

Summary of Estimates and Basis for Sites C1 and D1

Date: September 12, 2007

Executive Summary - Total second units estimate for C1 and D1:

Based on the estimates further described in this summary, there would be basis for estimating a total development of 42 second units from June 2007 through June 2013, both discretionary and ministerial, without any changes to existing municipal code and without additional steps to provide incentives for second units. Units approved and developed prior to June 2007, are included in Categories A and B on the site list.

C1 - Second units estimate – ministerial (no discretionary approval)

Estimate. Under existing zoning, secondary residential units are permitted within low-density residential districts without need for planning entitlements, as long as they meet the following conditions:

- Second unit conforms to the primary dwelling unit's setbacks, and if detached is no greater than 15 feet in height
- Second unit is a maximum of 500 square feet, including a maximum of 325 square feet of new living space (325 square foot maximum for detached unit)
- All other planning conditions related to lot coverage, open space, and parking requirements are fulfilled

With approximately 74% of the city's single-family lots (approximately 8,532 lots) at least six thousand square feet or more in size, there is great opportunity for the development of second units within low-density residential neighborhoods under existing zoning. Given the financial feasibility, developer/owner interest, and historical trends, staff finds that basis can be provided for an estimate of 18 additional ministerial units from June 2007 through June of 2013.

Basis.

Financial feasibility: Second units are an economical way for owners to gain a secondary independent unit on their property, usually costing about \$75,000 to \$90,000 per unit. Although this is often more affordable than purchasing a secondary house, or even buying a duplex to replace an existing single-family home, it is still a large investment for most households. Commercial loans provided by a private lender may be with a higher interest rate than households

can afford, but perhaps these costs can be outweighed by the income that can be generated with a second unit.

Developer/owner interest: Financial feasibility and opportunity indicate that owners might be able to afford a second unit, but owners may also determine that greater value is maintained on a lot by preserving its open space or the original unit's total square footage. Second units often either occupy existing open space on a lot or cut into square footage of an existing home, unless provided in existing unused attic space or through second story additions.

Historical trends: In 1995, the City estimated the existence of about 53 second units. Based on the City's trend of second units that produces an average of seven units per year, staff believes that approximately 42 additional second units can be justified up to 2013. This includes 18 ministerial units based on the current trend of an increase of 3 ministerial second units each year.

YEAR	SECOND UNIT ESTIMATE	RATE OF INCREASE
June 1995	53 second units	N/A
June 2007	137 second units	7 units per year (3 ministerial units per year)
June 2013	179 second units (an increase of 42 units)	Continued trend of 7 units per year

Staff assumptions. To augment existing data used above as a means of providing basis, the City commits to the following actions of encouragement for the development of ministerial second units:

- Commitment to streamline planning review for such a project.
- Commitment to continued outreach and public education to the owners of low-density residential lots about their ability to develop a second unit, including: a Focus article (city newsletter), creation of a webpage, and continued handout distribution at City Hall and other city offices.

Committee member notes/comments.

D1 - Second units estimate – discretionary (requires additional review)

Estimate. Under existing zoning, secondary residential units are permitted within low-density residential districts without need for planning entitlements, if they meet the conditions listed above for ministerial units. Over half of the secondary units that are approved or built each year are done so after a discretionary review is carried out and approval is granted. The majority of discretionary second units do not qualify as ministerial units due to one of both of the following factors:

- Second unit exceeds the maximum of 500 square feet, in particular the threshold that no more than 325 square feet of new living space be added.
- Addition of the second unit conflicts with other planning conditions related to lot coverage and floor area ratio maximums for the lot.

With approximately 74% of the city's single-family lots at least six thousand square feet or more (approximately 8,532 lots), there is great opportunity for the development of second units within low-density residential neighborhoods under existing zoning. Given the financial feasibility, developer/owner interest, and historical trends, staff believes that without additional actions *basis* can be provided for an estimate of 24 additional discretionary units through 2013.

Basis.

Financial feasibility: Second units are an economical way for owners to gain a secondary independent unit on their property, usually costing about \$75,000 to \$90,000 per unit. Although this is often more affordable than purchasing a secondary house, or even buying a duplex to replace an existing single-family home, it is still a large investment for most households. Commercial loans provided by a private lender may be with a higher interest rate than households can afford, but perhaps these costs can be outweighed by the income that can be generated with a second unit.

Developer/owner interest: Financial feasibility and opportunity indicate that owners might be able to afford a second unit, but additionally owners can determine that greater value is maintained on a lot by preserving its open space or the original unit's total square footage. Second units often either occupy

existing open space on a lot or cut into square footage of an existing home, but are not required to do either.

Historical trends: In 1995, the City estimated the existence of about 53 second units. Based on trends demonstrated since then that average about seven units per year, staff believes that approximately 42 additional second units can be justified up to 2013. This includes 24 discretionary units based on the current trend of an increase of 4 discretionary second units each year.

YEAR	SECOND UNIT ESTIMATE	RATE OF INCREASE
June 1995	53 second units	N/A
June 2007	137 second units	7 units per year (4 discretionary units per year)
June 2013	179 second units (an increase of 42 units)	Continued trend of 7 units per year

Staff assumptions. To augment existing data used above as a means of providing basis, the City commits to the following actions of encouragement for the development of ministerial second units:

- Commitment to streamline planning review for such a project.
- Commitment to continued outreach and public education to the owners of low-density residential lots about their ability to develop a second unit, including: Focus article, creation of a webpage, and handout distribution at City Hall.

Committee member notes/comments.

Options for Additional Steps to Promote Second Units

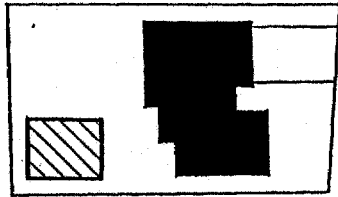
If the Steering Committee wanted to pursue increasing support for and the basis for more second units, additional steps would need to be taken that would decrease governmental constraints on the development of second units and would encourage feasibility and public education about the option to build a second unit. With additional steps, HCD would likely approve a higher estimate for the production of second units during this Housing Element period.

Options:

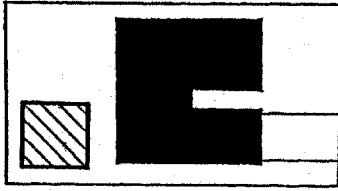
1. *Increase maximum threshold for ministerial units.* Second units that include the addition of more than 325 square feet of new living space or total more than 500 square feet require discretionary review by either staff or the Planning Commission. The average size of second units that have been built or approved since 2003 is 500 square feet, with a median size of 475 square feet. Often owners do not want to forfeit existing square footage to a second unit, but might consider developing a second unit that could consist of more new square footage. Should the threshold for ministerial approval be increased? (Development of the unit would still be subject to setbacks, lot coverage, parking requirements, open space requirements, etc.)
2. *Provide second unit plans at a reduced cost.* City staff could work with local architects to develop one to three drawings of plans for the development of second units on typical lots within Davis (example lot types shown in Attachment 1). Staff could use affordable housing funds to acquire the plans, and the City could attach affordability requirements to second units built with the plans. Alternatively, the second unit plans could be acquired with other city funds and individuals could be charged a reduced fee for using them, without any affordability requirements. Either method would result in ready-to-use plans being made more accessible to the public and ultimately reducing the cost of adding a second unit. The City could provide a blanket approval to the standard plans so that owners who choose to use the plans could receive planning approval ministerially. This program is similar to the City of Santa Cruz program. Additional information and sample plans for the Santa Cruz program are included in Attachment 2.

OPPORTUNITIES FOR SECOND UNITS ON SINGLE FAMILY LOTS OF DIFFERENT SIZES

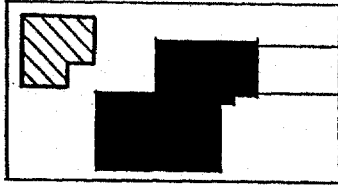
West Davis
Aspen Subdivision
6,900 sq. ft. lot



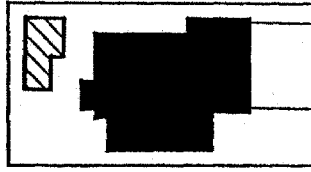
Central Davis
University Estates
6,820 sq. ft. lot



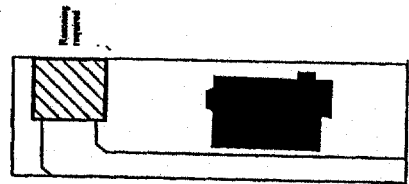
East Davis
Davis Manor / Slide Hill Park
6,600 sq. ft. lot



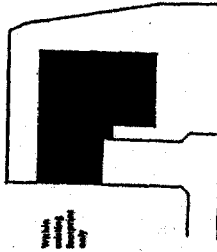
Mace Ranch
Mace Ranch Park No. 3
5,500 sq. ft. lot



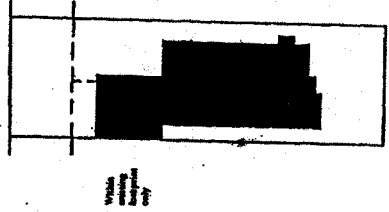
South Davis
Willowcreek
5,122 sq. ft. lot



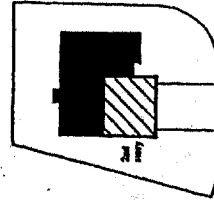
South Davis
Willowcreek
4,771 sq. ft. lot



West Davis
Aspen, Olympic Cottages
4,217 sq. ft. lot



Mace Ranch
The Cottages (condos)
3,550 sq. ft. land area



Example ADU Budget

Off Site Improvements	Water Service	3,500
Foundation	Grading/Excavating/Backfill/Compaction Concrete & Rebar, Anchoring	2,500 7,500
Framing	Studs, joists, rafters, sheathing, beams, headers, connectors	24,500
Plumbing	Rough Finish	2,500 900
Roofing	Asphalt shingle	3,500
Doors	Interior, exterior, shower encl.	3,500
Windows	Wood	4,500
Finishes	Drywall	3,250
	Carpeting	900
	Resilient Flrg	800
	Countertops (laminite)	750
	Cabinets	1,200
Metalwork	Ceramic Tile	1,200
	Painting (interior and exterior)	5,000
Mechanical	Piperail Guardrails (Int.) Gutters, downspouts	2,500 1,000
	Tankless Water Heater Gas Fired Wall Heaters Garbage Disposal	750 800 200
	Allowance	500
Total Preliminary Estimation of Construction Cost		\$76,000

This table shows an example construction budget for a 500 SF ADU. In addition to construction budgets, a home owner needs to consider other types of costs such as permit fees, insurance, professional design or engineering services, or financing costs. These can add up to over 30% of the construction cost. It is important to do the research on these other costs when planning your project.

See the Appendix for a list of other permits and fees.

Prototype: Detached ADU over Existing Garage

Key Features:

- Preserves and reuses existing garage and driveway.
- Private deck and yard for ADU.
- Dining and living room spaces have sliding windows that open to visually expand rooms to the outdoors.
- Provides for architectural variations to match existing house or unique architectural expression.
- The plan can be rotated to accommodate utility connections or alley access.

Site Plan

This Prototype demonstrates how an ADU can be constructed over the top of an existing detached two-car garage located at the rear of the lot. Your existing garage may be built too close to the property line. Two-story ADUs have to be built at the minimum setback, which is 5' in Santa Cruz. This plan offsets the ADU over the garage providing the necessary side yard setback. The ADU and owner share the same driveway and split the backyard. The ADU has a private deck and small yard at the back.

Floor Plan

The one bedroom plan orients the public spaces (living, dining and kitchen spaces) towards the front driveway and private spaces (bath and bedroom) towards the rear. Dining and living spaces have large operable windows that expand the visual space of these

rooms to the outdoors. The plan

includes tenant storage at the lower level adjacent to the deck.

Context Issues

The site illustrated is in an older neighborhood that has experienced higher density apartment infill. Many of the backyard spaces have already been developed with garages or apartments. The ADUs outdoor spaces and windows are oriented into the back yard of the house. This protects the privacy of neighbors and tenants.

Potential Variations

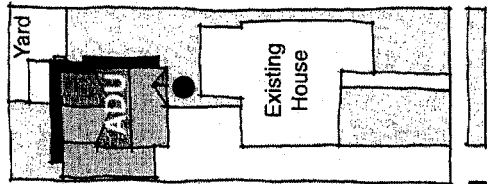
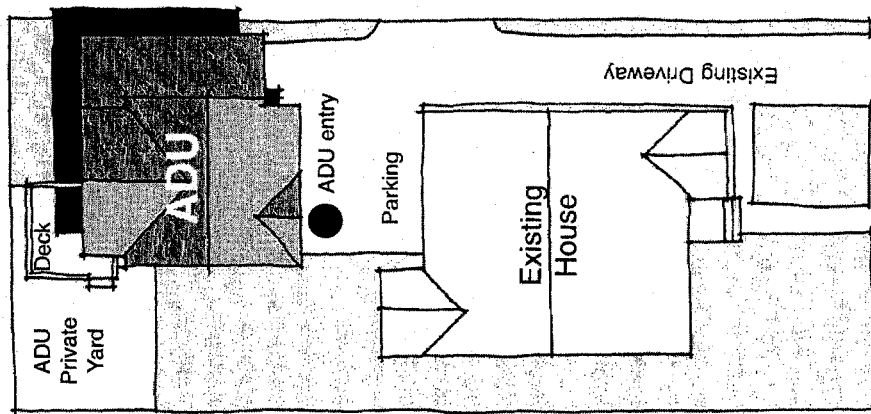
The plan is flexible and can be rotated and flipped to accommodate right, left or rear access to the garage. The alley access variation presents itself as though the alley is a traditional residential street with a porch and front yard. The porch can be deleted or expanded depending on the site. Architectural variations could include traditional styles or contemporary expressions. Key to either approach will be the consistency of the new ADU and the existing garage in terms of materials, windows, and proportions.

"Green" Features

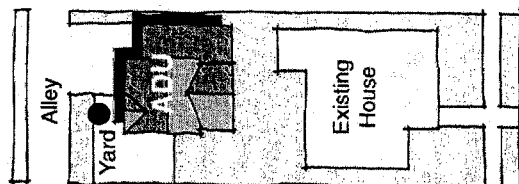
The plan also demonstrates opportunities to include "green" features such solar panels on the garage roof and rainwater collection and storage under the ADU deck.

Site Plan

These illustrations show the overall site layout for the Prototype. Below is the "base case" option. To the right are variations of a reversed plan and rotated plan to address access from an alley.

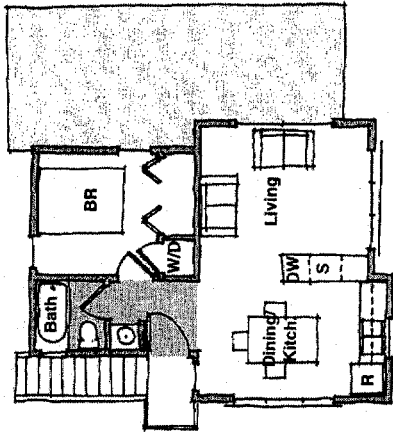


Reverse Plan Option

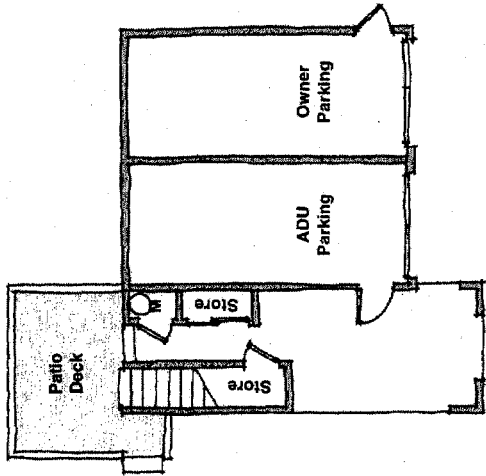


Alley Access Option

Floor Plans



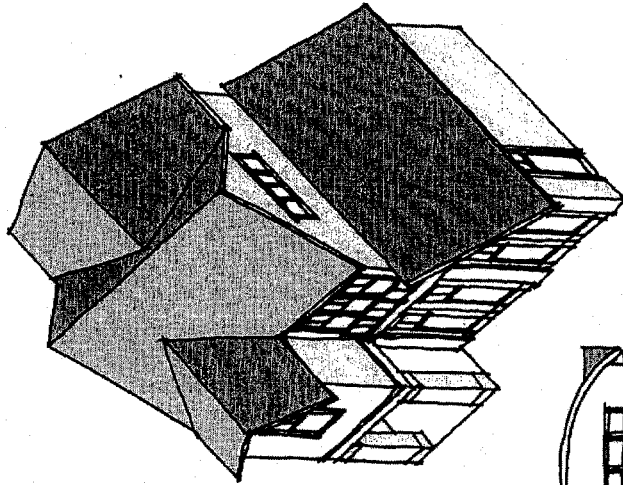
Upper Level • ADU



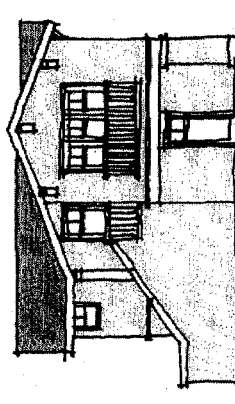
Ground Floor • Parking

Massing

Right: This drawing illustrates the shape of the roof and orientation of the ADU. You can see how the garage roof steps down towards the property line and windows are facing towards the main house or interior of the lot, away from the neighbors.

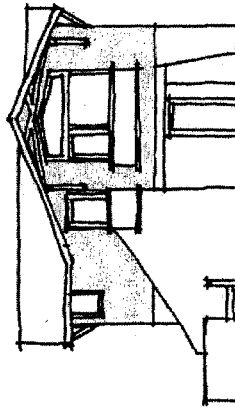


Elevations



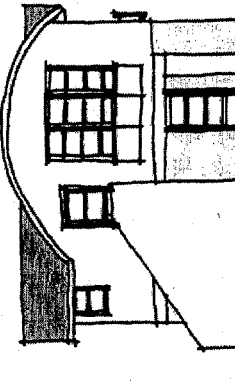
Traditional Example

South Elevation



Contemporary Example 1

East Elevation



Contemporary Example 2

West Elevation

North Elevation

Left: These illustrators show three styles of design. You can take the same plans and develop elevations that match your home, fit the neighborhood or esthetic preferences.

Left: These sketches illustrate all four elevations of the ADU Traditional Example. Window placement reflects the need for privacy, sun access and views.

Prototype: Detached ADU over New Garage

Key Features:

- Lower level has parking, workshop and studio space.
- Unit faces away from neighbors.
- Includes garage parking under the ADU.
- Private rear yard for ADU and shared patio.
- Provides for modern expression with open plan and high ceilings.
- Dining and living room spaces have sliding windows that visually expand rooms to entry deck.
- The plan can be rotated to accommodate utility connections or alley access.

Site Plan

This Prototype demonstrates how an ADU can be constructed in a rear yard reusing an existing driveway. The building requires a five-foot side yard setback and a 20' rear yard setback. The rear setback is accessible via a rear garage door and can be used as a private yard for the ADU or an extended workspace for the workshop or studio.

Floor Plan

The one bedroom plan orients the public spaces (living, dining and kitchen) towards the front driveway and private spaces (bath and bedroom) towards the rear. Dining and living spaces have large operable windows that expand the visual space of these rooms to the outdoors. The plan creates a lower level that is useable for both owners and tenants. A studio

space opens on to a patio space and there is a shop and laundry room.

Context Issues

The site illustrated is in an older neighborhood with a mix of house sizes and styles. Most of the houses have parking located behind the house. Many of the backyard spaces have already been developed with garages or additions. The ADUs outdoor spaces and windows are oriented into the back yard of the house. This protects the privacy of neighbors and tenants.

Potential Variations

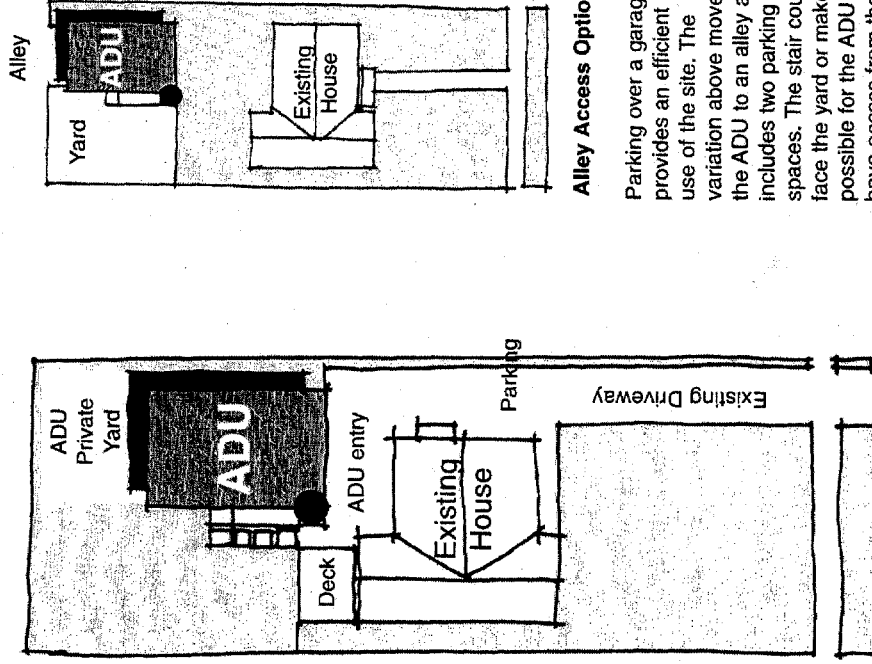
The plan is flexible and can be rotated and flipped to accommodate right, left or rear access to the garage. The alley access variation presents itself as though the alley is a traditional residential street with a porch and front yard. The porch can be deleted or expanded depending on the site. Architectural variations could include traditional styles or contemporary expressions. Key to either approach will be the consistency of new the ADU and the existing garage in terms of materials, windows, and proportions.

"Green" Features

The plan "scoops" light and breezes with its hood-shaped form. It has opportunities to include "green" features such solar panels on the roof (works best when roof is oriented south) and renewable and recycled materials.

Site Plan

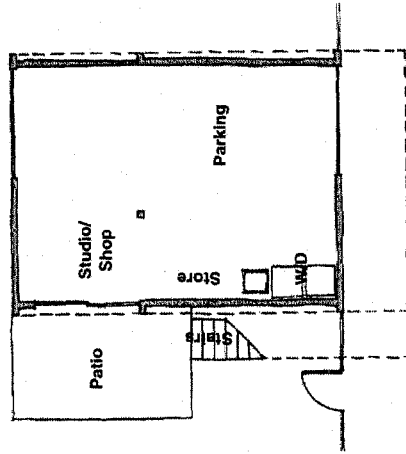
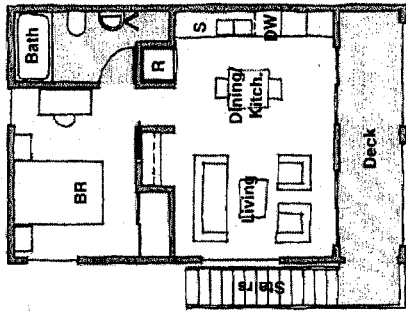
These illustrations show the overall site layout for the prototype. Below is the "base case" option. The ADU is located behind the existing house and provides access to the garage from the existing driveway. To the right is a variation. It shows the ADU rotated towards an alley at the rear of the lot.



Alley Access Option

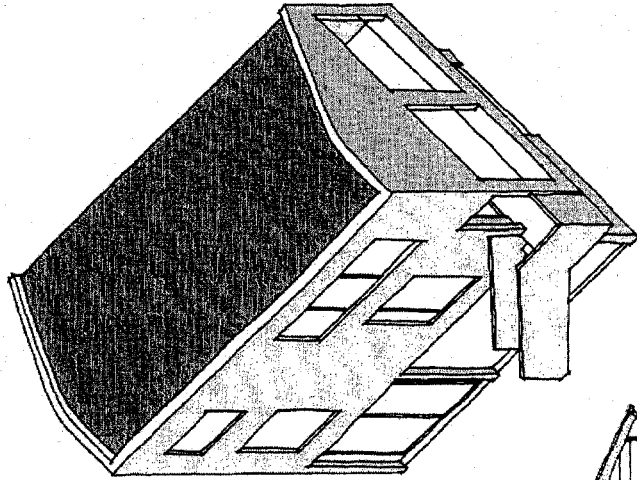
Parking over a garage provides an efficient use of the site. The variation above moves the ADU to an alley and includes two parking spaces. The stair could face the yard or make it possible for the ADU to have access from the alley.

Floor Plans

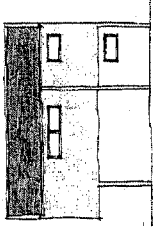
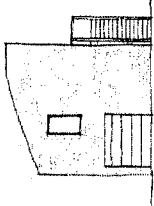
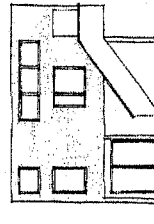
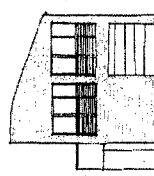
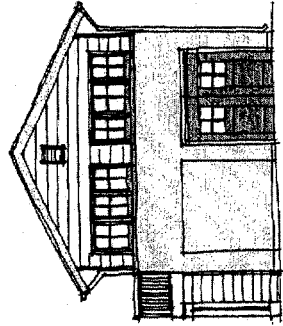
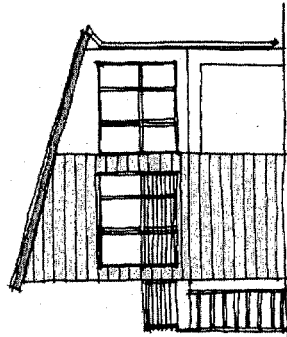
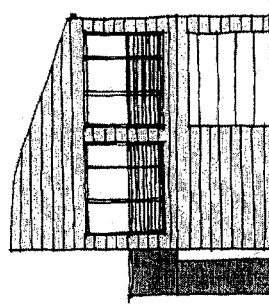


Massing

Right: This drawing illustrates the shape of the roof and orientation of the ADU. You can see how the roof steps down towards the side property line and windows are facing the back yard and driveway, away from the neighbors.



Elevations



Left: These illustrations show three styles of design. You can take the same plans and develop elevations that match your home, fit the neighborhood or esthetic preferences.

Left: These sketches illustrate all four elevations of the ADU Contemporary Example. Window placement reflects the need for privacy, sun access and views.