATES can ...

- organize tours of completed ADUs in order to inform and inspire the community
- educate homeowners, real estate agents, architects and builders about local zoning regulations and the permit process

REAL ESTATE AGENTS can ...

- educate themselves and their clients about rules for the construction of ADUs

LOCAL MEDIA can ...

- report on how and why homeowners build ADUs



PHOTO: SARAH DALE FOR AARP

HOME VISIT #4

Internal ADU (Main Level)

Portland, Oregon

Size: 220 square feet

Even small homes can have enough space for an ADU. An underused main floor bedroom in this 1.5-story, 1,500-square-foot bungalow was transformed into a studio apartment.

AH-HA MOMENT: According to Joan Grimm, who owns the home with Rita Haberman: “What we were looking for in terms of a community and aging in place was right under our noses. Remove a fence and create a shared open space. Build a wall and create a second dwelling unit. It doesn’t have to be complicated.”

REAL LIFE: “Creatively carving out an ADU from the main floor of our house saved on design and construction costs,” Grimm adds. “It provides an opportunity for rental income, with no significant compromise to the livability of our home.”



▲ The steps and side entrance lead to the studio apartment ADU, which was crafted out of an existing space. The covered porch to the right leads to the primary residence. The ADU contains a kitchen, small dining and living area, sleeping area, bathroom and laundry area. (See two interior photos on pages 19 and 20.)

*Design: Rita Haberman | Builder: RS Wallace Construction
Cost to build: \$55,000 in 2015 (with some work done by the homeowners)
Photos courtesy Billy Ulmer | Article adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org*

HOME VISIT #5

Internal ADU (Lower Level)

Portland, Oregon

Size: 795 square feet

“We were looking for a way to live in our house for the rest of our lives and to generate at least some income in the process,” Robert Mercer and Jim Heuer wrote for the program guide of the annual Portland ADU Tour when their home was part of the lineup. “An ADU offers the possibility of caregiver lodging in the future or even a place for us to live while we rent out the main house if we get to the point where we can’t handle the stairs any longer.”

THE SOUND OF SILENCE: Internal ADUs often require that soundproofing insulation be installed between the primary dwelling and the accessory unit that’s below, above or beside it. In Portland, the building code for duplex residences requires a sound insulation rating of at least STCC45. To property owners thinking about a similar ADU setup, the duo advise: “Think about how you live in your home and how having downstairs neighbors will change what

▼ The door to the right of the garage leads to a ground-floor ADU with windows along the back and side walls. The upper-level windows are part of the main residence.



you can and can’t do with your space and what investment you are prepared to make in sound insulation.”

AN ADDED BONUS: “We are pleased that we have been able to provide more housing density on our property and still be in keeping with the historic character of our home.”

*Design: DMS Architects | Builder: Weitzer Company | Cost to build: \$261,000 in 2016 | Photo by Melissa Stanton, AARP
Article adapted from the 2017 ADU Tour project profiles on AccessoryDwellings.org*

Bringing Back ADUs

The reasons for creating or living in an ADU are as varied as the potential uses

ADUs are flexible. Over time, a single ADU might be used in many ways as an owner's needs and life circumstances change. Following are just a few reasons why ADUs are created and by whom:

EMPTY NESTERS can build an ADU and move into it, then rent out the main house for supplemental income or make it available to their adult children.

FAMILIES WITH YOUNG CHILDREN can use an ADU as housing for a nanny or au pair or even a grandparent or two, who can then help raise their grandkids and be assisted themselves as they age.

INDIVIDUALS IN NEED OF CARE can reside in an ADU to be near family members, or they can use the ADU to house a live-in aide. (In fact, ADUs can be an affordable and more comforting alternative to an assisted-living facility or nursing home.)

HOME BUYERS can look forward to the rental income from an ADU to help pay their mortgage or finance home improvements, especially in expensive housing markets.

HOME-BASED WORKERS can use an ADU as their office or workshop.

HOMEOWNERS can use an ADU for guests or as housing for friends or loved ones who:

- aren't yet financially independent, such as new high school or college graduates
- need temporary housing due to an emergency or while renovating their own home
- have disabilities but can live independently if family reside nearby ■



▲ The zoning code in Evanston, Illinois, permits accessory dwelling units, creating an opportunity for the owners of this 1911 home with an outbuilding in the backyard.

Planning and Paying for ADUs

Most new homes are built by developers, entire subdivisions at a time. Apartments are also built by pros.

But ADUs are different.

Although ADUs are occasionally designed into new residential developments, the vast majority are created by individual homeowners after they move in. In other words, ADUs are usually created by enthusiastic and motivated *amateurs*.

An ADU may present the ultimate chance for a do-it-yourselfer to build his or her small dream home. More often, homeowners bring in a combination of architects, designers and construction contractors to do the work, much as they would for a home addition or major kitchen remodeling. The local municipality's planning department can provide guidance on the rules for ADUs and information about what permits, utility connections and fees are involved.

ADUs aren't cheap, and they are often the most significant home improvement project a homeowner will undertake.

Although internal ADUs can sometimes be built for about \$50,000, new detached ADUs often exceed \$150,000. Most ADUs are financed through some combination of savings, second mortgages, home equity lines of credit and/or funds from family members (sometimes a relative who ends up living in it).

In some areas, the cost of building an ADU can be recouped after a few years of renting it. If that's the plan, it's worth estimating the expenses versus the potential income before undertaking an ADU project.

A few cities, nonprofits and start-ups are experimenting with creative financing options that could put ADUs within reach for more homeowners and their families, as well as prospective renters.



▲ Walt Drake’s southern-style, one-bedroom ADU has an outdoor, wraparound porch that can be accessed without using steps. The design is in keeping with other buildings in the neighborhood.

HOME VISIT #6

Detached ADU (One-Story)

Decatur, Georgia

Size: 800 square feet

When Walt Drake decided to downsize, his son Scott purchased his dad’s house for himself and his family and built a detached ADU (or DADU) for Walt.

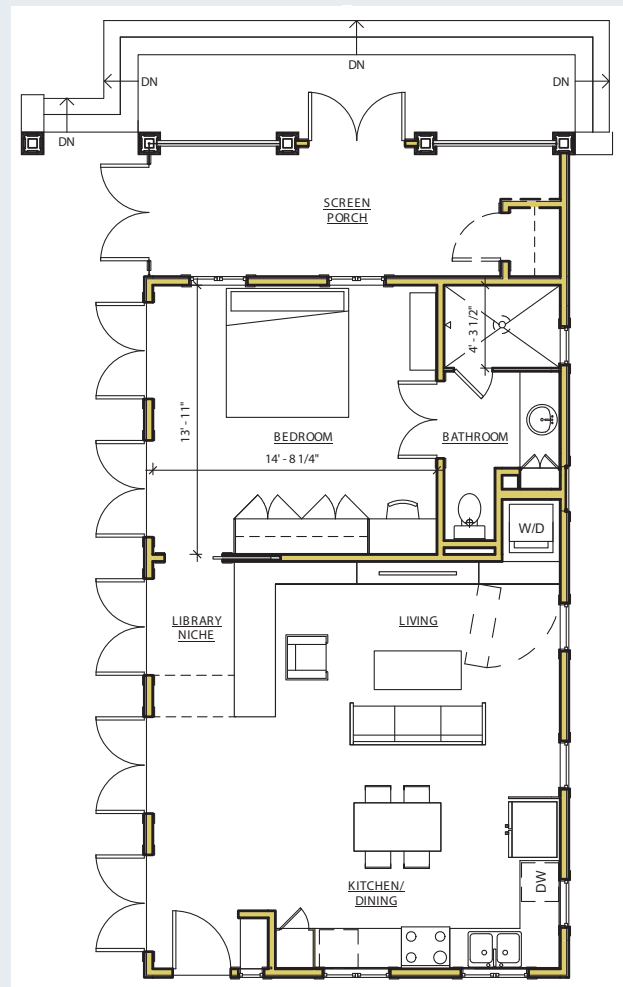
“From not finding what we wanted for Dad, we decided to create it,” says Scott. “Neighborhoods built in the 1920s have carriage houses. Building an ADU was a modern day version of something people have been doing on their property in this area for a hundred years.”

NEAR AND FAR: “We wanted the houses to be separate and to feel like we’re each on our own property, but we’re there for each other,” says Scott.

AGING-FRIENDLY: Building the ADU meant Walt didn’t have to leave his home and neighborhood. “He was able to keep his own stuff and turn over what he didn’t need to us,” says Scott. “It kept my dad in place, which I think was important.”

FUTURE PLANS: Scott says the ADU is “serving its intended purpose” but that someday down the road it could be used as a long- or short-term rental. “The ADU could turn into lots of different things over the course of its lifetime.”

Design: Adam Wall, Kronberg Wall | Builder: Rob Morrell | Cost to build: \$350,000 in 2014 | Photo by Fredrik Brauer | Floor plan by Kronberg Wall Architects | Article adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org



ADUs Are Age-Friendly Housing

New-construction ADUs can be created with “universal design” features

An “age-friendly” home has a zero-step entrance and includes doorways, hallways and bathrooms that are accessible for people with mobility differences. Converted garages (such as the one pictured on page 2) are among the easiest and least expensive ADU solutions for aging in place since they’re preexisting structures and generally have no-step entries. To learn more about making a home aging-friendly, download or order the *AARP HomeFit Guide* at AARP.org/HomeFit.

HOME VISIT #7

Detached ADU (Two-Story)

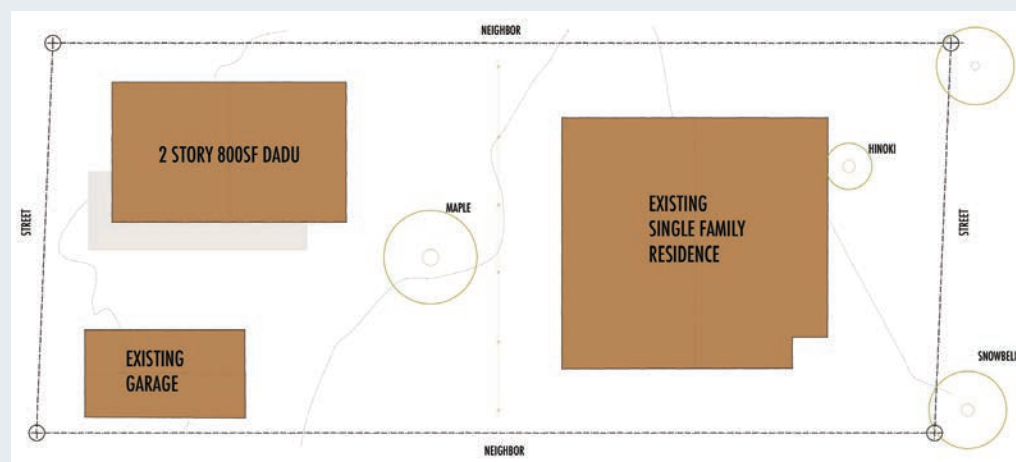
Seattle, Washington

Size: 800 square feet

Evelyn Brom’s plan was to build a backyard cottage and rent it out. She would keep living in her two-bedroom home.

AH-HA MOMENT: As the design developed, Brom realized that *she* wanted to live in the stunning wood-and-glass ADU. It was a good decision. A week before moving in, Brom was laid off from her job.

REAL LIFE: The \$3,000 a month Brom receives in rent for the main house (which is occupied by a three-generation family) provides a needed income. “Being laid off has made this arrangement a lifesaver,” Brom says. If the stairs in the cottage ever become too hard to navigate, she can move back into her original one-story house and rent out the cottage instead. “Now I have options,” she says.



▲ There’s a powder room, open kitchen and living room on the first floor, with a bedroom and bathroom upstairs.

◀ Although Brom’s property is only 0.13 acres, it’s large enough to accommodate two homes, a patio, a lawn and a garage. A slatted wood fence with a gate divides the space between the two houses and provides privacy.

Design: Chrystine Kim, NEST Architecture & Design | Builder: Ian Jones, Treebird Construction | Photo by Alex Hayden
Cost to build: \$250,000 in 2014 | Article adapted from Where We Live: Communities for All Ages (AARP 2018)

HOME VISIT #8

Detached Bedroom

St. Petersburg, Florida

Size: 240 square feet

Bertha and her son John talked about someday buying a house with a mother-in-law suite. “Then one day someone came along and wanted my house, so I up and sold it,” she explains. “But that left me homeless. I asked John if I could build a small house in his backyard and he agreed.”

CREATIVE THINKING: A detached bedroom is a permanent, accessory structure that, unlike ADUs, lacks a kitchen. But that’s what makes these cabin-like homes more affordable to build than many ADUs and even tiny houses.

WHAT’S INSIDE: Bertha’s home contains a sleeping and living area and a full bathroom. “I paid for the little house and it’s on my son’s property. So I figured, if I’m cooking I can do it at my son’s house,” she says. (Her laundry is also done at his house.)



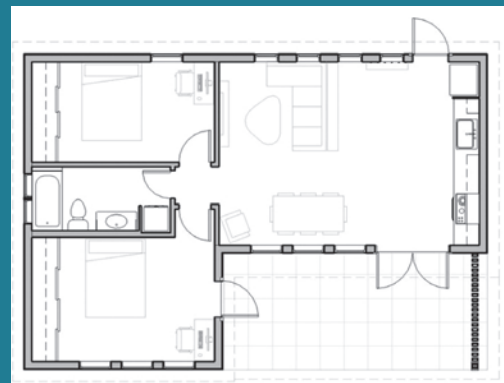
▲ A detached bedroom, which contains a bathroom but no kitchen, can provide housing for a loved one or serve as a home office or guest cottage.

REAL LIFE: “Having access to my son’s house makes it livable. Otherwise, I personally would not be happy. It’s very comforting to know that John is close by. Hopefully this will be my home forever.”

Design: Historic Sheds | Builder: Historic Sheds | Cost to Build: \$50,000 in 2017 | Photo by Historic Sheds | Article adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org

Trading Spaces

An ADU is always the smaller of two dwellings on a property, but it’s possible for an existing home to become the ADU when a larger house is built and becomes the primary dwelling. Or the opposite can happen! Tired of living in an older house that didn’t get a lot of natural light, the home’s owners built and moved into the bright, airy, modern and very accessible ADU they created in their yard. The original, larger home has become a rental.



▲ Although this ADU has only 721 square feet of living space, there is room enough for two bedrooms.

*Design: Propel Studio | Builder: JLTB Construction | Photo by Josh Partee | Cost to build: \$185,000 in 2017
Adapted from “ADU Case Studies” by Lina Menard on AccessoryDwellings.org*

Practical Solutions for ADUs

Local laws can both allow and appropriately control the creation of accessory dwellings

There are more than 19,000 cities, 16,000 towns and 3,000 counties in the United States. ADU regulations are typically adopted at the local level, although several state legislatures have required cities to allow them.

Where it's legal to build ADUs, homeowners still need to follow rules about where it can be done, how many square feet they can contain, how they can be used. These rules can be found in the local zoning code.

There is a balance to strike between prudent ADU laws and encouraging their construction. For instance, after Portland, Oregon, relaxed its ADU rules in 2010 and waived impact fees (a savings of up to \$12,000), the number of ADUs built rose from about 30 per year between 2000 and 2009 to nearly one a day in 2015.

Changes in California's ADU rules saw Los Angeles go from 80 applications in 2016 to nearly 2,000 in 2017. Allowing Sonoma County homeowners to add both an ADU and a JADU (see the green box below) were among the policies adopted in the wake of the area's many devastating fires.

Well-intentioned but burdensome rules can stymie the creation of ADUs. ADU-related zoning codes should be restrictive enough to prevent undesirable development but flexible enough that ADUs get built.

When a community is worried about a potentially undesirable outcome, it can — and many do — craft regulations to prevent particular building types, locations or uses. A city concerned about the environmental impact of new structures might prohibit placing detached ADUs in precarious locations, such as on steeply sloping lots. Communities wary of ADUs becoming, for instance, off-campus student housing can establish occupancy rules.

Every community has its own priorities and concerns, and there's a wide enough range of regulatory controls that communities can write appropriate ADU rules.

This inherent flexibility in the form and function of ADUs allows them to pass political muster and get adopted in a wide range of places. (See page 16 for more about uses and rules.) ■

Rules that discourage ADUs

- ADU-specific regulations that don't also apply to primary dwellings (e.g., owner-occupancy requirements)
- complex design compatibility criteria and approval steps
- off-street parking requirements beyond those required for the primary dwelling
- restrictions that limit ADUs to certain areas, particular zoning categories or to large lots
- caps on square footage relative to the primary house that make it easy to add an ADU to a large home but hard or impossible to add one to a small home

Are ADUs allowed?

Find out by calling your town, city or county office in charge of land use and permits — or stop by in person. You can also search for and read the zoning code through the local government's website.

- If ADUs are allowed, ask what conditions, permit needs and impact fees apply.
- If ADUs are not allowed and you want them to be, ask an elected official or your community's department of zoning and planning how the codes can be updated.
- Then get organized and start advocating!

JUNIOR ACCESSORY DWELLING UNITS (or JADUs) are smaller than 500 square feet and have a separate entrance but are created within the existing dwelling. A JADU can share a bathroom with the main house and contain a basic kitchen equipped with small plug-in appliances.

Creating (or Understanding) an ADU Zoning Code

The ADU section of a community's zoning code needn't be overly complicated. It just needs to establish clear, objective and fair rules for the following:

1. A Definition: A good zoning code clearly defines its terminology. Here, for example, is a useful outline for what, in the real world, is a very fluid term: “An ADU is a smaller, secondary home on the same lot as a primary dwelling. ADUs are independently habitable and provide the basic requirements of shelter, heat, cooking and sanitation.”

2. The Purpose: This is where the code describes key reasons a community allows ADUs. They should:

- increase the number of housing units while respecting the style and scale of the residential neighborhood
- bolster the efficient use of existing housing stock and infrastructure
- provide housing that's affordable and responds to the needs of smaller, changing households
- serve as accessible housing for older adults and people with disabilities

3. Eligibility: Who can build an ADU and on what type of lot? A statement in this part of the code clarifies that an ADU can be placed only on a “residentially zoned lot.” (Some communities provide lot size standards.)

4. Creation: The code sets out how an ADU can be built. For instance: “An ADU may be created through new construction, the conversion of an existing structure, as an addition to an existing structure or as a conversion of a qualifying existing house during the construction of a new primary dwelling on the site.”

5. Quantity: Most municipalities that permit ADUs allow one per lot. Those allowing two typically permit one internal and one external. Some allow duplexes or townhomes to have an ADU, either in the backyard or on the ground floor.

6. Occupancy and Use: A code should state that the use-and-safety standards for ADUs match those used for the main dwelling on the property. (See page 17 for more.)

Visit [AARP.org/ADU](https://www.aarp.org/ADU) to download **Accessory Dwelling Units: Model State Act and Local Ordinance**, a free publication that can be used by state and local officials to develop ADU policies.

7. Design Standards:

- **Size and height:** A zoning code might specify exactly how large and tall an ADU is allowed to be. For instance: “An ADU may not exceed 1,000 square feet or the size of the primary dwelling, whichever is smaller.” Codes often limit detached ADUs to 1.5 or 2 stories in height. An example of that language: “The maximum height allowed for a detached ADU is the lesser of 25 feet at the peak of the roof or the height of the primary dwelling.”
- **Parking:** Most zoning codes address the amount and placement of parking. Some don't require additional parking for ADUs, some do, and others find a middle ground — e.g., allowing tandem parking in the driveway and/or on-street parking. (See page 16 for more about parking.)
- **Appearance:** Standards can specify how an ADU's roof shape, siding type and other features need to match the primary dwelling or neighborhood norms. Some codes exempt one-story and internal ADUs from such requirements. (See page 16 for more.)

8. Additional Design Standards for Detached ADUs:

- **Building setbacks:** Many communities require detached ADUs to either be located behind the primary dwelling or far enough from the street to be discreet. (A code might exempt preexisting detached units that don't meet that standard.) Although such a rule can work well for neighborhoods of large properties with large rear yards, communities with smaller lot sizes may need to employ a more flexible setback-and-placement standard.
- **Building coverage:** A code will likely cap the combined lot coverage of a detached ADU and the primary dwelling to a specific percentage.
- **Yard setbacks:** Most communities have rules about minimum distances to property lines and between buildings on the same lot. ADUs are typically required to follow the same rules. ■

ADU “Hot Topics”

As communities allow ADUs or update existing zoning codes and rules to be more ADU-friendly, they inevitably wrestle with some or all of the following issues:

Adding ADUs to neighborhoods

Recognizing that ADUs may represent a new housing type for existing neighborhoods, communities often write special rules to ensure they'll fit in well. These guidelines typically address visual compatibility with the primary dwelling, appearance from the street (if the ADU can be seen) and privacy for neighbors. Rules that help achieve these goals include:

- height and size caps mandating that ADUs be shorter and smaller than the primary dwelling
- requirements that detached ADUs be behind the main house or a minimum distance from the street
- mandates that the design and location of detached ADUs be managed the same way as other detached structures (e.g., garages) on the lot
- design standards for larger or two-story ADUs so they architecturally match the primary dwelling or reflect and complement neighborhood aesthetics
- encouragement for the creation of internal ADUs, which are often unnoticeable from the street

Each community can strike its own unique balance between strict rules to ensure that ADUs have a minimal impact on neighborhoods and more flexible rules that make them easier to build.



▲ Providence, Rhode Island, has many homes that were built as or long-ago converted into multidwelling units. (Notice the two front doors.) A homeowner can live in one apartment while renting out the other.

Providing places to park

ADU regulations often include off-street-parking minimums on top of what's already required for the primary dwelling. Such rules can prevent homeowners from building ADUs if there's insufficient space for added parking. However, the extra parking often isn't needed.

Studies of Portland, Oregon, and the San Francisco Bay area found that ADU households own an average of 0.9 cars. That's half the national average of 1.8 cars per household. With just over 2 percent of Portland homes having an ADU (the highest percentage of any large city in the country), there's roughly one extra car parked on the street every six blocks. This suggests that, even in booming ADU cities, any impact on street parking from ADUs is likely to be very small and dispersed. More-realistic parking rules might:

- require the creation of new parking only if the ADU displaces the primary dwelling's existing parking
- waive off-street-parking requirements at locations within walking distance of transit
- allow parking requirements for the house and ADU to be met by using a combination of off-street parking, curb parking and tandem (one car in front of the other) parking in a driveway

Dealing with unpermitted ADUs

It's not uncommon for homeowners to convert a portion of their residence into an ADU in violation (knowingly or not) of zoning laws or without permits.

Such illegal ADUs are common in cities with tight housing markets and a history of ADU bans. One example is New York City, which gained 114,000 apartments between 1990 and 2000 that aren't reflected in certificates of occupancy or by safety inspections. Sadly, in 2021, several city residents living in unsafe basement apartments drowned in their homes due to flooding caused by Hurricane Ida.

Some cities have found that legalizing ADUs, simplifying ADU rules and/or waiving fees can be effective at getting the owners of illegal housing units to “go legit” — and address safety problems in the process. ■

Allowing and Restricting Uses

Communities get to decide whether to let ADUs be used just like any other housing type or to create special rules for them. Some municipalities prefer the simple approach: regulating ADUs like other homes. So if a home-based child-care service is allowed to operate in the primary dwelling, it is also allowed in an ADU. Conversely, communities sometimes adopt ADU-specific regulations in order to avoid undesirable impacts on neighbors. Examples of those regulations include:

Limiting short-term rentals

ADUs tend to work well as short-term rentals. They're small and the owner usually lives on-site, making it convenient to serve as host. However, if ADUs primarily serve as short-term rentals, such as for Airbnb and similar services, it undermines the objective of adding small homes to the local housing supply and creating housing that's affordable.

In popular markets, short-term rentals can be more profitable than long-term ones, allowing homeowners to recoup their ADU expenses more quickly. In addition, short-term rentals can provide owners with enough income that they can afford to occasionally use the ADU for friends and family.

A survey of ADU owners in three Pacific Northwest cities with mature ADU and short-term rental markets found that 60 percent of ADUs are used for long-term housing as compared with 12 percent for short-term rentals.

Respondents shared that they “greatly value the ability to use an

ADU flexibly.” For instance, an ADU can be rented nightly to tourists, then someday rented to a long-term tenant, then used to house an aging parent. ADUs intended primarily for visiting family are sometimes used as short-term rentals between visits.

Cities concerned about short-term rentals can regulate them across all housing types. Doing so might mean that special rules are not needed. An approach employed in Portland, Oregon, is to treat ADUs the same as other residences except that any financial incentives (such as fee waivers) to create them are available only if the property owner agrees not to use the ADU as a short-term rental for at least 10 years.

Requiring owner occupancy

Some jurisdictions require the property owner to live on-site, either in the primary house or its ADU. This is a common way of addressing concerns that absentee landlords and their tenants will allow homes and ADUs to fall into disrepair and negatively impact the neighborhood.

Owner-occupancy rules are usually implemented through a deed restriction and/or by requiring that an annual statement confirming residency be filed. Some cities go further, saying ADUs can be occupied only by family members, child- or adult-care providers, or other employees in service of the family.

Owner-occupancy requirements make the financing of ADUs more difficult, just as they would if applied to single-family homes. But as ADUs have become more common, owner-occupancy restrictions have become less so, which is good. Such requirements limit the appraised value of properties with ADUs and reduce options for lenders should they need to foreclose.

Enforcing owner-occupancy laws can be tricky, and the rules have been challenged in courts, sometimes successfully. However, according to a study by the Oregon Department of Environmental Quality, more than two-thirds of properties with ADUs are owner-occupied even without an owner-occupancy mandate. ■



◀ The zoning code of Brevard, North Carolina, a city of fewer than 10,000 residents, allows ADUs, which are referred to as “secondary dwelling units” and are allowed “within residentially-zoned, single-family and duplex lots.” The code states that such homes “shall be encouraged and designed to meet housing needs,” adding that “[s]econdary dwelling units shall be accessory and subordinate to the primary living quarters.” In the image at left, the one-story cottage is the primary dwelling. The apartment above the detached garage is the secondary dwelling.

Inside Spaces

ADUs vary from studio apartment-like spaces to multi-bedroom, multi-story structures. Regardless of size, the result is a needed residence



▲ A top floor ADU can be a suitable rental for a student or someone who travels a lot for work. ADU expert Kol Peterson grew up in a home with an attic ADU that was usually rented to law school students. “They had to walk up the primary house’s interior stairs in order to access the affordable attic unit,” he writes in *Backdoor Revolution: The Definitive Guide to ADU Development*. “Over the years that each of them lived there, the tenants became part of our family.”



▲ The alcoves in the ADU area above a garage provide a light-filled work space in one, and a reading nook in the other. (See the attached ADU’s exterior on page 3.)



▲ This studio apartment internal ADU uses a wardrobe cabinet to separate the bedroom from the living area and kitchen (seen on page 19).

PHOTOS: KOI PETERSON, BUILDING AN ADU.COM (TOP) | MELISSA STANTON (BOTTOM LEFT) | BILLY ULMER (BOTTOM RIGHT)



▲ As an independent living space, an ADU has its own bathroom and kitchen. Depending on the available square footage — and sometimes on the local zoning code or the property’s plumbing and utility connections — an ADU might have a full kitchen with full-sized appliances and a dining area (top) or a smaller but functional kitchenette. This interior is from the detached ADU pictured below right and on the back cover. Fun fact: A coat closet and extra kitchen shelving are built into the base of the circular staircase. In a small home, every bit of space counts!



▲ The kitchen of this internal ADU (also seen at the top of page 9 and in the bedroom image at left) has a full-sized range but a mini-refrigerator. Some ADU owners install a one- or two-burner electric cooktop and a convection microwave in lieu of an oven.



▲ The second story of this detached ADU is accessed by the spiral staircase shown in the image at top. The space features a bedroom and a sitting area that could be used as a nursery, office or den. A full-sized, stacked washer-dryer is hidden behind a closet door.

Just One More

While not technically ADUs, tiny houses can serve a similar purpose

Because tiny houses are typically built on a trailer with wheels rather than a fixed foundation, they are usually treated by zoning as recreational vehicles (RVs) or manufactured (aka mobile) homes. In Portland, Oregon, and a growing number of smaller cities, tiny houses can be legally occupied on any residentially-zoned lot. Since they're small — typically under 400 square feet — tiny houses can fit in a space too small for an ADU. Many include a kitchen and bathroom. Some function more like a detached bedroom. A unique plus: Unlike ADUs, tiny houses can move to a new location as needed.



◀ ▲ “The Lucky Penny” tiny house measures 8 feet wide by 14 feet, 6 inches long and provides 100 square feet of living space. The home, which is located in the backyard of a single-family residence, features a pullout bed, a kitchenette, a shower, built-in storage, and three large windows plus a skylight to provide lots of nature light.



◀ ▼ ADUs are sometimes used as short-term rental units for travelers. The “Kangablu,” is one of several units at Caravan, the “world’s first tiny house hotel.” At 170 square feet, the home is the largest tiny house on the lot, located in the Cully neighborhood of Portland, Oregon. The tiny space includes a kitchen, living area, bathroom (with a shower and toilet) and a sleep loft.



Top: Design and Builder: Lina Menard, Niche Consulting | Photos by Guillaume Dutilh, PhotoXplorer
Bottom: Design and Builder: Benn Kovco | Photos by Jeff Freeman Photography

The ABCs of ADUs

A guide to Accessory Dwelling Units and how they expand housing options for people of all ages

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A NOTE TO READERS: Many of the photographs and project examples in this publication are from Portland, Oregon, which was one of the first municipalities in the nation to allow and encourage the creation of accessory dwelling units.

To learn more about ADUs — and to order or download this guide — visit AARP.org/Livable.

Other useful resources include:

- *AccessoryDwellings.org*
- *BuildingAnADU.com*
- *Planning.org* (the website of the American Planning Association)
- And the websites of the states, cities and towns mentioned in this guide as allowing and encouraging the creation of accessory dwelling units.



ABOVE-GARAGE ADU



DETACHED-BEDROOM ADU



DETACHED ADU

- An accessory dwelling unit is a small residence that shares a single-family lot with a larger primary dwelling.
- As an independent living space, an ADU is self-contained, with its own kitchen or kitchenette, bathroom and living/sleeping area. (Garage apartments and backyard cottages are each a type of ADU.)
- ADUs can enable homeowners to provide needed housing for their parents, adult children, grandchildren or other loved ones.
- An ADU can provide older adults a way to downsize on their own property while a tenant or family member resides in the larger house.
- Since homeowners can legally rent out an ADU house or apartment, ADUs are an often-essential income source.
- ADUs help to improve housing affordability and diversify a community's housing stock without changing the physical character of a neighborhood.
- ADUs are a beneficial — and needed — housing option for people of all ages.

Learn more about ADUs and
order or download

The ABCs of ADUs
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