



CITY OF BURLINGTON, VERMONT
**CITY COUNCIL COMMUNITY DEVELOPMENT &
NEIGHBORHOOD REVITALIZATION COMMITTEE**
c/o Community & Economic Development Office
City Hall, Room 32 • 149 Church Street • Burlington, VT 05401
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Councilor Brian Pine, Chair, Ward 3

Councilor Adam Roof, Ward 8

Councilor Karen Paul, Ward 6

Thursday, February 7th, 2019
5:30 –7:30 PM
City Hall, Conference Room 12

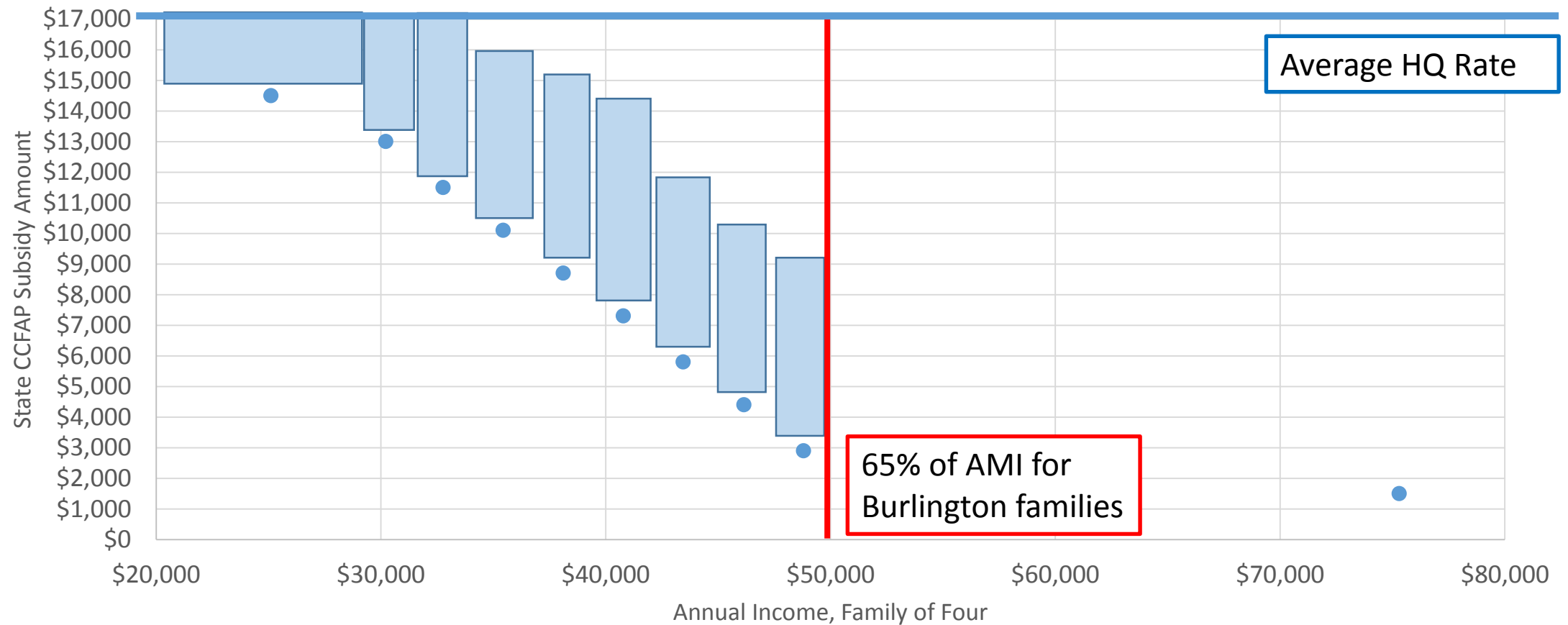
Draft Agenda

1. Review Agenda (5 minutes)
2. Public Forum (10 minutes)
3. Early Learning Initiative Update (45 minutes) - Brian Lowe, Chief Innovation Officer
4. Housing Action Plan Item V.2 - Review Accessory Dwelling Units – Presentation (30 minutes) – Ian Jakus, Projects & Policy Specialist - Housing, CEDO; Meagan Tuttle, Comprehensive Planner, Planning & Zoning

Burlington Early Learning Scholarship Model

Slides for CDNR Meeting
February 7, 2019

ELI Scholarship: Helping Families & Centers



Building on a successful pilot year, ELI will double the children it serves over 2 years

4 Years of ELI

	Year 1	Year 2	Year 3	Year 4
Capacity Building Grant	\$460,000	\$210,000	\$105,000	\$55,000
Scholarship	0	\$210,000	\$315,000	\$365,000
# of scholarships	N/A	26	43	52
Total	\$460,000	\$420,000	\$420,100	\$420,000

Family outreach and support

- Collaborate with key community/family agencies to identify potential scholarship applicants (February)
- Connect with families to review scholarship guidelines and eligibility criteria (February-April)
- Provide support with scholarship application process and determining documentation needed for income verification (March)
- Work with CCR to ensure families are successful in completing the CCFAP application process (August)
- Provide support with program enrollment paperwork (August)

Scholarship Selection Process

- Applications received by April 5, 2019 will be reviewed by CEDO for age and income eligibility and verification of residency
- After initial review, eligible applications will be submitted to lottery
- Applicants not eligible will be referred to other resources (economic services, family room, UVMMC family and children's services)
- 26 eligible applications will be randomly selected by lottery
- Remaining eligible applicants will be placed on a waiting list
- If funds are available to support additional scholarships, they will be made available to applicants on the waiting list
- If waiting list is exhausted, scholarships will be awarded on a first come first serve basis
- Scholarships are awarded for one year with an annual renewal process.

Burlington ELI Scholarship Program Evaluation Matrix

	How much?	How well?	Better off?
ELI	# of scholarships provided	% increase in CCFAP applications % increase in CCFAP participation	# of new (income eligible) children in HQ child care
Administrator	# of scholarship applicants	% applicants that get scholarship	Programs and families get matched Programs get paid on time, and satisfied
Programs	# of slots for scholarship kids # of slots reserved for scholarship	% of scholarship kids who get a space % of reserved slots enrolled	Full enrollment with CCFAP mix Perception of impact of scholarship on families Revenue
Families	# of days attendance (or % of planned days attendance)	% enrolled full year (or until age 3)	Health/well-being (econ, social...) Child goes to PreK
Capacity grantees	# infant/toddler slots created		SF training Food program Program financial stability Specialized care Developmental screening/registry

Example: Family Room & City Outreach

- Critical partner to include – knowledge, connections, comfortable space
- Connection between families and the scholarship opportunity
 - Help identify families that are eligible and could benefit in normal business
 - Use Family Room space to help keep families comfortable
 - Potentially lower translation barriers
- Primary times of engagement: March and August 2019

To: CDNR Committee

From: Ian Jakus, Projects & Policy Specialist - Housing, CEDO; Meagan Tuttle, Comprehensive Planner, P&Z

Date: 2/6/2019

Memo re: Housing Action Plan Item 5.2 - Review Accessory Dwelling Units

In response to the Burlington Housing Action Plan (HAP) this draft whitepaper reviews the role of Accessory Dwelling Units (ADU's) in producing new housing units and allowing an aging population to remain in their homes, taking into account ways to mitigate abuses of these types of units.¹ The whitepaper analyzes the potential benefits and concerns that are specific to Burlington, drawing off of best practices nationally for ADU policy efforts, for which there is much precedent. As directed this work has been done by CEDO in collaboration with P&Z, and it is a good example of the regular collaboration required by these two departments.

Based on the packed house for the recent ADU workshop sponsored by HomeShare VT and AARP, which CEDO and P&Z participated in, many Burlington residents are interested in the idea. It is one of the rare housing tools that provides benefits for homeowners, renters, and policymakers alike:

- ADU's can create additional housing units without the overhead of large development projects that require large plots of land, and they are often rented at affordable prices.
- They allow for increased housing choices in the lowest density areas of a city and have a minimal design impact on neighborhood character.
- For the homeowner they provide additional income and/or more flexible living arrangements to meet the needs of multi-generational families including older adults interested in aging at home.

The paper includes a comprehensive review of the 43 ADUs that have been permitted in Burlington through the end of June of 2018 including a map and case studies. It explores the potential impacts of and common concerns about ADUs by neighborhood residents in Burlington. Concerns often revolve around impacts in neighborhoods where students live and short-term rental use. There is little indication that these concerns have borne out in Burlington at this time based on the data in Burlington, likely because they require owner occupancy of the property.

In addition an anonymous survey of ADU owners was undertaken to get feedback on key issues such as why they built the ADU, how they are using it, and their experience throughout the development process. The survey revealed that the primary motivation for building an ADU was to produce rental income or to house aging family members. Most owners felt that the zoning and permitting process was too complex, especially when going through the Development Review Board, and desired additional assistance through an ADU guide as well as greater assistance from city staff. Most respondents financed their ADUs with cash or by borrowing money from family members.

¹ The same HAP item asks for a thorough review of micro-housing, typically defined as independent housing units that are significantly smaller than the standard studio that can be built into a multifamily building, or 'tiny home' style independent housing units. For the sake of clarity micro-housing will be reviewed separately

The recommendations offer a number of options that the City and/or its partners can take to make ADU's easier to create, and identifies additional recommendations that will encourage production of and offer protections for ADU's. The recommendations outlined here are based on primary information collected about ADUs in Burlington as well as best practices around the country.

1. Clarify & Provide Consistency in Permitting for ADU's

- a. Develop detailed design guidelines for compatibility of the ADU with the primary unit would help in interpreting the regulations, and additional changes to dimensional standards should be considered as necessary
- b. Allow for administrative review of all ADU permit applications that meet the requirements
- c. Eliminate the parking requirement

2. Non-Regulatory Efforts to Reduce Barriers

- a. Create a how-to guide that will walk a homeowner step-by-step from design to construction and use of the ADU
- b. Additional resources may be offered such as in-person technical assistance, financial incentives such as fee waivers, or a pilot program to offer grants or loans in exchange for rental affordability restrictions
- c. Brattleboro Area Affordable Housing (BAAH) offers grants for ADUs through its Apartments in Homes program and has helped construct over 50 ADUs. CEDO in partnership with HomeShare VT and BAAH recently submitted a concept paper to the VHCB Innovation Fund for a pilot ADU program in Burlington including the development of a how-to guide and design prototypes.

3. Reduce Potential Impacts and Prevent Abuse

- a. Establishing design guidelines to ensure that ADUs will not be out of character with the primary home and neighborhood
- b. Establishing requirements and review criteria for short-term rentals
- c. Better tracking data on ADU development to assess impacts on an ongoing basis.

Next Steps:

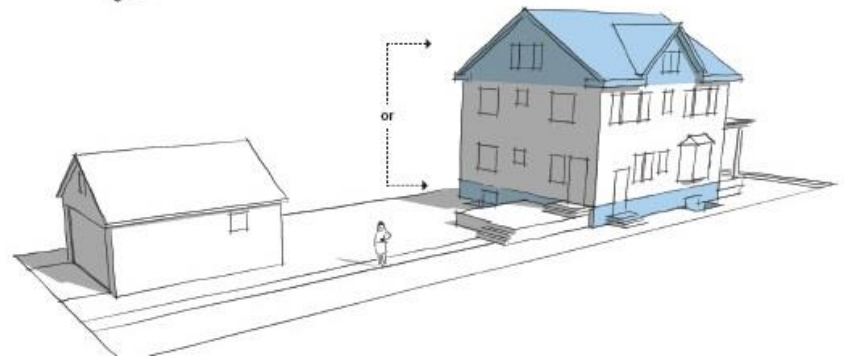
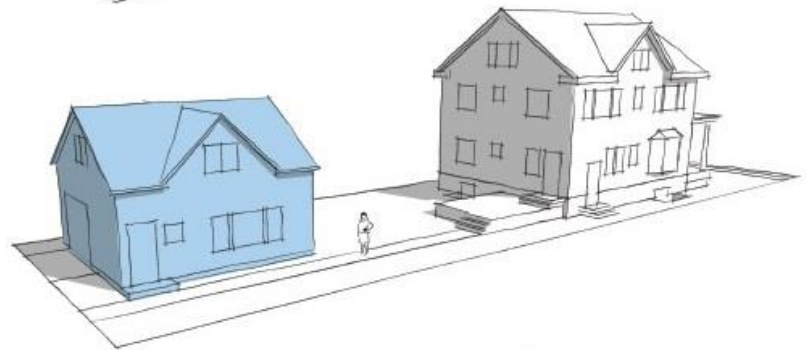
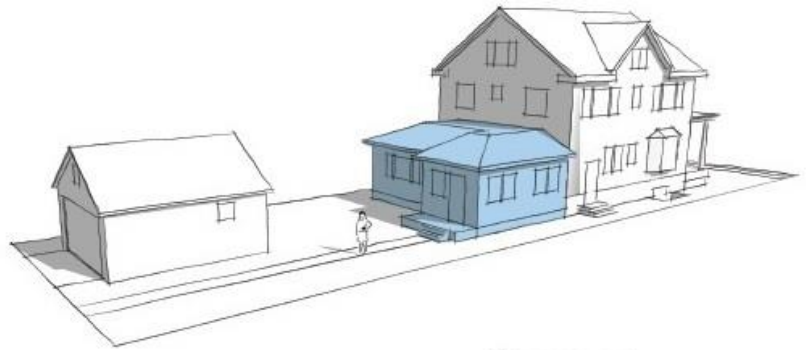
Short Term

- Develop an 1-2 page ADU guide and website landing page based on the current ordinance.
- Develop an ADU pilot program in collaboration with HomeShare VT based on the grant application submitted to VHCB, for \$75,000 over three years, including up to \$50,000 of CDBG funds for grants/loans for ADU development.
- Begin work with CDNR Committee and Planning Commission to consider ordinance changes.

Longer Term

- Establish Design Guidelines and a more comprehensive, step by step ADU Guide.
- Examine the role of Air BnB in the housing market, and in relation to ADU's.
- Establish basis for tracking ADU's on an ongoing basis, and examining barriers and report back.

ACCESSORY DWELLING UNITS IN BURLINGTON



CEDO

2/7/2019

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Cover Image: <http://www.startribune.com/right-to-build-accessory-dwelling-heads-to-minneapolis-council/282303781/>

Executive Summary

In response to the Burlington Housing Action Plan (HAP) this whitepaper reviews the role of Accessory Dwelling Units (ADU's) in producing new housing units and allowing an aging population to remain in their homes, taking into account ways to mitigate abuses of these types of units.¹ In October 2015, Burlington City Council adopted the HAP, which contains 22 strategies for building a more affordable, inclusive, livable, walkable, sustainable and vibrant community. This whitepaper is intended to spur a discussion about the role of ADU's in Burlington's housing market, currently and in the future. As outlined in the HAP it examines ways in which their implementation could be improved or incentivized.

ADU's (also referred to as granny flats, accessory apartments, carriage houses, laneway houses, or backyard cottages) are commonly defined as independent housing units created within single-family homes or on their lots. Burlington's *Comprehensive Development Ordinance* defines an Accessory Dwelling Unit as "an efficiency or one-bedroom apartment that is clearly subordinate to the primary dwelling, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation where the owner can live in either dwelling".²

The paper is broken up into three sections; [Section I](#) examines ADUs based on national research and best practices addressing the benefits and perceived impacts of ADUs; [Section II](#) examines ADUs as they currently exist in Burlington based on a thorough review of permitting records and a survey of ADU owners; [Section III](#) offers an outline of potential next steps based on the research. [The Appendix](#) includes a range of resources for more information on best practices.

ADU Benefits

The benefits of ADUs are well known in cities around the Country, as they are a popular tool to increase housing options in many urban areas that are now facing a shortage of affordable housing. Numerous cities from Seattle to Austin and Boston to Boulder have newly created or overhauled ADU ordinances to encourage their use. Due to their decentralized nature, ADU's can create additional housing units without the overhead of large development projects, and often are rented at affordable prices. They allow for increased housing choices in the lowest density areas of a city, such as those zoned for single-family detached housing. For the homeowner they provide additional income and/or more flexible living arrangements to meet the needs of multi-generational families including older adults interested in aging at home. They have the added benefit of making a minimal design impact on neighborhood character compared to other development options.

Barriers to ADU development and best practices for incentivizing ADU's

While there are often concerns about efforts to enhance ADU development, few cities have succeeded in overcoming the extensive barriers that exist which keep ADU housing production at a marginal level. In determining ADU regulations, cities must determine the right balance between mitigating potential impacts and creating unintended barriers to ADU development. Cities often take a conservative

¹ The same HAP item asks for a thorough review of micro-housing, typically defined as independent housing units that are significantly smaller than the standard studio that can be built into a multifamily building, or 'tiny home' style independent housing units. For the sake of clarity micro-housing will be reviewed in a separate whitepaper

² CDO Sec 5.4.5

approach, at least initially, and many go through subsequent iterations to tweak the process or encourage ADU development.

The biggest barrier to ADU development is the complexity of the development process for someone who may lack experience or knowledge of it. ADU development involves designing the unit; navigating zoning, permitting and code requirements; obtaining financing; and managing contractors. Thus, in order to increase ADU development, city regulations need to be simplified and additional resources for technical assistance are often required. Many cities have undertaken reviews of their ADU policies, similar to this whitepaper, to understand how the policy is performing and how it could be improved. Additionally, some cities and states have provided ADU guides and online resources to help with navigating the process, as well as technical assistance programs that help with multiple stages of the ADU development process. An examination of best practices for regulatory approaches, helpful resources, and other assistance programs are explored in [Section 1.E](#).

ADU Development in Burlington

Vermont passed legislation enabling single-family homeowners to add an accessory dwelling unit (ADU) to their property in 2005, and the City of Burlington further refined the rules in 2008 and 2013. This paper includes a comprehensive review of the 43 ADUs that have been permitted in Burlington through the end of June of 2018. The ADUs in Burlington range widely in size, cost, location and type, but are predominantly located in the New North End and the Hill Section neighborhoods. With the average cost of an ADU around \$50,000 and many detached ADU's costing well over \$100,000 in Burlington, many are not budget builds; however, there are examples of low cost ADU construction in Burlington and elsewhere. In Burlington the most common type of unit is built within the existing primary home, such as in a basement or above a garage. The second most common type is a detached ADU in either a 'backyard cottage' style or as part of a detached garage, and these are the most expensive.

This paper also explores the potential impacts of and common concerns about ADUs by neighborhood residents in Burlington. Concerns often revolve around impacts in neighborhoods where students live and short-term rental use. There is little indication that these concerns have borne out in Burlington at this time based on the data analyzed in this paper. Nuisance violations are not prevalent at properties with ADUs, likely because they require owner occupancy of the property. Short-term rentals are currently allowed with the proper permits, but a survey of permitted Burlington ADU owners indicates most rentals are being used for family or long-term rentals. [Section 1.C](#) more fully explores these issues and potential strategies for mitigating impacts.

An anonymous survey of ADU owners was undertaken to get feedback on key issues such as why they built the ADU, how they are using it, and their experience throughout the development process. The survey was sent to the owners of the 35 ADUs that had been permitted as of March 2017 yielding 19 responses. It revealed that the primary motivation for building an ADU was to produce rental income or to house aging family members. Most owners felt that the zoning and permitting process was too complex, especially when going through the Development Review Board, and desired additional assistance through an ADU guide as well as greater assistance from city staff. Most respondents financed their ADUs with cash or by borrowing money from family members.

Recommendations

As outlined in the Housing Action Plan, this paper provides recommendations regarding the ‘incentivizing’ ADUs and establishing clear protections that ‘prevent abuse of this type of unit’. The recommendations offer a number of options that the City and/or its partners can take to make ADU’s easier to create, and identifies additional recommendations that will encourage production of and offer protections for ADU’s within policy considerations for all housing types. The recommendations outlined here are based on primary information collected about ADUs in Burlington as well as best practices around the country.

Clarify & Provide Consistency in Permitting for ADU’s

As discussed, the survey responses contained concerns about the complexity and length of the zoning and permitting process. Currently in Burlington many ADU’s require review by the Development Review Board (DRB). This can be a much longer and more complex process that may deter some people from pursuing construction of an ADU. This is not unusual as many communities initially opt to make ADU’s subject to conditional review boards out of caution, but subsequently streamline the process with design guidelines. Detailed design guidelines for compatibility of the ADU with the primary unit would help in interpreting the regulations, and could allow for more administrative review of ADU permit applications that meet the requirements.

Non-Regulatory Efforts to Reduce Barriers

Beyond the regulations, there are many strategies the City and its partners can pursue to educate homeowners on the benefits of ADUs. Most commonly this takes the form of a how-to guide that will walk a homeowner step-by-step from design to construction and use of the ADU. Additional resources may be offered such as in-person technical assistance, financial incentives such as fee waivers, or a pilot program to offer grants or loans in exchange for rental affordability restrictions. These models do exist in several cities, including Brattleboro, VT through Brattleboro Area Affordable Housing, which offers grants for ADUs through its Apartments in Homes program. Brattleboro, a city one quarter of the size of Burlington, has seen over 50 ADUs since the statewide ADU legislation was enacted.

Reduce Potential Impacts and Prevent Abuse

While some residents may have concerns over incentivizing ADU development, there are strategies in other places the City may want to consider to reduce potential impacts and prevent abuse. In Burlington, ADUs are only permitted on properties that are owner-occupied, which provides a greater level of oversight and management if the unit is rented to a non-family member. Additional steps could include: establishing design guidelines to ensure that ADUs will not be out of character with the primary home and neighborhood; establishing requirements and review criteria for short-term rentals, and better tracking data on ADU development to assess impacts on an ongoing basis.

Section I. Accessory Dwelling Units: Benefits, Impacts, Best Practices

A. Introduction

The City of Burlington adopted the *Housing Action Plan (HAP)* in 2015, which contains 22 strategies to address the inadequate supply of housing for low- and moderate-income households. The strategies aim to expand housing options of all types for residents of all incomes resulting in a more affordable, inclusive, livable, walkable, sustainable and vibrant community. *Table 1* outlines the five major topic areas that the *HAP*'s 22 strategies address. This whitepaper specifically addresses Section 5.2 of the *HAP*, which calls for a review of Accessory Dwelling Units (ADU's) by the City's Community & Economic Development Office in consultation with the Planning & Zoning Department and directs City staff to "evaluate the consequences of incentivizing this kind of construction and establish clear protections that prevent abuse of this type of unit."³

ADU's are not a new concept. Carriage houses, basement apartments, and alley flats have long been a part of urban America, including here in Burlington. They fell out of favor in the latter half of the 20th century as people moved out of cities in search of cheaper suburban development. ADU's have regained popularity as a desire for more urban living has increased, and homeowners seek ways to offset housing costs, remain in their homes as they age, or care for an elder or dependent.

An additional contributor to their popularity is the 'tiny home' movement. Tiny homes utilize efficient design to maximize a space much smaller than a typical single-family home. While an ADU can be designed as a 'tiny home' (in the case of a backyard cottage, for example), a 'tiny home' is not always an ADU. This is because tiny homes often times function as single-family homes. The Housing Action Plan called for a review of micro housing as part of this analysis, this paper focuses exclusively on ADU's so as not to confuse the two housing types, and to provide the required focus on ADU's which may have a wider application in Burlington.

In Vermont, ADU's are permitted in single-family, owner-occupied properties as a matter of law.⁴ Burlington's *Comprehensive Development Ordinance* defines an Accessory Dwelling Unit as "an efficiency or one-bedroom apartment that is clearly subordinate to the primary dwelling, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation where the owner can live in either dwelling".⁵ ADU's may be constructed anywhere within an existing dwelling, commonly in the basement, or as an addition, over a garage, or as a separate building. *Figure 1* illustrates common ADU configurations, all of which are permitted in Burlington.

The ADU functions and is regulated differently than a duplex. Based on its physical relationship to the principle dwelling – ADU's are limited to 30 percent of the total habitable floor area of the building, inclusive of the ADU, and are dependent on the primary single-family home. A duplex can be larger than this where permitted and the two units can be entirely independent from one another. A property with an ADU maintains its single-family status by requiring the owner to live in either the primary home or the ADU. Besides having less stringent dimensional requirements than a multi-family unit, the ADU does

³ https://www.burlingtonvt.gov/sites/default/files/u107/Housing%20Action%20Plan_0.pdf

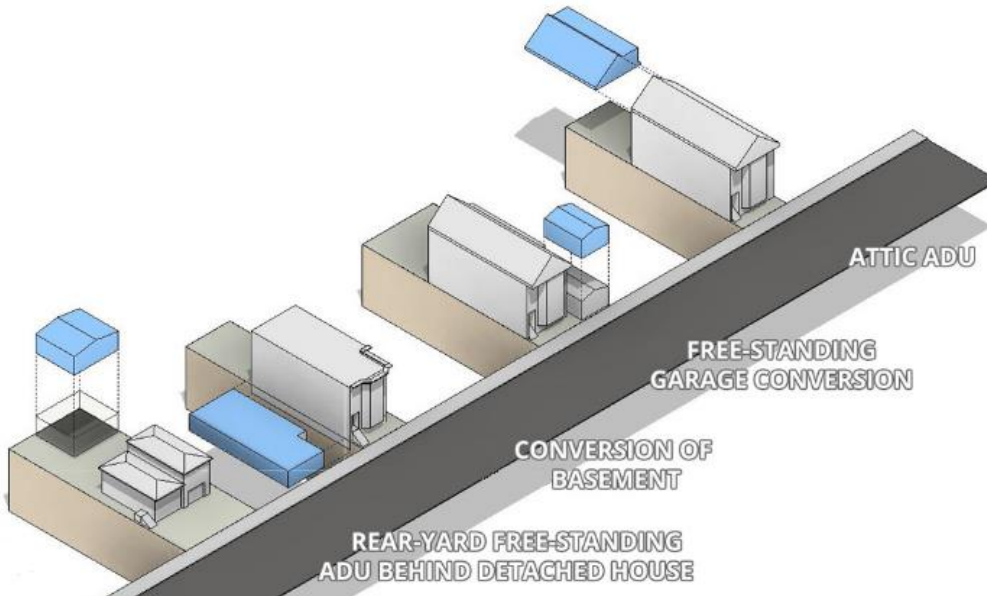
⁴ 24 V.S.A. § 4412 <https://legislature.vermont.gov/statutes/section/24/117/04412>

⁵ CDO Sec 5.4.5

not necessarily require separate metered utilities. However, if rented, it does still require registration and minimum housing compliance as a rental unit under the City's Rental Registration Program.

Depending on their size, location, and materials, the design and cost of ADU's can vary greatly. Based on a review of literature regarding ADU's and an analysis of ADU's constructed in Burlington, an accessory unit could be created for as little as \$5,000 within an existing dwelling, while an upscale 'backyard cottage' detached ADU could cost over \$100,000. Examples of different ADU types that have been constructed in Burlington are included in [Section II B](#).

Figure 1: Examples of Common ADU Configurations and Locations



Source: [San Francisco ADU Handbook](#)

Figure 2: Example ADU – 'Tiny Infill House' Brattleboro, VT (cost ~ \$34,000 (Not including DIY labor))



Source: <https://www.pyhabitat.org/wp-content/uploads/2017/09/Brattleboro-Vermont-Tiny-Infill-House-1.pdf>

Figure 3 (Left): Example of a finished detached ADU in Portland Oregon

Figure 4 (Right) : Example of a basement ADU



Source: <https://accessorydwellings.org/category/projects/>

B. Benefits of Accessory Dwelling Units

ADU's have become a favored infill housing type with many policy makers and homeowners alike. Their flexible nature can serve the changing needs of a household over the lifespan of homeownership. For example, an ADU may be used as a home for an owner to remain in their neighborhood as they age, or as a rental unit that can provide income to offset increasing cost of living. *Figure 5* illustrates an ADU that begins as a rental unit. Eventually, the ADU becomes the primary residence for the homeowner as the owner's adult children move into the main dwelling. It is this flexibility, to serve as an income producing rental, extra space, or as a home for family members, that make ADU's a beneficial housing choice for some homeowners.

Figure 5: ADU use by homeowner changes over time

Accessory Dwelling Units

■ LIVE
■ RENT



Source: <https://hammerandhand.com/>

ADUs can help meet the demand for small housing types for many demographic groups, young and old alike. They can accommodate small families and couples who do not need the extra space that a larger family might require and who desire easy access to amenities. They can also provide much needed housing for older adults to age in their community, with accessible units and services nearby. ADUs are often considered to be a form of affordable housing. According to a recent Urban Land Institute survey

of ADU owners in Vancouver, Seattle, and Portland, the majority (58%) of ADU's were rented for below market rates.⁶

City governments around the country are supporting ADU development because they facilitate efficient use of existing housing stock and infrastructure, helping meet the demand for housing in existing neighborhoods, and do not require zoning changes that could change a neighborhood's scale. ADU's can be designed to conform with the surrounding architecture, maintaining compatibility with established neighborhoods and preserving community character.⁷ They also support sustainability goals as they tend to be energy efficient, require little or no additional land use, and when located in established neighborhoods, can provide access to jobs, services, and transit.

C. Potential Impacts of ADUs

While ADU's provide many benefits, nearby residents often have questions and concerns about their potential negative impacts to a neighborhood. Common concerns include potential impacts on neighborhood character – both physical and quality of life, parking, use as a short-term rental, and the effect on home values. This section expands on these common concerns and presents information, where available, regarding whether or not these impacts have been realized in Burlington, and identifies potential ways to mitigate the issue.

Concern: ADUs will change neighborhood character

A common concern is that ADU's will change the character of a single-family neighborhood. Character can be defined in two ways—the physical form of the built environment, and the infrastructure and quality of life associated with different neighborhood scales. Because they are accessory, they are only a minor change to existing buildings or the level of activity. ADU's are dependent upon the square feet of the primary home, and thus operate within the existing scale and character of a residential neighborhood.

Another aspect of neighborhood character is the concern with nuisance impacts such as parking, noise, and resident density. In Burlington, this concern is especially acute in neighborhoods with a higher concentration of student residents. Currently, however, an owner of a single-family home wishing to add an ADU must demonstrate that either the primary structure or the accessory unit will be the owner's primary residence. This is intended to result in a higher level of responsibility for managing the property's condition and limiting potential nuisance issues. In Burlington as well as many cities across the country, the occupancy of an ADU is limited to only 2 adults, ensuring that a large number of unrelated individuals will not be occupying them (in contrast to a duplex which could contain up to 4 unrelated).

Regarding potential parking issues, ADU's around the country have not been found to have demonstrable impacts on parking in neighborhoods. In Burlington, impacts to neighborhood parking resources are mitigated due to the requirement that an ADU include an off-street parking spot. Of the

⁶ http://ternercenter.berkeley.edu/uploads/ADU_report_4.18.pdf

⁷ <https://www.huduser.gov/portal/publications/adu.pdf>

ADU's permitted in Burlington, few have requested a waiver from the Development Review Board to forego this requirement.

Regulatory protections put in place to address concerns seem to be successful. An analysis of the last five years of data from the Code Enforcement Office has demonstrated that there were not any nuisance ordinance complaints from 2012-2018 for properties with ADUs. The most common zoning complaint was about an illegal housing unit or an unregistered rental but there were no issues related to parking, trash or maintenance (the complaints common to neighborhoods with a high number of student renters).

Potential Additional Protections: As noted above, impacts to neighborhood character resulting from ADU's do not seem to be evident in Burlington. However, one additional protection that the City may consider is the provision of design guidelines for ADU development. This could be included within a technical resource that details ADU design, funding, permitting, and construction. Examples of design guidelines are included in the resources section of the appendix.

Concern: ADUs will be used as short-term rentals (i.e. Air BnB)

In this white paper, a short-term rental is defined as a unit with a rental term of less than a month. Concerns regarding short-term rentals are twofold: 1) potential nuisances to the neighborhood, such as unknown guests coming and going and 2) the impact that short-term rentals may have on the availability and cost of long-term rental or permanent housing units. Renting an ADU for short-term purposes may assist a homeowner with income to offset housing costs, which is one of the intended benefits of ADU development. However, this becomes problematic if the potential for profit from the use of an ADU exclusively as a short-term rental drives ADUs to become more widely available as short-term units than as longer term housing opportunities.

Many communities have difficulty identifying how many ADUs are being used for short-term rentals. In a survey of ADU owners in three of the fastest growing ADU markets (Portland, OR; Seattle, WA; Vancouver, BC), the Urban Land Institute (ULI) found that 40% of ADU's are occupied by family or friends, and only 12% are used for short-term rental purposes, such as AirBnB. Additionally, 60% of ADU owners reported that the unit is either currently or will be used in the future for the purposes of permanent housing.⁸

An anonymous survey of ADU owners shared by the Community & Economic Development Office ([See Section II. D.](#)), found ADU use for a short-term rental to be consistent with the findings of the ULI. Two out of 19 respondents, or 11%, reported using an ADU as a short-term rental, while 9 (50%) responded that they use the ADU for the purpose of housing a family member. However, it is unclear if ADU owners are likely to be honest or to even respond if they don't have the required permits to operate a short-term rental. In Burlington, a Bed & Breakfast, is currently the only legal short-term rental use allowed in residential neighborhoods. Of the 43 addresses with permitted there were two instances documented where Code Enforcement discovered an ADU being used for short-term rental without the proper permits.

⁸ (Portland, OR; Seattle, WA; Vancouver, BC) http://turnercenter.berkeley.edu/uploads/ADU_report_4.18.pdf

Some cities have opted to regulate short-term rentals specifically in ADU's. Portland, ME, Santa Cruz, CA, and Austin, TX are examples of cities that have required deed restrictions on the property which prohibit short-term rental in order to obtain a permit to build an ADU. Other communities restrict their use to a limited amount of time per year, which maintains the possibility of renting short-term as a fall back strategy if the unit is otherwise unoccupied.

Potential Protections: It is not evident that the use of ADU's for short-term rental purposes is currently of significant concern in Burlington, but there is a lack of reliable data on its prevalence. Concerns related to short-term rentals, however, apply much more broadly than just to ADU's because short-term rentals are present in single-family homes and in multi-family structures as well. The City of Burlington is currently evaluating what regulatory measures might be necessary for short-term rental uses in all housing types. The City should consider the use of ADU's for this purpose as part of this analysis.

Concern: ADU's will impact property values

There is no clear evidence that ADU's affect neighborhood property values in a significant way—either by increasing or decreasing the value. This is because there are rarely a high enough concentration of ADU's to provide a proper sample size, and there are many variables that affect property values, such as location, amenities, and fluctuations in the real estate market. Burlington's requirement of owner-occupancy for approval of an ADU makes property speculation for the purposes of developing ADU's as an investment very unlikely.

At the individual property level, an ADU could affect the value of a home if changes to the home add value, such as adding a kitchen or a bathroom. With high housing costs in Burlington already, this could conceivably put a home out of reach for a buyer when it resells. On the other hand, additional income from renting the ADU would be extremely valuable, supplementing income for housing costs. For example, a crude estimate for an ADU that cost \$100,000 to construct may increase a home's value by \$50,000 resulting in an increase in property taxes of around \$600 per year. Assuming an average rent for a one-bedroom apartment is \$1,000 a month, the net benefit would cover the increased tax liability and likely provide additional income for other purposes, once the cost to construct is considered.

Due to the low number of ADU's in Burlington, it is unclear whether approaches that would incent ADU development (through technical assistance, financial support, etc...) would have an unintended consequence of driving up home values. As indicated above, if the value of an ADU unit is great enough, it could cause a property's resale value to become just out of reach for an individual or family interested in purchasing a home as their primary residence. The rate of ADU development in Burlington today is very small—over the past five years, an average of 4 single-family homes add an ADU each year. However, it is conceivable that if a very large percentage of the single-family housing stock in a particular neighborhood were to experience this increase in value, it could start to drive the market values upward in that neighborhood as a whole.

Potential Protections: In considering resale potential of homes with ADU's, the City should monitor what, if any, long term affect ADU development has on the affordability of single-family homes. With only several ADUs being built each year there is not a significant concern about the overdevelopment of ADU's. Additionally, as many first-time home buyer and down payment assistance programs are

structured to ensure that the beneficiary is the primary occupant of a home, it is worth exploring whether these programs would permit an accessory unit and any associated rental income.

D. Barriers to ADU development

Balancing the benefits of and potential impacts from ADU's can be challenging for a community. Ideally, regulations should maximize the benefits to homeowners while minimizing impacts at the neighborhood-level and to the larger community. However, as cities around the country have begun to allow ADU's, they initially establish regulations which prioritize minimizing potential impacts, making the regulations ambiguous or cumbersome for the homeowner, and thus creating unintended barriers to ADU development. The result has been anemic ADU development and many cities are currently undertaking reviews of their ADU regulations and are making policy and programmatic changes to address the real and perceived barriers. This section summarizes some of the most common regulatory barriers and highlights best practices to address these barriers.

Common Barriers to ADU Development

In order to determine the common barriers to ADU development, the following survey results of ADU owners in Seattle, WA was selected as being representative of ADU development across the country.⁹ The survey asked "To what extent do you agree the following are significant barriers to creating a backyard cottage?" and the list of barriers to building detached ADUs below is ranked from most to least significant:

Table 2: Significant barriers to creating a backyard cottage

1. Development regulations such as setbacks, height limits, and lot coverage limits
2. The basic cost of construction (aside from permits, and design fees)
3. The requirement of an on-site parking space
4. The cost of utility connections
5. The cost, time or complexity of obtaining permits
6. The cost of design and engineering fees
7. The occupancy requirement (owner must reside in either the ADU or primary dwelling)
8. Lack of access to financing (loans)
9. Concerns about impacting neighbors

The most widely reported barriers to ADU development are related to zoning and permitting regulations, including building and lot regulations, permitting fees, and discretionary board review processes. Indeed, the permitting process was cited as the top barrier in a survey of Burlington ADU owners, particularly if the project must be reviewed and approved by the Development Review Board. These barriers can not only make building an ADU expensive, but also can constitute a psychological barrier for homeowners who may face neighbors' opposition in public or who may not be familiar with the development review process.

⁹ http://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web_informational/s010013.pdf (See pg. 10)

Another prominent barrier regarding ADU development is the construction cost coupled with the lack of available financing options. This is due in part to a lack of knowledge by banks on how ADU's are assessed and what the increase of value to the property will be.¹⁰ It is common for ADU's not to be assessed as a separate unit, but rather as if it were part of the primary home, such as a bathroom and kitchen. This results in a situation where loan products specific to ADU development are not typically available, leaving a second mortgage or home equity loan as the primary financing options.

E. Reducing Barriers to ADU Development

Recently, many cities have taken steps to reduce the common barriers (outlined in the previous section) through policy changes, programs, or technical assistance. *Table 3* examines successful and well-documented best practices in various cities. While many of these cities are of a much larger size than Burlington, the policies are nonetheless relevant. In reviewing these best practices to reduce barriers four rise to the top, which are addressed in this section:

- Reform regulations to address barriers
- Waive or reduce fees
- Develop guides and educational materials
- Provide technical assistance and/or financial support to homeowners

Table 3: Snapshot of efforts to promote ADU development – click links in table for more information on each item (City names link to City ADU landing pages)

City/State	ADU Study	Reform Regulations	Waive or Reduce Fees	ADU How-To Guide	Technical Assistance Program	Financial Support
Brattleboro, VT		Yes(2005)			Yes	Yes
Burlington, VT	Underway	Yes (2013) ¹¹				
Montpelier, VT		Yes(2005)			Concluded	Concluded
New Hampshire		In Progress		Yes		
Seattle, WA	Yes	In Progress		Yes		
Portland, OR	Yes	Yes (2015)	Yes	Yes		
Boston, MA	Yes	In progress		In Progress		
San Francisco, CA	Yes	Yes (2016)		Yes		
Los Angeles, CA		In Progress	Yes		Pilot Program	CalHFA
Denver, CO		Yes(2010)		Yes		
Boulder, CO	Yes	In Progress				
Austin, TX		Yes (2015)			Yes	
Santa Cruz, CA	Yes	Yes	Yes	Yes	Yes	Yes
Vancouver, BC		Yes (2010)		Yes		

¹⁰ <https://accessorydwellings.org/2014/08/21/what-are-the-barriers-to-adu-development/>

¹¹ In 2013, the CDO was amended to expand the permissible size of an ADU to be 30% of the size of the habitable area of the principal dwelling *and* the ADU, and to reduce the required parking to one space.

I. Reform Regulations

Zoning reforms were the most significant motivating factor for respondents in building an ADU according to the survey of the fastest growing ADU markets (Portland, Seattle, and Vancouver).¹² After allowing ADUs many cities have conducted follow-up studies some years later in order to evaluate how the regulations are performing—similar to this whitepaper. As is noted in Table 3, several cities have modified the ADU regulations as a result of the study findings to reduce barriers and encourage construction of ADU's. Many cities have reduced permitting requirements by making ADU's a by-right rather than conditional use.

Modifications can be grouped into three levels, depending on the degree to which the community intends to incentivize ADU production:

Level 1: ADU's are allowed, but cities require they adhere to similar permitting and zoning requirements as any new development, often including discretionary board reviews. Communities that take this approach may be focused on protecting neighborhoods from perceived impacts of ADU's rather than encouraging their construction. These arrangements may be the result of ADU enabling legislation at the state level as in New Hampshire or Vermont, which municipalities are reacting to.

Level 2: This level of reforms is common in denser cities that are making initial steps to encourage the development of ADUs to address a lack of affordable and/or appropriate housing such as Boston, Denver, or Boulder. These ordinances include provisions which reduce permitting and design constraints. ADU's may be subject only to administrative review and/or reduced permitting fees. Reduced design constraints may include increasing the allowable lot coverage for properties with an ADU, or providing flexibility in setback requirements, and reducing parking requirements. Burlington has taken some of these steps, including administrative review for ADU's that are within the existing footprint of a structure, and reducing the required off-street parking for an ADU from two spaces to one.

Level 3: Cities that are experiencing true housing and affordability crises and are rapidly growing such as Portland, Seattle, Vancouver, Austin have gone the farthest in eliminating regulatory barriers to incentivize ADU development. Often, these reforms are implemented in communities working on broader policy issues to encourage neighborhood-level infill and a broader range of housing types. Some examples of these more permissive approaches to regulating ADU's include:

- No requirement of owner-occupancy (in either the primary or accessory unit) or allowing reprieve from requirement upon request
- Allowing ADU's to be 2-stories tall
- Allowing more than one ADU on the property
- Allowing ADU's on multifamily properties
- No parking required for the ADU
- Increasing the size limit of the ADU relative to the primary dwelling unit
- Allowing ADUs 'by right' on single-family properties when they conform to a clearly established set of ADU Guidelines
- Waiving permitting fees

¹² http://turnercenter.berkeley.edu/uploads/ADU_report_4.18.pdf

In Vermont, state statute requires that municipalities allow ADU's within single-family homes that are owner-occupied.¹³ It allows municipalities to set additional regulations regarding the size and other standards for these units, as well as how they are permitted— 'by right' or conditionally. Brattleboro, Montpelier, and Burlington are examples of communities in Vermont that have begun making Tier 2 changes to local ordinances to make ADU's more permissive than statute articulates. Burlington increased the maximum ADU size permitted to 30% of the primary home *including* the ADU, which is greater than articulated in statute. Montpelier has also increased the permitted ADU size, and provides more generous lot coverage limits for single-family homes with ADU's. Brattleboro reviews all ADU permits administratively, reducing the uncertainty of the Development Review Board, except in cases where a parking waiver is necessary.

II. Waiving or Reducing Fees

In some cases cities have found that their fees for new units that apply to ADUs are cost prohibitive and deter their construction. In Burlington fees can often total hundreds or thousands of dollars. The following are examples of cities that have fee waivers:

- Los Angeles, CA: Exempts ADU's from an impact fee and they are not considered a new residential use for the purposes of calculating connection fees or capacity charges for utilities, including water and sewer service.
- Portland, OR: Has a temporary waiver for ADUs on associated fees that can range from \$5,000 to over \$10,000. This waiver is to encourage homeowners and contractors to continue the building of ADU's which are "integral to the achievement of the City's affordable housing and housing density goals".¹⁴
- Santa Cruz, CA: Various types of City permit fees may be waived in exchange for a property owner's agreement to restrict a new ADU for rent at an affordable rate.

III. Develop Guides and Educational Materials

Many homeowners may be daunted by the task of developing their own ADU, as it requires knowledge of design, permitting, financing, and construction management. In order to help navigate the process some cities have developed a range of tools to educate the public on what ADU's are and how to develop them. At a minimum, many cities or state-level housing agencies have a landing page on their website with general ADU information and provide resources on ADU's including local ordinances, various permitting requirements, or ongoing policy efforts.

Other cities have developed detailed guides or handbooks to address the wider range of ADU development issues, such as design, financing, regulation, construction, and use. Many of these guides translate the various requirements into a short, easy-to-understand series of steps. They are not only an important technical resource for homeowners, but also for municipal staff who may not be able to work one-on-one with homeowners through the development process. HomeShare VT recently sponsored an ADU workshop at a Burlington senior center in September with over 70 attendees; City staff discussed current regulations, ADU owners discussed their experience in developing an ADU, and there were extensive questions and concerns about the zoning and permitting process that could be clarified through developing a guide.

¹³ 24 V.S.A. § 4412 <https://legislature.vermont.gov/statutes/section/24/117/04412>

¹⁴ <https://www.portlandoregon.gov/bds/article/575523>

IV. Create a Technical Assistance and/or Financial Program

Technical assistance programs provide dedicated staff that can assist homeowners with understanding the requirements, and guide them through the process of constructing an ADU. In many cases these programs are led by a nonprofit organization to help create affordable housing units, as well as help homeowners financially by providing rental income from an ADU. Where a homeowner with technical skills and adequate financial resources may consider building an ADU without technical assistance, these programs make ADUs an accessible option for homeowners with a wider range of income and skills. In Vermont there is one existing program in Brattleboro and one program that has been concluded in Montpelier; both are well documented. There are programs in other cities, Santa Cruz and Austin being two well-known examples included below.

Table 4: Examples of Cities with a Full Range of ADU Materials

• Portland, OR: Summary Sheet , Website , Guide
• San Francisco, CA: Website , Video , ADU Handbook
• Santa Cruz, CA: Website , ADU Manual , ADU plan sets (hard copy only)
• Seattle, WA: Website , Backyard Cottage Guide , Summary Sheet
• Mad River Valley, VT: Open a New Door: A Guide to Creating & Renting Accessory Apartments in the Mad River Valley

Brattleboro, VT – Brattleboro Area Affordable Housing (BAAH) - [Apartments in Homes Program](#)

Brattleboro on the whole has had significantly more success in developing ADUs, averaging an estimated 5- 10 per year since the statewide law was passed in 2005. Burlington has not had this level of success so we can attribute this difference to the existence of the BAAH Apartments in Homes program which has built knowledge of ADUs, as well as the administrative review process by the City. This program is the most applicable to Burlington due to its local significance as well as its demonstrated success.

This program has been implemented with only volunteers and a shoe-string budget of \$9,000 from the City of Brattleboro and an additional \$5,000 from donations per year. They typically offer grants of \$3,000 - \$5,000 to assist homeowners with construction costs. While the small grant offered to homeowners may be what gets them to consider using the program initially, the technical assistance provided to help them navigate an opaque development process is likely of equal or greater value. The program has given grants to over 30 ADU projects in the City.

Montpelier, VT – [One More Home](#)

The One More Home program wrapped up in early 2009, with a total of five new accessory apartments created in Montpelier, all of them with assistance from the program. As a condition of the program, the units created were required to meet state affordability guidelines for at least five years.

City provided revolving loan fund grants and loans:

- up to \$4,000 grant for soft costs
- up to \$4,000 zero interest deferred loan for construction costs

According to a case study from the Vermont Natural Resources Council, the following lessons have been learned from implementing this program:

- Soft costs are a relatively small part of the costs typically associated with building an accessory apartment. Therefore, a community that sets up a grant program should consider offering the option to use grant money for hard costs to make the incentive program more financially attractive.
- Zero-interest loans, whose repayment is deferred until the property is sold or transferred, are much less expensive to make available than grants from the perspective of the funder and are almost as effective at getting accessory apartments built. Municipalities that are considering using financial incentives to promote the creation of accessory apartments should put more money into a revolving loan fund and less into outright grants.

Santa Cruz, CA – [Accessory Dwelling Unit Development Program](#)

Santa Cruz offers a range of assistance from financing to design prototypes and fee waivers. The program includes:

- [ADU design prototypes](#)
- ADU Loans: A joint City/Santa Cruz Community Credit Union loan program provides up to \$70,000 at 4.5% interest. In exchange the homeowner must agree to keep the rental unit affordable to low-income tenants (set at 80% AMI) for a period of at least 15 years.
- Fee waiver program: Estimated 2016 fees for a 500 sq.ft. ADU are approximately \$13,978. Fees may be partially waived in exchange for a property owner's agreement to restrict a new ADU for rent to a low or very-low income household. More fees are waived in exchange for an agreement to rent to very-low income households as opposed to low income households.¹⁵

Figure 6: Santa Cruz ADU design prototypes and plans

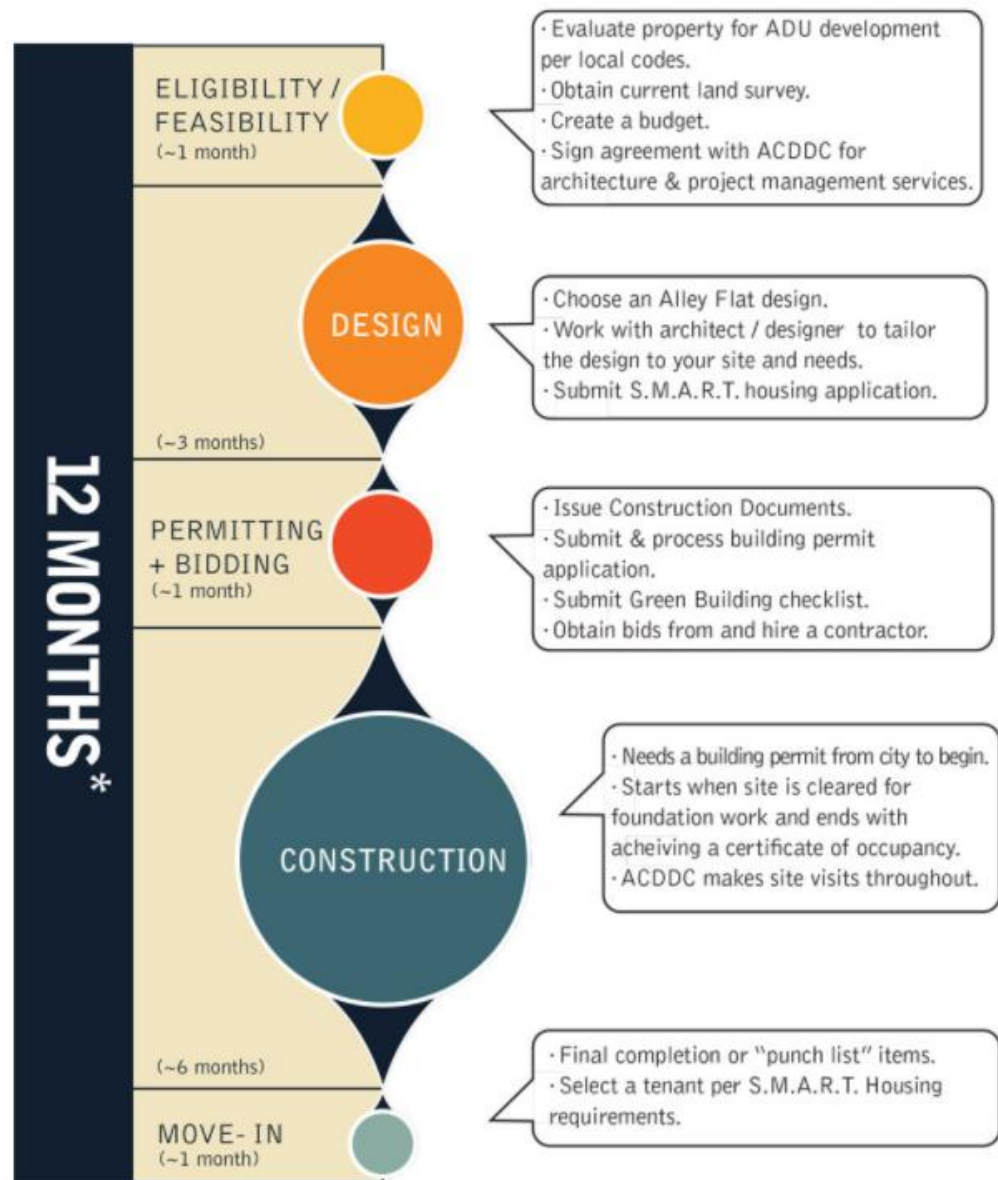


¹⁵ <http://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/programs/accessory-dwelling-unit-development-program>

Austin, TX – Alley Flat Initiative

The Alley Flat Initiative, is a collective effort started in 2005 by the University of Texas Center for Sustainable Development, the Guadalupe Neighborhood Development Corporation, and the Austin Community Design and Development Center (ACDDC). The effort provides resources, including design services, to citizens, neighborhood groups, and nonprofits interested in building ADU's. The group has fully developed prototype designs for detached ADU's and will assist homeowners with the feasibility, design, financing and implementation of their ADU based on these prototypes.

Figure 7: Range of technical assistance services offered by the Alley Flat Initiative



Source: [Alley Flat Initiative](#)

Section II. ADU Development in Burlington

This section assesses the current landscape of ADU's in Burlington includes evaluation of permitting records for the 43 ADU's in Burlington that were permitted through 2018, and information shared by owners through a survey regarding the use, benefits, and challenges of ADU's.

A. Burlington ADU Regulatory Background

In 2005, Vermont passed legislation¹⁶ enabling all homeowners to add an accessory dwelling unit to their house, so long as it was added in accordance with a base set of restrictions. Municipalities were permitted to incorporate further standards in local ordinances, as long as ADUs were not prohibited. The City of Burlington included a specific provision in the *Comprehensive Development Ordinance (CDO)* in 2008 for ADU's as an accessory use to an owner-occupied, single-family dwelling located in the institutional and low- and medium-density residential zoning districts. The ordinance limited their size to 30% of the habitable area¹⁷ of the principal dwelling, and required 2 parking spaces for the accessory unit. In 2013, the *CDO* was amended to expand the permissible size of an ADU to be 30% of the size of the habitable area of the principal dwelling *and* the ADU, and to reduce the required parking to one space. Table 7 provides a summary of current ADU regulations.

Table 5: Burlington ADU Rules and Regulations Summary (Current as of *CDO* Version Effective January 12 2018)

Parking	1 additional space
Zoning Districts	Permitted in I, RL, RM, RM-W, RL-W
Max height	Height is consistent with the underlying zoning
Max area	30% of <u>habitable</u> floor area on the site (inclusive of ADU)
Owner on-site	Yes, requires that owner occupies either the principal or accessory unit
# of Occupants	2 adults (1 bedroom)

In cases where an ADU is proposed within the footprint of an existing structure, ADU's are treated as a permitted use, and can be approved under the Administrative Review of the Planning & Zoning Department. However, there remains a trigger for Conditional Use review and approval by the Development Review Board (DRB) when the proposed ADU includes any of the following:

1. The ADU is located within a new structure.
2. The addition of the ADU will result in the increase of height or habitable floor area of the primary unit.
3. Providing the requisite parking will result in expanded dimensions for off-street parking.

¹⁶ 24 V.S.A. § 4412 <https://legislature.vermont.gov/statutes/section/24/117/04412>

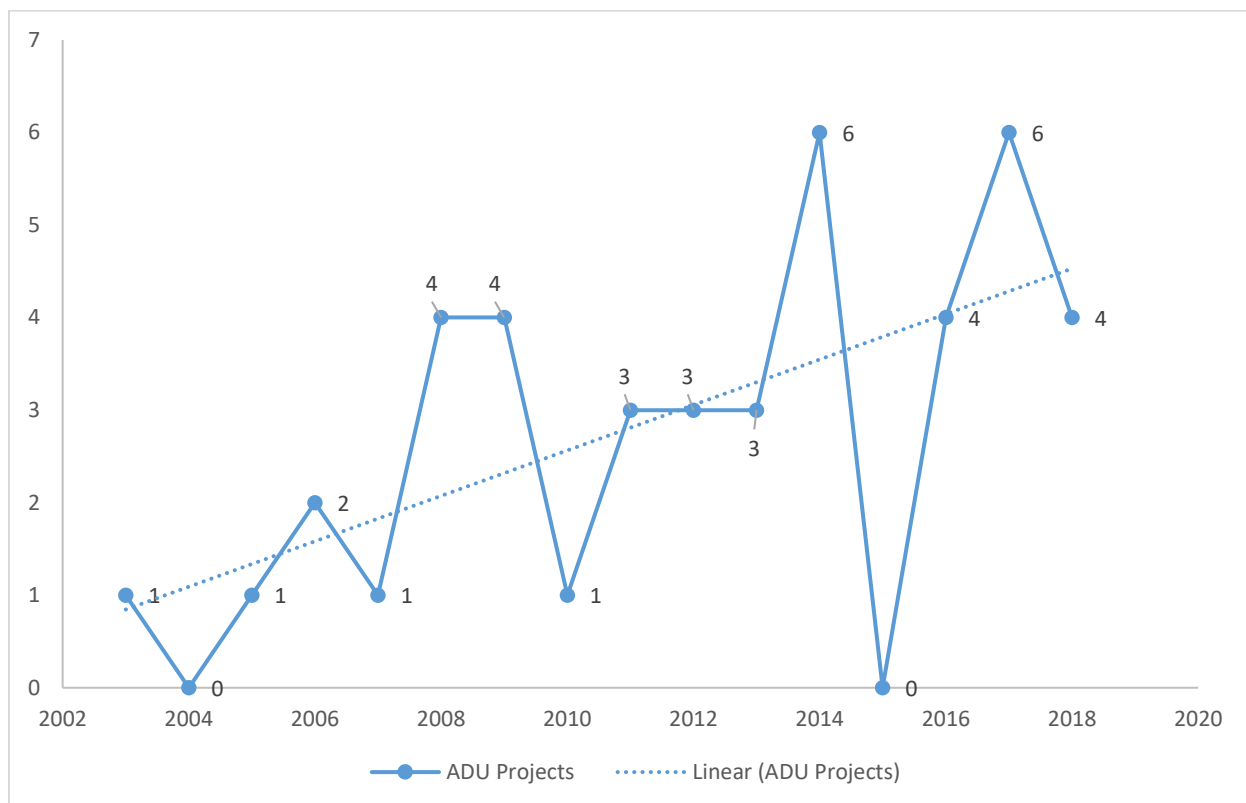
¹⁷ Habitable area does not include bathrooms, hallways, closets, storage or utility spaces. To count as habitable space the space also needs to be finished (i.e. a finished basement increases total habitable sq. ft. significantly).

B. Permitted ADU's in Burlington - Location and Characteristics

Using data from zoning permits from the Planning & Zoning Department, compared to data on properties with accessory units from the Assessor's Office, a list of ADUs was produced. Based on information in permitting records, there are 43 ADU's in Burlington that have been legally built or permitted since 2003 – June 2018. Due to the fact that some accessory units may exist without the necessary permits, this is not a comprehensive list of ADU's currently existing in the City.

As demonstrated in the chart below, there is a general upward trend in ADU permits issued over time. There does appear to be an increase in ADU projects after the 2013 ordinance change that reduced the parking requirement and increased the allowable size of an ADU proportionate to the primary unit. 2018 is on pace to be the most productive year for ADUs.

Figure 8: ADU's Permitted in Burlington 2003 - June 2018



C. Permitted ADU Types and Examples

The ADU's that have been constructed can be categorized into five main types, each with a different set of constraints. The definitions below are generalizations because each ADU is unique and other variables will impact it's design, such as size or quality of materials.

1. Internal Conversion
2. Existing
3. Detached
4. Addition (Attached ADU)
5. New Build Home

This section includes examples of different type ADUs that have been permitted and constructed in Burlington. The information contained is from the permitting files but the addresses have been left out. The 'primary house sq. ft.' in the tables below only include the ADU in cases where the ADU is contained in the primary home. The 'ADU area calculation' is the area of the ADU as a percentage of the primary house area + the area of the ADU – as the ordinance dictates.

Internal Conversion

An ADU that is located within the existing structure, often in a basement or a garage and does not expand the footprint of the existing structure. This is the most common type of ADU in Burlington, including 13 of the permitted ADU's. While this type can range widely in cost, it often has the lowest barrier financially and technically without a discretionary board review process.

Est. Construction Cost	\$60,000
Primary house Sq. Ft.	2,991
ADU sq. ft.	788
ADU area calculation	21%
Year permitted	2016



This project is a full basement internal conversion to ADU within a one story home in the New North End. This is a standard below ground basement; without a separate entryway, this unit is accessed through the primary home. This is an example of an ADU that has been integrated into a home with no visual impact on the neighborhood character.

Est. Construction Cost	\$50,000
Primary house sq. ft.	4,042
ADU sq. ft.	365
ADU area calculation	9%
Year permitted	2008

This project created an ADU on the second floor of the home above the former garage, and also converted the garage into a master bedroom for the primary residence. The ADU is accessed within the primary home and does not have a separate entrance.



Existing ADU

An existing ADU simply refers to ADU's that were existing in a home that became permitted retroactively often when a house was purchased or after a code enforcement action. These are older ADU's which have not been permitted since the ordinance changes in 2003.

Addition (Attached ADU)

The addition type of ADU, or attached ADU, includes those where the habitable area or existing footprint of the primary dwelling is expanded to accommodate the new unit. The most common example of this is a garage that is attached to the house and includes an ADU.

Est. Construction Cost	\$45,000
Primary House sq. ft.	3,032
ADU sq. ft.	711
ADU area calculation	19%
Increase lot coverage	by 5%
Year permitted	2013

This project included the construction of a new 2-story attached garage with finished habitable area above the garage. This area includes both an ADU and additional space for the primary dwelling. This example highlights how the cost to add an ADU to a garage is minimal, and can result in an income-producing space.



Est. Construction Cost	\$150,000
Primary House sq. ft.	2,736
ADU sq. ft.	294
ADU area calculation	11%
Increase lot coverage	0
Year permitted	2017

This project was cited in a recent SevenDays¹⁸ article as an example of an ADU that is registered as a short-term rental. The unit was formerly an attached garage, and was professionally designed, and the family determined that Air BnB was the best way to achieve a return on investment.



¹⁸ <https://www.sevendaysvt.com/vermont/burlington-homeowner-turns-old-outbuildings-into-a-sweet-airbnb-pad/Content?oid=13571181>

Detached ADU

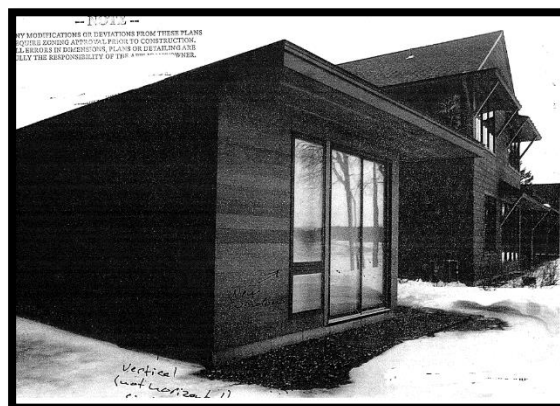
The second most common type is a detached ADU, a physically separated structure on the same lot as the primary home. ADU's built in existing or new detached garages are the most common type of detached ADU in Burlington. There are 11 of these ADU types, and they tend to be more expensive—several have cost over \$100,000 to construct. However, below is an example of a more economical detached ADU as well as a detached garage with an ADU, another popular arrangement.

Est. construction cost	\$30,000
Primary House Sq. Ft.	1635 ft ²
ADU sq. ft.	447 ft ²
ADU area calculation	27%
Increase in lot coverage	3.5% to a total of 27.1%
Year permitted	2014



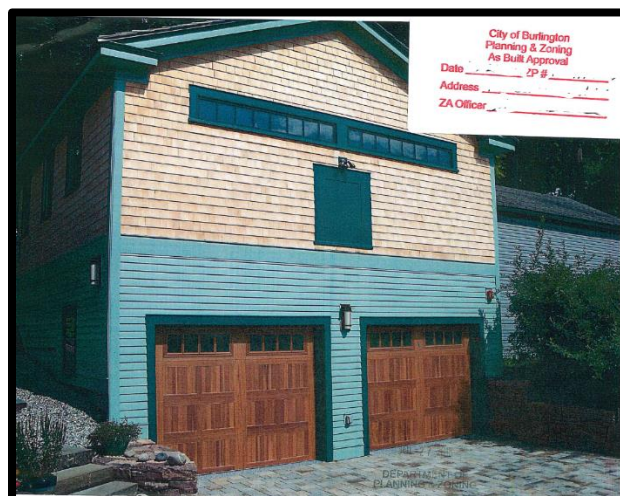
A detached 'backyard cottage' style ADU at a relatively low price point although it should be noted these are not the actual costs but were estimated at time of permitting.

Est. Construction Cost	\$100,000
Primary House Sq. Ft.	3,957 ft ²
ADU Size	563 ft ²
ADU area calculation	12%
Increase in lot coverage	3.9% to a total of 28%
Year permitted	2013



A high end detached ADU that is part of a large property.

Est. Construction Cost	\$150,000
Primary House Sq. Ft.	2,984 ft ²
ADU Size	592 ft ²
ADU area calculation	19.8 %
Increase in lot coverage	3% to a total of 39.2%
Year permitted	2017



A new detached garage with an ADU above.

New Build Home

Lastly there are several new homes that were built with an integral ADU. The advantage to this type of ADU is that it can be included in the permitting of the new home, the cost is rolled into the mortgage, and the new homeowner has the option of renting it to help pay the mortgage.

Est. Construction Cost	\$200,000*
Total House Sq. Ft.	1,852 ft ²
ADU Size	494 ft ²
ADU area calculation	27%
Year permitted	2009

**Cost includes primary and accessory dwellings*



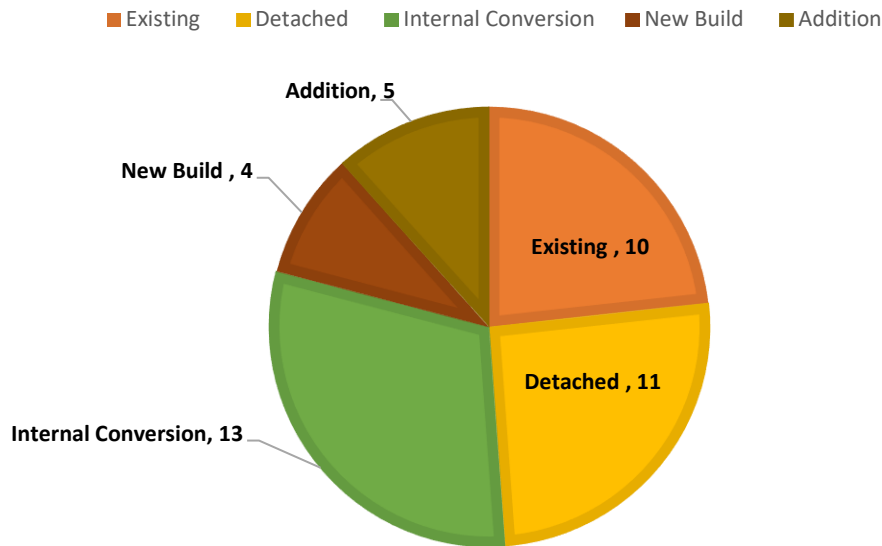
This project is an example of a new home construction that included an integral ADU on the ground floor. Within a single \$200,000 construction project, two fully functional units were created. While constructed similar to an over-under duplex, this includes a primary unit which is owner-occupied, and the ADU is smaller than the primary unit. Access to both units is through a common front door, which provides secure entries to each unit.

Est. Construction Cost	\$250,000
Total House Sq. Ft.	4,018 ft ²
ADU Size	650 ft ²
ADU area calculation	16%
Year permitted	2012

A new build that has a ground floor basement with a separate entrance to accommodate an ADU.



**FIGURE 9: # OF PERMITTED ADU PROJECTS BY TYPE
2003 - JUNE 2018**



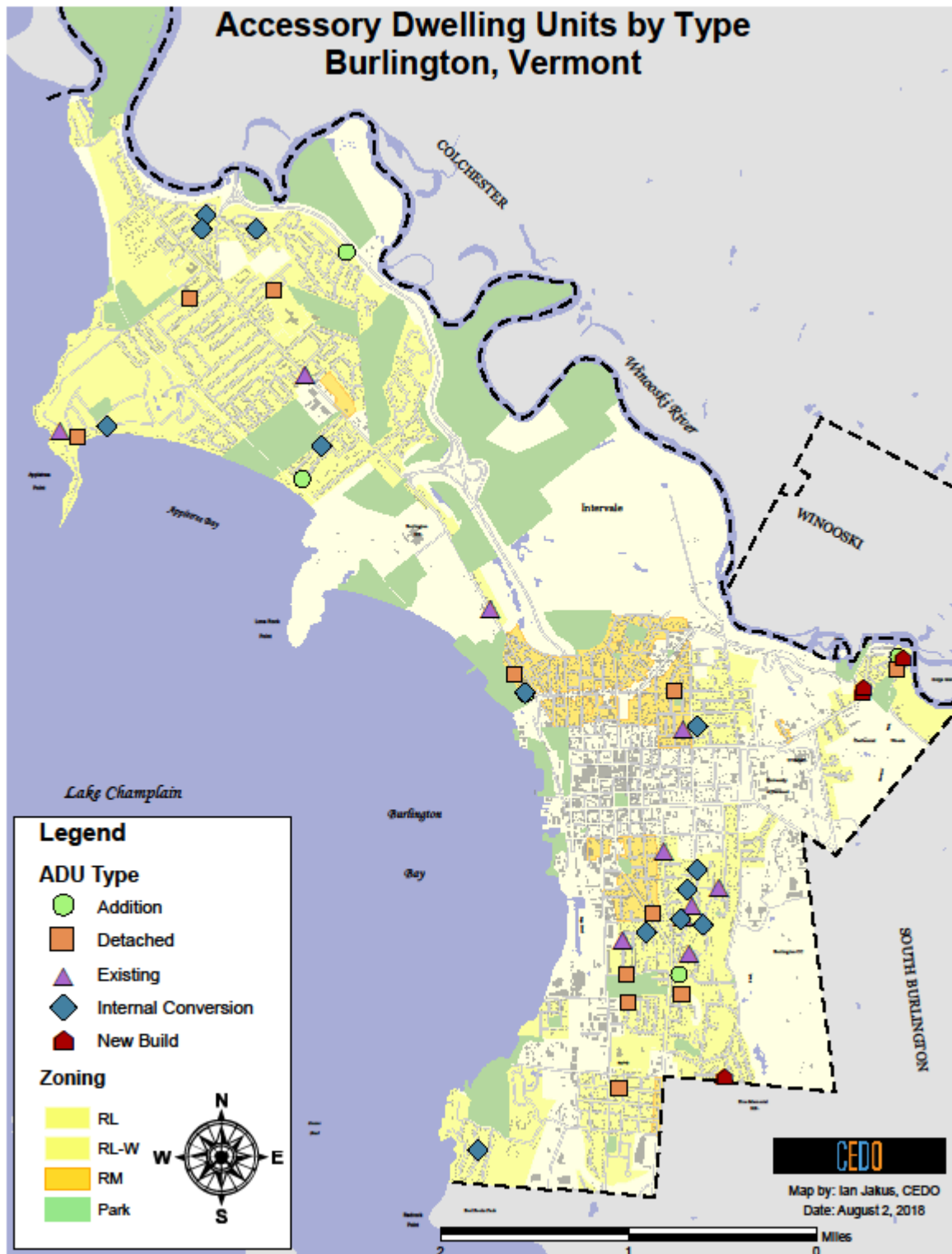
ADUs by Location

ADU's vary greatly from neighborhood to neighborhood, given the different housing and lot types in those neighborhoods. The ADU permitting data was used to create a map (*Figure 10*) that for the first time reveals where ADUs are being built in Burlington.

We see that homes in the Hill Section and New North End contain the largest number of ADU's—due to the predominance of single-family homes. Conversely, there are fewer ADUs in the Old North End where many properties have been converted to duplex or multi-family housing in which ADU's are not permitted. Most of the ADU's in the Old North End are along Lakeview Terrace, which is an area of single-family detached homes. Of the South End residential neighborhoods only the 'Three Sisters' neighborhood near Callahan Park has more than one ADU.

The homes and lots in the Hill Section are larger and the ADU's there are the largest on average; in a few cases ADU's larger than 1,000 sq. ft. were built in the basement. Homes in the New North End tend to be smaller, reducing the maximum size of an ADU; ADU's in this neighborhood are often established as part of the primary residence despite there being large lots that could accommodate a detached ADU.

Figure 10: Map of ADUs in Burlington



D. Burlington ADU Owner Survey Results

A survey was sent to the owners of the permitted ADU's to help identify: the current use of the ADU; the owner's motives for building it; the challenges with and benefits from the ADU from the owner's perspective; and any additional resources that would help with ADU development. Survey questions were based on an ADU survey conducted by the Urban Land Institute (ULI), with additional questions that were identified by the City. The survey was sent to ADU owners in the Fall of 2017 to 35 ADU owners and received 19 responses.

Major survey takeaways:

1. The flexibility to use an ADU for income or to house family members as needed was viewed as the chief benefit of an ADU, and was the main motivation for developing the ADU shared by the owners.
2. The ADU's constructed by the survey respondents tended to be on the higher end of the range identified in the literature review. The majority of respondents' ADU's cost more than \$25,000 to build, and several cost more than \$100,000. Most respondents reported that they used cash or borrowed money from relatives to construct the ADU.
3. The zoning permit process and inspection process was considered to be too long and complex, especially for those units that were required to go through the Development Review Board.
4. Respondents indicated that greater assistance from City staff and/or information such as an easy-to-understand guide to building an ADU would be one of the most desired resources for ADU development.

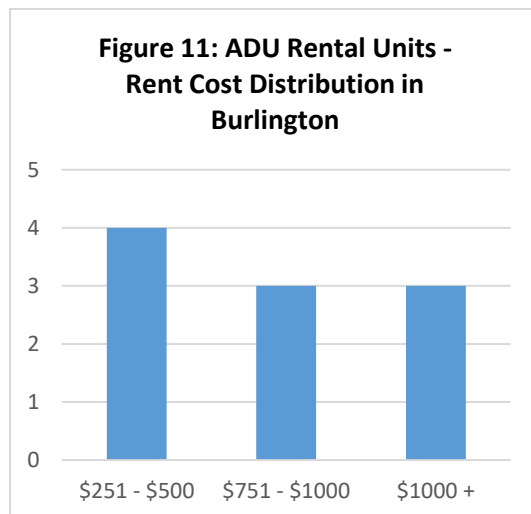
Survey Results Summary and Conclusions

The primary motive identified for developing the ADU was to house family members. However, when it came to identifying the biggest benefit to owning the ADU, having additional income was cited as the top response, with housing for family members as a close second. This is important because it gets to the flexible nature of ADU's where space can be created for family members as needed, but the unit can also be rented for income or be used as the primary residence as was cited in two surveys.

Many studies cite that ADU's rent for below market rates, and this does appear to be the case in Burlington. In Chittenden County, a 1-bedroom apartment that is affordable to low/moderate income

households could be rented for no more than \$1,005 per month including utilities. Over 50% of the ADU's in Burlington rented for less than \$1,000 / month, and many were under \$500 / month. See *figure 11* for the distribution.

Other research has shown that only 12% of ADU's are reported to be used as short-term rentals, such as AirBnB.¹⁹ This is consistent with the Burlington survey where only two respondents to the survey identified using their ADU for short-term rental purposes. However, it is unclear if people were likely to respond honestly on this topic, as many short-term rentals may not be registered or permitted.



ADU owners identified the biggest challenge as the length of time required for the permitting and inspection process. Additionally, respondents cited a lack of guidance throughout the process as a challenge. As there is no formal ADU assistance program for the City, it is understandable that permitting departments cannot always take the time to walk people through all of the design and permitting details if they are inexperienced.

The survey asked owners of ADU's to rank resources that they felt would have been helpful to assist the development of the ADU. These included resources such as technical assistance, or guides; grants, loans, or other financial assistance; and regulatory changes. An easy-to-understand guide was the highest priority, as well as better assistance from City Government navigating the permitting process. Burlington respondents did not identify better financing options as a high priority. This may be due to the fact that only those who successfully financed and constructed ADU's were surveyed, and many of those people could finance themselves.

¹⁹ (Portland, OR; Seattle, WA; Vancouver, BC) http://turnercenter.berkeley.edu/uploads/ADU_report_4.18.pdf

Section III. Recommendations

The recommendations outlined here are based on primary information collected about ADUs in Burlington as well as best practices around the country. Further community engagement is required to determine what changes residents and decision-makers would like to see implemented. The recommendations offer a number of options that the City and/or its partners can take to make ADUs more accessible to homeowners and renters and help provide further protection from potential abuse of these unit types.

A. Reduce Regulatory Barriers

Based on research reviewed, clear, streamlined regulations which provide greater consistency in the permitting process for ADU's was found to have the greatest effect on motivating the construction of ADUs.

1. **Permit all ADU's through Administrative Review:** If a proposed ADU, and it's required off-street parking space, meets all applicable lot coverage, setback, height, and percent of habitable area requirements, it should be permitted 'by right' without a requirement to be reviewed by the DRB. The only exceptions to this should be when an ADU is proposed within a new home construction and the entire project would be subject to DRB review for other purposes, or when the ADU is intended to be used as a short-term rental. This change could be supported by the development of detailed design guidelines regarding compatibility of the unit with the character of the primary unit including the development of a range of ADU prototype designs. These guidelines could be provided within an ADU guide as recommended below.

Minneapolis, MN can serve as an example; the City has developed a new administrative review application for ADUs.²⁰

2. **Consider eliminating parking requirement:** In a variety of Burlington housing studies, the City's off-street parking requirements have been identified as a barrier to housing development and a major factor in housing cost. Similarly, off-street parking requirements have been identified as a factor which could be contributing to a low rate of development of ADUs in Burlington. Eliminating, or providing greater flexibility to waive, the required space for an ADU that is intended for long-term rental or owner-occupancy should be considered as part of a city-wide effort to reform parking requirements.
3. **Ensure ADU's may be permitted with New Single-Family Homes:** Currently the ordinance requires that in the case of a new-build home, an ADU must be permitted separately after the construction of the home. However, this adds a layer of complication that other types of new construction would not be subject to—for example a primary commercial use with an accessory commercial use, or a duplex home. The *Burlington Comprehensive Development Ordinance* should be modified to allow for a new home with an ADU to be permitted concurrently.

²⁰ <http://www.ci.minneapolis.mn.us/www/groups/public/@cped/documents/webcontent/wcms1p-136454.pdf>

4. Allow ADU's as an accessory to all single-family residential structures: The *Burlington Comprehensive Development Ordinance* currently identifies particular zoning districts where ADU's are permitted. Given the nature of an ADU as an accessory to a single-family home, ADUs are only permitted within zoning districts where a new single-family home is a permitted use. However, there are preexisting non-conforming single-family homes in other zoning districts such as RH, but ADU's are not explicitly permitted in these zoning districts. The Burlington Comprehensive Development Ordinance should be updated to allow ADUs as an accessory to a single-family home regardless of its status as non-conforming.

B. Non-Regulatory Efforts to Reduce Barriers

The priority recommendation for reducing non-regulatory barriers is for the City and other housing professionals to develop a resource guide for homeowners interested in developing an ADU.

- 1. Develop an ADU Guide:** Clarify City requirements in a simple and easy to understand way for people who have never developed a property before. A guide like this can serve as a primer on ADUs, will describe how they can be used, and what to expect throughout the development process and as an owner. This would alleviate the stress of having to interpret complex permitting regulations. This may or may not include recommended design guidelines and/or design prototypes for ADU's. This could be developed in part with the help of students or design professionals as was done in Santa Cruz.
- 2. Create Online Resources for ADUs:** Many cities have a specific landing page for information on ADUs. This may include an outline of the permitting process, additional resources such as an ADU guide and/or a summary sheet explaining ADU regulations. A starting point for creating this resource is to provide the Zoning FAQ for ADUs on the City's website.
- 3. Survey Single-Family Homeowners that May be Interested, but Have Not Developed an ADU:** Beginning a dialogue with the public and stakeholder groups will be important in gauging the interest in ADUs and the barriers that are holding homeowners back from pursuing this option. Homeshare Vermont hosted an ADU workshop in the fall of 2018 that was attended by more than 70 individuals. This audience could provide a starting point for understanding the barriers and needs for ADU creation. The appendix includes a zoning considerations Q&A that is a good starting point for understanding the questions many people have about ADU's.
- 4. Create an ADU Pilot Program:** After making the initial efforts to increase knowledge of ADUs and understand the barriers, a program to incentivize ADUs has proven an effective tool in some cities. For example Brattleboro, VT attributes its high rate of ADUs to the BAAH Apartments in Homes program which increases awareness and offers a small grant to incentivize the construction of ADUs. In Burlington this would involve starting a pilot program, raising money or identifying a potential funding source, and identifying partners who have the ability to take this on.

C. Reduce Potential Impacts

At this time, a review of ADU's in Burlington does not indicate that a wealth of new resources is necessary to protect against potential impacts from ADUs. However, the City should continue to enforce owner-occupancy requirements and should periodically monitor Code Enforcement Data to ensure this remains the case. Further, the following steps could help further prevent potential impacts from ADUs.

1. **Establish Design Guidelines:** Many cities have developed design standards specific to ADUs in order to maintain neighborhood character and ensure good neighborly relationships with adjacent properties. Often, these guidelines cover topics such as quality, durability, and expression; safety and livability; scale, massing and street frontage; privacy, screening and/or landscaping; energy & environmental design.

Through the process of establishing design guidelines, a thorough examination of how the ADU standards are manifest in different neighborhood contexts should be included. This examination may illuminate additional recommendations regarding changes to these standards to ensure ADUs are not generally infeasible in some neighborhoods based on typical lot size or home size. For example, many of the ADU's that have been constructed in the City have been added on larger lots, whereas in some neighborhoods smaller lots will restrict the construction of ADUs. Examples of design guidelines include Vancouver, Canada and Santa Cruz, CA.²¹

2. **Review ADU's intended for use as a Short-Term Rental as a conditional use:** As identified in this report, some cities have enacted regulations on the use of short-term rentals specific to ADU's, although enforcement of these regulations is difficult. Burlington will consider potential regulations regarding short-term rentals for all housing types; ADUs should be considered within this broader conversation. One potential approach is to maintain the DRB review of and parking requirements for ADUs that are intended for use as a short-term rental. .

D. Administrative Data

1. **Continuity in City Data:** Ongoing tracking of ADUs will be critical in monitoring ADU benefits, impacts and changes in property value. There needs to be a unique identifier for an ADU in the permitting system as well as the assessor's data that is separate from other accessory uses. In many cases assessor's data identifies an accessory unit differently, or not at all, as a property is assessed for its amenities, not its use.

²¹ <http://vancouver.ca/files/cov/L007-vancouver-laneway-house-guidelines-2013.pdf>,
<http://sccoplanning.com/Portals/2/County/adu/ADU%20Design%20Guide.pdf?ver=2018-06-07-110529-997>

Section IV. APPENDIX

A. Resources

Resource Collection

<https://www.planning.org/knowledgebase/accessorydwelling/>

ADU impacts

<https://accessorydwelling.org/2016/04/04/adustr/>

<http://www.cityofsantacruz.com/home/showdocument?id=46553>

<http://www.ci.portland.me.us/DocumentCenter/Home/View/10317>

<https://accessorydwelling.org/2014/07/02/how-do-adus-affect-property-values/>

<https://accessorydwelling.org/2014/07/16/do-adus-cause-neighborhood-parking-problems/>

ADU Case studies

<https://calebjc.com/category/tinyhouseconstruction/>

https://issuu.com/neuarchitecture/docs/accessorizing_boston_volume_2

<https://www.pvhabitat.org/small-home-case-studies/>

<https://accessorydwelling.org/category/projects/>

Seattle's ongoing ADU reform efforts

http://www.seattle.gov/Documents/Departments/Council/Members/OBrien/2016_05-ADU-DADU-Director's-Report.pdf

https://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web_informational/p2392117.pdf

<http://www.seattle.gov/Documents/Departments/Council/Members/OBrien/Backyard-Cottages-Handout.pdf>

Boulder Colorado's ongoing ADU reform efforts

<https://bouldercolorado.gov/housing/adu-update>

Design Guidelines

<http://vancouver.ca/files/cov/L007-vancouver-laneway-house-guidelines-2013.pdf>

<http://sccoplanning.com/Portals/2/County/adu/ADU%20Design%20Guide.pdf?ver=2018-06-07-110529-997>

ADU Guides

<http://sccoplanning.com/Portals/2/County/adu/ADU%20Financing%20Guide.pdf?ver=2018-06-07-110307-117>

<https://www.seattle.gov/Documents/Departments/SeattlePlanningCommission/BackyardCottages/BackyardCottagesGuide-final.pdf>

<http://default.sfplanning.org/plans-and-programs/planning-for-the-city/accessory-dwelling-units/2015 ADU Handbook web.pdf>

<https://www.planning.org/knowledgebase/accessorydwelling/>

B. Zoning for ADUs FAQ from Burlington ADU Workshop

ADU's in Burlington – Zoning Considerations Q&A

Prepared by Planning & Zoning Department, September 2018

Based on questions received at Homeshare Vermont's ADU Workshop on September 22, 2018

1. What are the zoning considerations for building an ADU in Burlington?

- Accessory Dwelling Units are permitted on properties with a single-family home in Residential Low and Medium Density residential districts, and the Institutional Zone (RL, RL-W, RM, RM-W, and I)
- An owner must live on the property, and may occupy either the principal or accessory dwelling
- The ADU size can be up to 30% of all habitable floor area of the primary and accessory dwelling
- Occupancy of the ADU is limited to 1 bedroom and 2 adults and their minor children
- One additional parking space on the site is required for the ADU. Off-site parking for the ADU is not permitted.
- The property has sufficient wastewater capacity as certified by the Department of Public Works
- Must meet all underlying requirements of the zoning district (height, setbacks, lot coverage, etc)
- Regardless of what type of ADU being constructed a zoning permit is required, and is a prerequisite to other permits (i.e. building permit, electrical, plumbing, rental, etc)
- Applications for ADU's which create new habitable area, include an ADU within a new structure, or include the expansion of a property's parking area to provide the required space will be reviewed by the Development Review Board

2. How do I find out what zoning district my property is in to determine my allowable lot coverage and setback requirements?

To find out what zoning district your property is in, you can contact the Planning & Zoning Office (802-865-7188) and provide your address, or you can [view this zoning map online](#). Once you know what zoning district your property is in, you can consult the *Burlington Comprehensive Development Ordinance, Section 4.4.5 (b) Dimensional Standards and Density* which can be [found in this section of the ordinance online](#). You can also refer to a summary of this information in the chart below:

Base Zoning District Considerations

District	Max Height	Required Setbacks				Lot Coverage
		Front	Side	Rear	Waterfront	
Residential Low (RL) <i>Intended for low-density residential development in the form of single-family detached dwellings and duplexes.</i>	35 ft	Min/Max: Avg of 2 adj. lots on both sides +/- 5ft	Min 10% lot width, or avg of 2 adj. lots on both sides Max 20 ft	Min 25% lot depth, no less than 20 ft Max 75 ft		35%
Waterfront Res. Low (RL-W) <i>Same as RL, except greater consideration needed for proximity to the lake.</i>	35 ft	Min/Max: Avg of 2 adj. lots on both sides +/- 5ft	Min 10% lot width, or avg of 2 adj. lots on both sides Max 20 ft	Min 25% lot depth, no less than 20 ft Max 75 ft	75' from ordinary high water mark of Lake and River	35%
Residential Medium (RM) <i>Intended for medium density residential development in the form of single-family detached dwellings and attached multi-family apartments</i>	35 ft	Min/Max: Avg of 2 adj. lots on both sides +/- 5ft	Min 10% lot width, or avg of 2 adj. lots on both sides Max 20 ft	Min 25% lot depth, no less than 20 ft Max 75 ft		40%
Waterfront Res. Med (RM-W) <i>Same as RL, except greater consideration needed for proximity to the lake.</i>	35 ft	Min/Max: Avg of 2 adj. lots on both sides +/- 5ft	Min 10% lot width, or avg of 2 adj. lots on both sides Max 20 ft	Min 25% lot depth, no less than 20 ft Max 75 ft	75' from ordinary high water mark of Lake and River	60%
Institutional <i>Intention is to support the growth and flexibility of the city's major educational and health care institutions, and allows a broad range of related uses with transitions between institutional development and lower-scale residential uses.</i>	35'	15 ft	10% lot width with a Min 5 ft Max 20 ft	25% lot width with a Min 20 ft Max 75 ft		40%

3. What structures on my property count toward lot coverage?

Buildings, accessory structures, decks, patios, paved or unpaved walkways, parking areas, and any other paved surface is measured when calculating lot coverage. Some items that are not measured when calculating lot coverage include lawns, gardens, drainage ways, open play structures not on a paved surface, swimming pools (the apron, deck or walkway adjacent to it are included in lot coverage), and ramps built at the minimum dimension to meet accessibility standards.

However, in the low and medium density residential zones, the ordinance allows for an additional 10% of lot coverage for features that are accessory to residences, so long as they're not enclosed or used for parking. These include elements such as decks, patios, outdoor game courts, swimming pool aprons, walkways, window wells, and approved pervious pavement systems.

4. What if I want to add habitable space to my home, but don't want it to have its own kitchen?

Burlington's ordinance defines an ADU as an efficiency or 1-bedroom apartment that is subordinate to the primary dwelling, and includes facilities for independent living, including sleeping, food preparation, and sanitation. Adding habitable space to your home in the form of additional bedrooms or bathrooms that are not designed to be occupied independent of the primary structure is not considered an ADU.

5. How is a duplex different than an ADU?

The major differences are in how the density of the lot is calculated and in occupancy. An ADU is an efficiency or 1-bedroom apartment that is subordinate to the primary single family dwelling, and either the ADU or the primary home must be owner-occupied. The ADU size is limited to 30% of the habitable area on a lot, and is limited to one bedroom or 2 adult occupants and their minor children. The property is still considered to be a single-family home for the purposes of calculating density on a lot.

A duplex, conversely, requires a larger lot than a single-family home when in low density residential districts, and is considered to be two units for the purposes of calculating density on a lot. There are no limits on the size of each unit in a duplex relative to the other, and no limit to the number of bedrooms within the unit so long as minimum life safety codes are met. In a duplex arrangement, each unit can be independently owned and/or rented. A duplex is not predicated on owner-occupancy of the property.

6. Is a tiny home an ADU?

Whether on a permanent foundation or on wheels, a subordinate residential structure on the same lot as a single-family home is considered an accessory dwelling unit (ADU). A tiny home may be considered temporary if it occupies a property for 11-30 consecutive days, or for 31-60 days within a 12-month period. It is considered permanent if it is in place for more than 31 consecutive days, or more than 60 days out of a 12-month period.

7. Is a Vermod modular home an ADU?

A modular home on the same lot as and subordinate to a single family home, and which meets all of the additional requirements in question 1, is considered an ADU.

8. Can I put a composting toilet in an ADU?

Acceptable methods for processing/disposing human waste are outside of the scope of Zoning. This issue should be discussed with Department of Public Works and/or the State Department of Environmental Conservation, which is responsible for issuing wastewater permits within Burlington.

9. Does the parking space for the ADU need its own parking area?

One additional parking space is required to be provided for an ADU. This can be located within an existing driveway or parking area as long as the parking area is large enough to accommodate the additional space as well as the two required spaces for the single-family dwelling. Tandem parking is permitted on residential properties, but no more than 2 cars can be parked in a row.

10. Does the additional parking space have to comply with setbacks?

If a new parking area is being constructed to meet the required parking for the ADU, it must meet the required setbacks articulated in the chart on page 1.

11. What if I don't/the person who will occupy the ADU doesn't have a car?

Property owners may request the Development Review Board grant a waiver of up to 50% of their required parking per the standards of Sec. 8.1.15 of [Article 8](#) of the zoning code. One of the two required parking spaces may be waived for the primary dwelling. There is no provision for waiving the one required space for the ADU.

12. Does the ADU have to have a separate entry?

And ADU may share an entry with the primary home as long as the ADU itself has facilities for independent living.

13. How do ADU's affect the City's 4-unrelated ordinance?

The occupancy of an ADU is limited to 2 adult occupants and their minor children, regardless of their relationship, and the occupancy of the ADU is calculated separately from that of the principal dwelling. It is important to remember that either the primary dwelling or the ADU must be occupied by the owner(s). If at any time owner-occupancy is discontinued, the ADU must be removed, and the additional space created to accommodate the unit cannot be used for the purposes of increasing the number of unrelated adults inhabiting the property.

14. If I sell a property containing an ADU, do the new owners have to comply with the owner-occupancy requirement? Do they have to reapply for a zoning permit for the ADU?

If the new owners wish to utilize the ADU, they will be required to comply with the owner-occupancy requirement and do not need to reapply for a zoning permit for the unit. If the new owners wish to use the property primarily for rental purposes, the accessory unit must be discontinued, and a new zoning permit would be necessary to reflect the change in use of the space.

15. Do I have to have separate utility hookups or can I connect to those of the main house?

Acceptable methods for connecting to utility services are outside of the scope of Zoning. This issue should be discussed with Department of Public Works, Burlington Electric, Vermont Gas, and any internet/telecom service providers as necessary.

16. If I meet all of the requirements of the zoning, can my neighbor appeal my permit?

Under Vermont State Law, a notice of zoning permit application must be posted for all permit applications, offering adjacent residents the opportunity to learn more and/or appeal the permit. In Burlington, permits that are approved administratively are subject to a 15-day appeal period, and permits approved by the Development Review Board are subject to a 30-day appeal period. Any zoning permit may be appealed within its appeal period.



CITY OF BURLINGTON, VERMONT
CITY COUNCIL COMMUNITY DEVELOPMENT &
NEIGHBORHOOD REVITALIZATION COMMITTEE
c/o Community & Economic Development Office
City Hall, Room 32 • 149 Church Street • Burlington, VT 05401
802-865-7144 VOX • 802-865-7024 FAX • www.burlingtonvt.gov/cedo

Councilor Brian Pine, Chair, Ward 3

Councilor Adam Roof, Ward 8

Councilor Karen Paul, Ward 6

Committee Members: Councilor Brian Pine, Chair, Councilor Adam Roof

In attendance: Ian Jakus, Gordon Miller, AARP, Sherry Carlson, Director of Lets Grow Kids, Joe Speidel, Councilor Dave Hartnett, Hannah Harrington, Rebecca Reese, Kirby Dunn, Homeshare VT

Thursday, February 7th, 2019
5:30 – 7:30 PM
City Hall, Conference Room 12

Draft Meeting Minutes

Meeting called to order at 5:40 PM

1. Review Agenda (5 minutes)

Motion to adopt AR with amendment to add a progress report on the City's new Equity Report by Brian Lowe. Brian Pine seconded, unanimously approved.

2. Public Forum (10 minutes)

No Comments.

Councilor Paul made a motion to approve the draft meeting minutes from the 6/7/18 CDNR Committee meeting. The minutes were unanimously approved.

3. Progress report on the City's new Equity Report – Brian Lowe, Chief Innovation Officer

The programs and services of the City of Burlington are accessible to people with disabilities.
For accessibility information, call 865-7144. For questions about the meeting,
contact Ian Jakus at ljakus@burlingtonvt.gov

First report, will be incorporated into the city's annual financial report. Defined equity based on other communities' definitions of social equity. Based on performance measurement tool of city departments that is reported monthly by department heads- BTV Stat.

Take city-wide population indicators and link them to things the city is doing to affect outcomes.

B Pine: Does this address the question of "our part of the city isn't getting as much X as other parts"

B Lowe: Combination of equity report helps us look at BTV Stat plus other tools like See Click Fix and find if there are parts of the city that are underrepresented. Look at City of Burlington workforce compared to key population metrics for the city residents as a whole. Worked with many outside stakeholders to get feedback on the metrics in the report. Next steps are to institutionalize this as part of the report, receive continuous feedback, improve data source availability to further develop and enhance the report.

Joe Speidel: So is this about City of Burlington workforce, or city population as a whole?

Look at the domains on a city-wide level, then what is the city doing that could affect equity in those domains.

B Pine: This is incredible, how do we roll this out instead of a passive document.

Hannah: any original data collected as part of this, or existing sources? How is the data being collected?

B Lowe: Used existing data sets, some was collected or organized for the first time. Will need to improve upon this in the future.

Hartnett: What % of people are we going to miss even with this report? Where do you think this will go in terms of people involved in the program.

B Lowe: Some things in here will not be surprising. Might focus us on youth in ways that we haven't always. Will likely change a bit for the second year based on people's feedback.

B Pine: Focus on the school board and district because a lot of this will drive decisions they make

Hannah Harrington: How much does city population account for transiency and temporary population?

B Lowe: some metrics careful to screen out college students to be careful not to skew the outcome of things especially like income.

J Speidel: Working with the Regional ECOS report? Some data may be applicable when you consider people who don't live in Burlington but work here.

B Lowe: yes, using some of their data, some regional data may be included in the future.

B Pine: should affect policies and programs rather than just be data for data's sake.

A Roof: what is the highest and best use of this data in the future iteration?

B Lowe: Recommendations will be about city policies to change, and the other will be how do we collect data around this report? Will depend on how council views this report and what they want to see out of it.

A Roof: what is the closest we have to this right now? Are we aggregating different departments' reports or is this truly a new thing?

B Lowe: some of it is data aggregation but some of it is new—more about how we act on the data.

A Roof: good report to go to whole council.

4. Early Learning Initiative Update (45 minutes) - Brian Lowe, Chief Innovation Officer

Brian Lowe presented an update on the Early Learning Initiative (The accompanying presentation is found [HERE](#)).

On track for a long planned transition to scholarships with the program. Lets Grow Kids has really helped us build upon creating 62 new childcare spots. City is looking at the gap between the CCFAP (state scholarship to childcare providers) and the average local cost for High Quality care. The state scholarship drops significantly as income goes up. Goal of city funds is to move families into high quality care. There is also a huge shortage of high quality space in Burlington. Have shifted from capacity grants to scholarships as planned. Priority is Burlington families, regardless of whether the care is in Burlington or somewhere else.

Hartnett: Any way to pinpoint how many people are choosing not to get into care at all?

B Lowe: About 120 of the 300 children ages 0 to 3 living in poverty are in regulated child care.

A Roof: City is focused on less than 65% ami?

Hannah Harrington: Are the spots held for the kids?

B Pine: Is it a lottery system for selecting applicants?

B Lowe: lottery system is the only equitable way to select applicants if more than 26 apply.

Working with service providers to try to get soft commitments to hold spaces for the kids who win scholarships. Doing this early in the year so that centers are planning for the next year.

Joe Speidel: Capacity money for infrastructure and training?

B Lowe: To create new spots. Like if they just built a bathroom they could have 4 new spaces

D Hartnett: Has it made any impact on spaces so far?

B Lowe: Capacity grant is closing in 3 weeks, and might see a few providers actually make improvements to move up in quality.

Hannah: is the application process difficult? What about outreach?

B Lowe: if you create a high bar, no one will enter. Trying to keep the city application a low barrier. Have hired a social worker through Lets Grow Kids that can provide assistance, trying to build a relationship with the Family Room to have applicants on site. State process is the second part, which is much harder. Have done outreach through WIC, Hospital, Family Room, LUND, school district, etc. but this is a pilot year, so not sure how many people will apply. Kids are in for a three year cycle. Once they're in they don't go back to the lottery. Money goes directly to the center on their behalf. Only lose if they aren't coming, or if their income changes.

D Hartnett: What if "income change" bumps kids out of programs. Happens with a lot of subsidies in the state of VT.

B Lowe: Only reassessing eligibility once a year, and there could also be changes to CCFAP- there is a small risk, but not as large as other programs that

B Pine: Which metric will we know closing the achievement gap?

B Lowe: Number of income eligible children in HQ child care

A Roof: What are the impacts of health on the families?

B Lowe: Wouldn't be surprised if some of the impacts are with families before the children first. Want to make the barriers for the program low, but not nonexistent because state application process is onerous.

Hartnett: Progress is very impressive so far. Of course will impact parents first, which is huge for quality of life in the city. When can the full council get an update?

B Lowe: Might update during the application process to help with focus on this.

B Pine: What happens to the families that don't get scholarship? What else can we do- give them referrals to other providers in case they can be on a waiting list or gain access to other resources

B Lowe: Other ways to expand this in the future, but need to demonstrate success first

A Roof: how will the lottery work?

Sherry Carlson: everyone will be ranked so that they know what order they're in in the waiting list.

J Speidel: Can you weight the lottery waiting list? Like by income, etc.

B Lowe: Regardless of what income under 65% of AMI, will be difficult to get to high quality care. The more income actually, the harder it is to get to high quality care.

Hannah Harrington: Per child or household? Looking at impact of childcare bringing people into the workforce, and then bumping them back out when their income goes up. Maybe work with them to project out when you would "age out" of the program so they can plan for it.

B Lowe: It is per child—each child has to apply separately. No real way to avoid that risk, is a problem we have to look at during the pilot year.

A Roof: has come such a long way, councilors watching with excitement.

B Pine: that we as a country have to do a program like this and have to say no to other kids, is sad for our society, but we should be doing more.

5. Housing Action Plan Item 5.2 - Review Accessory Dwelling Units – Presentation (30 minutes) – Ian Jakus, Projects & Policy Specialist - Housing, CEDO; Meagan Tuttle, Comprehensive Planner, Planning & Zoning

Presentation summarizing the report and its findings. Discussion about the next steps, there was agreement among BP and AR that the recommended ordinance changes be brought to the planning commission for further discussion. Further updates were requested to CDNR as a potential ADU pilot program is anticipated to evolve. There was some concern about parking requirements, and consideration should be made to how the requirement may be reduced, or eliminated but within the context of different areas of the City.

Adam Roof made a motion to adjourn at 7:15, seconded by Brian Pine. Unanimously approved.