Rockingham County Locality Perspectives on Accessory **Dwelling Units** May 20, 2024



Zoning Ordinance ADU Definition

"Accessory Dwelling: A complete, <u>detached</u> dwelling unit located on the same parcel as a primary single family detached dwelling."

- By-right in NINE residential and planned zoning districts.
 - Not permitted in 4 residential districts: (PMF (Planned Multi-Family), PG (Planned Growth), MH-1 (Mixed Home), MHP (Manufactured Home Park)
- By-right in all Agricultural Districts (A-1 and A-2)
- Supplemental Standards
 - Shall not exceed 1,500 square feet
 - Only one ADU permitted per parcel

Current ADUs

87 detached ADUs were constructed in the last 7.5 years (approximately 12 per year).

Of Rockingham County's approximately 39,000 residences, approximately 2.2% (860) are detached ADUs.

Rockingham County has allowed detached ADUs since 2014.

Zoning Ordinance Definition

"Duplex: Two (2) dwelling units constructed as side-by-side units, which may be on separate lots, or upper and lower units. Each dwelling unit shall be occupied by one (1) family. Also known as two-unit attached dwellings."

- By-right in all residential zoning districts except R-1 (Low-Density Residential District), which is limited to single family detached dwellings.
- Not permitted in Agricultural Districts (A-1 and A-2)

Zoning Ordinance Definition

"Single-Family with Independent Living Quarters: A separate living unit located <u>within</u> a single-family dwelling and having direct interior access to the primary living unit."

- By-right in most residential zoning districts, so long as:
 - Occupied by immediate family; or
 - The person is the caretaker;
 - Limited to 600 square feet or 25% of the finished floor area of the existing dwelling, whichever is greater.



Considerations

Rockingham County Perspective on Accessory Dwelling Units

Local Decision Based on Local Conditions

Locality needs and priorities are widely varied across the Commonwealth.

Local Decisions Based on Local Conditions

Needs and priorities are varied even within each locality.

Rockingham County:

- Rural / Agricultural
- Urban / Suburban
- Massanutten Resort
- Seven Incorporated Town
- One City





Impact on Infrastructure

- Sanitary Sewer Capacities
- Stormwater Management
- Private Utilities (electric, gas)
- Private Wells and Septic Systems
- Roads
- School Capacities
- Parking

Example (under the formerly proposed SB 304)

The developer proffers a maximum density of 100 units.

- The developer builds 50 homes.
- Prior to full build-out, 50 homeowners build a by-right ADU, reaching the proffered 100-unit cap.

How would this affect the developer?

Example continued: the development fully builds out the 100 units; could all homeowners within the development still build a by-right ADU, doubling the approved density of the development?

SB 304: Provision for Private Covenants

"F. Nothing in this section shall be construed to supersede or limit contracts or agreements between or among individuals or private entities related to the use of real property,.....or any declaration of a property owners' association created pursuant to the Property Owners' Association Act (§ <u>55.1-1800</u> et seq.)."

Similar carve out should be made for proffered conditions of rezonings, such as maximum density or restriction on ADUs.

Impact on Property Values & Affordable Housing

Potential Increase in Property Values

- If Short Term Rentals (STR) are not addressed in combination with any ADU legislation (resort communities, vacation destinations, college towns, etc.)
- ADUs and STRs go hand in hand if the intent is to address affordable housing

Effect on Home Ownership vs. Rentals

- Homes to be marketed as a residence with a rental opportunity increased property values
- Would provide for additional rental units increasing rental opportunities and affordability
- Increasingly difficult for prospective homeowners due to higher property values

Additional Considerations

Include Virginia Health Department in the discussion

- Majority of Rockingham County's ADUs are built on private wells and septic systems
 - What is the anticipated impact on private well and septic systems across the state?

Distinction made between Attached and Detached ADUs

- Define separately
- Definitions should be consistent with the Uniform Statewide Building Code (USBC).

Address Existing vs Future Developments Separately

- Will be especially difficult to retrofit existing communities to account for the impact of ADUs.
 - Could undermine years of long-term planning efforts.

Barriers to ADU Construction

Rising home prices and high interest rates make it unlikely that a newer homeowner would have the equity built into their home to qualify for a 'home equity line of credit' or 'construction loan' necessary to construct an ADU.

- Current Median Home Price in Rockingham County: \$335,000
- Current 30-Year Fixed Mortgage Interest Rate: 7.17%
- Building code regulations increased insulation, energy efficiency standards, etc.
 - Not getting any cheaper to build

Cost to build new or expand existing private septic system capacities and meet Virginia Health Department Requirements

• Majority of Rockingham County's ADUs are built on private well and septic systems

Many of these barriers are outside the control of local governments.

Affordable Housing

A top priority of all localities right now.

ADUs are a small piece of the much larger puzzle.

Localities address affordable housing in many other ways that are in line with their unique needs and priorities.

- Urban Development Areas / Growth Areas
 - Infrastructure is in place and future growth is intentionally planned.
 - Compact development:
 - Increases housing stock and reduce the cost of construction.
 - Reduces the cost per linear foot of infrastructure increasing affordability.

Role of the General Assembly?

Locality discretion should be upheld regarding the decisions to permit Accessory Dwelling Units.

Local decision based on local conditions.

