

Meeting Body: Salt Lake County Council

Meeting Date: March 12th, 2024

Planner: Kayla Mauldin, Senior Long Range Planner (Greater Salt Lake Municipal Services District)

Project Name: Moderate Income Housing Plan, Strategy E Implementation

Areas Affected: Recommended actions include policies and programs that would impact all of Unincorporated Salt Lake County.

Staff Recommendation: Planning staff is recommending a number of short-, mid-, and long-term actions to remove barriers to ADU construction in the Unincorporated Areas. Staff suggests that near-term actions be pursued immediately.



GREATER SALT LAKE
**Municipal Services
District**

SUMMARY

As a part of implementation of the County's adopted Moderate Income Housing Plan, the MSD Planning Staff is recommending that the Council take several near-term and long-term actions to remove barriers to accessory dwelling unit construction. In the near-term, the planning staff requests that the Council gives direction to pursue revisions to Chapter 19.15 of County Code, including revisions to lot size and setback standards for accessory dwelling units ("ADUs").

MODERATE INCOME HOUSING STRATEGY

In 2022, Salt Lake County amended its Moderate Income Housing Plan in order to comply with SB 34. The County adopted five strategies for encouraging the construction and preservation of Moderate Income Housing, including Strategy E: "Create or allow for, and reduce regulations related to, internal or detached accessory dwelling units in residential zones". The plan established steps for implementing this strategy, which included:

1. Researching existing barriers to ADU construction in Unincorporated Salt Lake County;
2. Reviewing case studies related to overcoming identified barriers;
3. Presenting findings to the Salt Lake County Council; and
4. Implementing solutions as directed by the Council.

The planning staff has finished preliminary analysis of barriers faced by potential ADU applicants and has prepared several recommendations that they are now bringing before the Council.

DEFINING THE PROBLEM

The Moderate Income Housing Plan found that over 23% of households in Unincorporated Salt Lake County experienced housing cost-burden (i.e. were spending more than 30% of their household income on housing costs). Housing cost-burden was a significant issue for both renter and owner households. ADUs have been championed as a tool for addressing housing shortages and affordability because they:

1. Provide small-scale, affordable rental housing options within traditional neighborhoods;
2. Produce supplemental income for homeowners;
3. Allow for multi-generational living while preserving privacy;
4. Create opportunities for residents to age in place; and
5. Use less energy than larger homes, leading to lower utility bills for owners and tenants and community-wide sustainability benefits ([Expanding ADU Development and Occupancy](#); American Planning Association and AARP, 2023).

Salt Lake County adopted an ordinance allowing for internal and detached ADUs in 2021. However, since that time and despite interest received from property owners, only three applications for ADUs have been submitted.

The planning staff completed an initial GIS analysis to determine whether the County's ADU standards presented a barrier to homeowners who would like to add ADUs. The analysis looked solely at the ordinance's lot size requirements to determine what percentage of single-family parcels within Salt Lake County were eligible to add an ADU. All FCOZ, FR, FA, and Kennecott / USFS properties were excluded from the analysis, as ADUs are not allowed in those zones. The planning staff found that 92% of all single-family lots were at least 6,000 sq.ft. in size. Internal ADUs are permitted on these lots. However, existing ordinances only allows for detached ADUs on lots that are at least 12,000 sq.ft.. Only 41% of single-family parcels within the County meet this requirement. Note that this analysis does not account for other property constraints that may prohibit ADU development, such as lot coverage, setbacks, and needed utility connections.

The analysis revealed that lot size requirements are a clear barrier for ADU development in the Unincorporated County, rendering over half of all single-family parcels ineligible for ADU construction. In addition to this analysis, planning staff conducted a survey, reviewed applicable literature, and used experiences from past applications to determine what other barriers may be encountered by residents pursuing ADU construction in Unincorporated Areas.

ADU SURVEY

In the summer of 2023, planning staff launched an online survey to understand the challenges faced by existing and future ADU applicants. 102 total responses were received, although only 16 of those responses were from Unincorporated Salt Lake County. Of those respondents, six (approximately 35%) stated that they were interested in adding an ADU to their property but felt there were too many regulations preventing them from doing so. Another five (29%) were interested but had not pursued an application.

Surprisingly, when asked what barriers respondents faced or perceived in constructing ADUs, the greatest barrier identified was “not knowing if they are allowed in [my] area”. Other common barriers included zoning or building requirements in general, cumbersome permitting processes, the cost of designing and/or constructing an ADU, and fear that neighbors would complain if the respondent added an ADU to their property. Among zoning regulations that impact an applicant’s eligibility for ADU construction, respondents identified lot size requirements as the biggest barrier. Other barriers included use requirements in the underlying zone, setback requirements, and parking requirements.

LITERATURE REVIEW

While the survey results provided helpful context on conditions unique to Unincorporated Salt Lake County, planning staff recognized that the low response rate required further research into ADU barriers. Several publications were reviewed by planning staff, one of the most critical being “Expanding ADU Development and Occupancy: Solutions for Removing Local Barriers to ADU Construction”, which was released by the American Planning Association and AARP in 2023. This publication explores political, regulatory, procedural, and financial impediments to ADU construction and offers solutions for addressing each. Staff used available literature in combination with the ADU survey results to tailor recommendations for addressing ADUs in Unincorporated Salt Lake County.

SUPPORT FROM GENERAL PLANS

It should be noted that ADU development is encouraged as a housing strategy in both the Wasatch Canyons and West General Plans. The Sandy Hills General Plan does not directly address ADU development.

PLANNING STAFF RECOMMENDATIONS

Based on the analysis completed, the planning staff is recommending the following near-, mid-, and long-term actions to facilitate additional ADU construction in Unincorporated Salt Lake County. The planning staff is requesting direction from the Council in moving forward with these recommendations and proposes addressing the needed ordinance revisions immediately.

| Recommended Action | Description | Barrier Addressed |
|--|---|---|
| <i>Near-Term</i> | | |
| Amend Chapter 19.15 of Salt Lake County Code. | Adopt amendments to Salt Lake County's ADU Ordinance, consistent with Council Memo on Recommended Changes to Salt Lake County Code Chapter 19.15. | REGULATORY: These changes address aspects of the existing zoning related to ADUs, which severely limit the number or properties eligible for ADU construction. |
| <i>**NOTE: Staff are already working on this item.**</i> Combine land use and building permit steps into a single ADU application for customers. | Retain all steps in the land use and building permit review procedures, but combine them into a single application portal, so that applicants do not have to submit two separate applications to Cityworks. | PROCEDURAL: A combined application reduces redundancy for required information that is shared across applications. The combined application also makes it clear to customers that land use and building permit approvals are all required. |
| <i>Mid-Term</i> | | |
| Develop a guide to ADU regulations and procedural requirements and work to distribute it to residents. | Create a guidebook for potential applicants to use in reviewing requirements and preparing their ADU application. The guide would summarize key ordinance requirements, explain the application process, and connect applicants with additional resources (as applicable). | REGULATORY and PROCEDURAL: This action addresses survey respondents' feedback that they are largely unaware of what regulations impact their ability to develop an ADU. A guidebook also provides extra support to homeowners who may have little prior experience applying for permits. |
| Create a document or web page that connects potential applicants with funding sources available for ADU construction. | A document or webpage would synthesize available funding mechanisms for ADU design or construction. It would also connect potential applicants to non-profits, funding programs, and other resources outside of the County that support residents in adding ADUs to their property (i.e. ADU Utah). | FINANCIAL: The upfront costs of developing an ADU can be burdensome for property owners. In the mid-term, Salt Lake County can assist by directing applicants to already available resources. |

| <i>Long-Term</i> | | |
|--|---|--|
| Develop an acceptance program for pre-existing, illegal ADUs. | Acceptance programs create a formal pathway through which pre-existing, illegal ADUs can become legal. Acceptance programs typically offer some sort of incentive to get owners of illegal units to come into compliance, including permitting fee reductions, or waivers of non-life-and-safety related zoning regulations. | POLITICAL and FINANCIAL: Several survey respondents feared that adding an ADU to their property would incite complaints from their neighbors. Neighborhood opposition largely stems from issues with code enforcement or illegal units. Working to bring illegal ADUs up to code can improve neighborhood perception of ADUs and help protect tenants. Incentives provided through an acceptance program may encourage owners of illegal units to come into compliance. |
| Seek funding sources to allow for the creation of a grant or revolving loan fund to assist applicants in converting existing spaces into ADUs. | As funding becomes available, a program could be created to provide financial assistance to ADU applicants. Financial assistance may be used for design or construction costs and could be paired with a stipulation that the constructed units be offered at below-market rent for a specified time period. | FINANCIAL: This action directly addresses financial barriers faced by applicants by creating a new funding source to aid in up-front development costs. |
| Partner with local universities or non-profits to offer design assistance to potential ADU applicants. | A design assistance program would require a partnership between a non-profit, educational institution, or other entity and Salt Lake County. Such a program could be mutually beneficial if it provides learning experiences for students in planning and architecture. Outside organizations would aid applicants in preparing building plans that meet County ordinances. | FINANCIAL: A design assistance program would offer lower-cost services to potential ADU applicants, while ensuring that County ordinances are still upheld. |