

Accessory Dwelling Unit Survey Report
County of Marin Community Development Agency
Housing and Federal Grants Division
November 2017

EXECUTIVE SUMMARY

The survey is designed to determine what income levels can afford to live in Accessory Dwelling Units (ADUs) in unincorporated Marin County.

- Adjusting for household size, six percent (6%) of all rented units were affordable to extremely-low income,
- ten percent (10%) to very-low income,
- forty-six percent (46%) to low-income,
- twenty-four percent (24%) to moderate-income,
- and fourteen percent (14%) to above-moderate-income households.

Survey results indicate that approximately forty percent (40%) of occupied ADUs are rented at a discounted rate to a relative, friend, or employee of the property owner.

SURVEY PURPOSE

The purpose of the Accessory Dwelling Unit Survey is to identify and evaluate trends in the physical characteristics, use, and affordability of Accessory Dwelling Units (ADUs) in unincorporated Marin County. To discover trends and tendencies in or existing ADU stock, the survey queried for characteristics related to asked-rent, occupancy, size, and parking availability.

The Regional Housing Needs Allocation (RHNA) is a critical part of State housing element law (Government Code Section 65580). Every city and county in the State of California must demonstrate that it can provide for its fair share of the projected future housing need by income category, including extremely-low-income, very-low-income households, low-income, moderate-income and above-moderate-income households. Permitted ADUs may be counted to fulfill up to twenty-five percent (25%) of the County's RHNA obligations for each income category. To receive credit for ADUs, a jurisdiction must demonstrate the affordability of the units; this survey is used to establish the affordability by which the County will claim newly-permitted ADUs for RHNA credit.

METHODOLOGY

In May 2017, a total of 293 surveys (Figure 1) were postmarked to the property owner mailing address provided for each ADU permit approved by the Planning Department since the late 1990s. Responses were accepted through early July 2017. Completed survey postcards were returned anonymously; staff identified the corresponding community plan area of each response by area-specific letter codes marked in the lower-left corner of each postcard (e.g., the code "LR" indicates Lower Ross Valley). Pre-paid postage was provided to promote participation.

In this survey period, the overall 2017 response rate was thirty-five percent (35%), a slight decrease from the thirty-seven percent (37%) rate of response to the 2012 survey. This decline in response rate may be attributed to the diminishing accuracy of the aging and static characteristics of the dataset used to establish contact information for property owners. Staff is developing a procedure to improve the accuracy of this dataset for future iterations.

SURVEY QUESTIONS

The survey solicited basic information including if the unit was vacant, the amount of monthly rent collected, the number of occupants, the amount that rent had increased in the last two years (if any), whether or not the property owner intentionally offered the ADU at a reduced rental rate (that below what the amount that the market is expected to bear) and if so, whether or not that reduction was offered due to personal relationships (being rented to a friend, relative, or employee of the owner). The survey also asked the approximate size of the unit, how many parking spaces were on the property, and how many cars belonging to occupants of primary and accessory units could park on-site and on the street.

SURVEY RESULTS

RENTS. Rent charged for ADUs ranged from \$0 to \$3,800. Forty percent (40%) of respondents indicate that rent is either reduced or not charged because a relative, friend or employee lives in the unit. This represents a notable increase from the twenty-two percent (22%) of occupied units that were reported as discounted for friends and family members in 2012.

Excluding those occupied properties where no rent is charged, the median rent for an Accessory Dwelling Unit is \$1,575; the average rent charged is \$1,750. This is an increase of \$471 from the reported average rent of \$1,279 in 2012.

AFFORDABILITY. This survey is designed to determine the affordability level of ADUs in unincorporated Marin County. The U.S. Department of Housing and Urban Development (HUD) defines affordable housing to be approximately thirty percent (30%) of household income. Monthly rent was calculated for one-, two-, three-, and four-person households to determine affordability. Adjusting for household size, six percent (6%) of all rented units were affordable to extremely-low income, ten percent (10%) to very-low-income, forty-six percent (46%) to low-income, twenty-four

Marin County Second Unit Survey 2017

Please take a moment to complete the survey and return this postcard via mail.

Use of Unit:

1. Is the second unit vacant? Yes No

If No:

1a. What is the monthly rent? \$ _____

1b. If reduced rent or no rent is charged, is this because a relative, friend, or employee lives in the unit?
 Yes No

1c. How many persons occupy the rented unit? _____

1d. Have you increased the rent for the unit in last two years? Yes No

1e. If yes, by how much? \$ _____

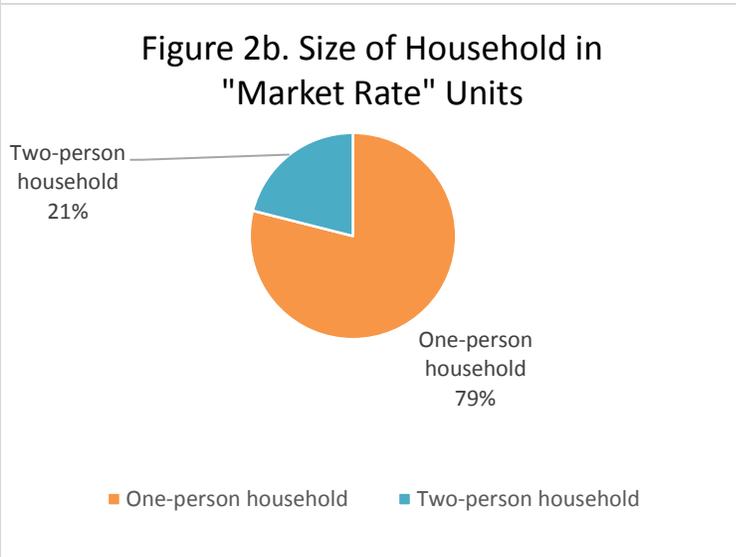
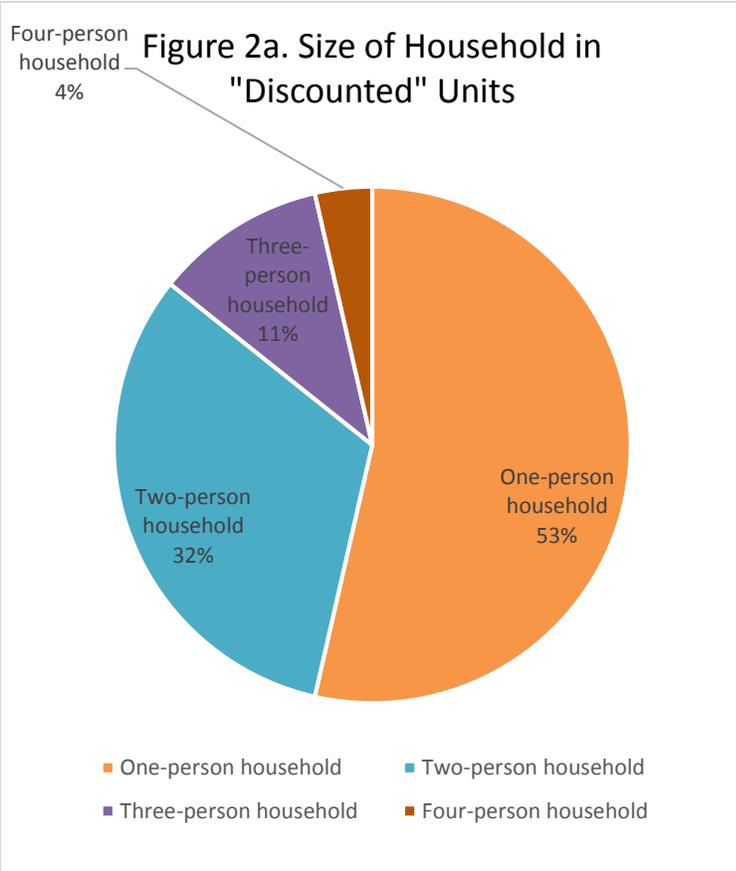
Unit Information:

2. What is the approximate size of the unit? _____ square feet.

3. How many parking spaces are on the property? _____

4. How many cars at the property (primary and second unit) park on-site _____ and on-street _____?

LR **Figure 1. Survey Postcard**



percent (24%) to moderate-income, and fourteen percent (14%) to above-moderate-income households.¹

OCCUPANCY. Ninety-two of the 101 responding owners affirmed the existence of an ADU on the property. Sixty-seven (67) of those ninety-two (92) units, or seventy-three percent (73%), were occupied and contributing to the County’s housing stock.

A predominate share of ADUs are occupied by one-person households (Figures 2a and 2b). Less than six percent (6%) of the occupied ADUs currently accommodate households of three or more persons; all households of this size reside in ADUs owned by a relative, friend, or employer.

SIZE. Evaluation of the 2008 and 2012 Second Unit Surveys indicated that a long-standing Development Code policy that limited the size of ADUs to 750 square feet or less did not necessarily result in increased affordability but rather, may have reduced housing opportunities for families that required more than one or two bedrooms. In accordance with the County’s obligation to promote fair housing choice, including options for families outside of areas of existing minority concentration, on March 14, 2017 the Marin County Board of Supervisors elected to increase the

maximum conditioned floor area of an ADU from 750 square feet to 1200 square feet.

As this amendment was adopted less than three months before the issuance of the survey, an analysis of its impacts on the size of ADUs is not possible. If the results are compelling, an examination of the impact of this amendment will be provided in future survey reports.

¹ Affordability results do not include properties where no rent is paid.

PARKING. Survey responses show that properties containing an ADU can accommodate an average of 3.97 parking spaces on-site. Of the ninety respondents that submitted information on the use and availability of parking, only two properties—one in Tamalpais Valley and one in Marinwood—were identified as providing an insufficient number of parking spaces.

Historically, minimum parking standards were frequently cited as an impediment to the development of ADUs. In response, on March 14, 2017 the Board of Supervisors adopted amendments to the Marin County Development Code to curtail or eliminate minimum parking requirements for ADUs constructed in locations that encourage alternative transportation methods:

1. The ADU is located within one half mile of a public transit stop;
2. Located within an architecturally and historically significant historic district;
3. On-street parking permits are required but not offered to the occupant of the ADU;
4. There is a car-share vehicle pick-up and drop-off site located within one block of the ADU;
5. The ADU is no more than 500 square feet in floor area and contained entirely within the same building as the primary residence;
6. A parking exception has been approved by the Department of Public Works.

FAIR HOUSING IMPLICATIONS. Fair Housing laws are federal and state laws that protect Marin County residents from discriminatory housing practices. Marin County prohibits unfair housing practices in the rental, sale, or financing of housing because of a person's race, color, national origin, ancestry, disability, gender, parental status, marital status, religion, participation in Section 8 voucher program or other similar government housing subsidy programs, sexual orientation (includes gender identity), and age. In addition, the County is required to affirmatively further fair housing, which means taking meaningful actions that combat discrimination, overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunities for protected classes.

ADUs can support walkable communities while creating housing choice in areas with access to good schools, employment and other services. Particularly in higher-income neighborhoods where there is opposition to the creation of new affordable homes, ADUs may be effectively used as a tool to curb tendencies toward economic and racial segregation.

Two in every five property owners (40%) report that they discount the rental rate of their ADU because a relative, friend, or employee occupies the unit. Only twenty-two percent (22%) of property owners reported this same preference in the 2012 Survey; an additional eighteen percent (18%) of occupied ADUs are not available to the general public.

Families currently find accommodation in ADUs at rates less than twenty-four percent (24%) for two-person households, five percent (5%) for three-person households, and two percent (2%) for four-person households. As the County continues to rely on ADU's as a critical way of meeting its affordable housing goals, it will be important to evaluate whether they are available to families, individuals with disabilities and other members of the protected classes.