

HB 24-1152 ACCESSORY DWELLING UNITS

SPONSORS: REPRESENTATIVES AMABILE AND WEINBERG / SENATOR MULLICA



▲ Accessory dwelling units (or ADUs) come in many shapes and styles.

HOMEOWNER RIGHT TO BUILD AN ADU IF:

Gives Colorado homeowners the right to build one ADU on their property if:

- ◆ They live in a municipality covered by a Metropolitan Planning Organization that has a population of at least 1,000 or more and is within one of our five major metro areas (Denver metro, northern Colorado, Colorado Springs area, Pueblo area, and Grand Junction area); or
- ◆ They live in urban parts of unincorporated counties within one of our five major metro areas with a population of 10,000 or more; or
- ◆ Their local government chooses to opt-in to access incentives like grants and financing.

FINANCIAL INCENTIVES TO PROMOTE CONSTRUCTION OF ADUS

- Creates two new state grant programs:
 - **Fee Reduction Grant Program:** Provide grants to jurisdictions to waive permitting fees, provide pre-approved ADU design and technical assistance. Also
 - **Financing to Facilitate Construction of ADU's:** Qualifying jurisdictions enable residents to have access to ADU financing program. Provides low-interest financing to low-to moderate- income homeowners who want to build ADU's. To qualify, they would have to rent their units at an affordable rate.

LOCAL GOVERNMENT IMPACTS

- Prevents local governments under the bill from banning or limiting the construction of ADUs on single-family home lots.
- Includes “best practices” from AARP, Urban Institute by limiting restrictions on:
 - Reasonably sized ADUs – must allow 500-800 sq. ft.
 - Owner occupancy restrictions
 - Parking requirements that limit ADUs due to physical and financial constraints
 - Other restrictions that are more onerous than single family in the same area

LOCAL GOVERNMENT FLEXIBILITY TO REGULATE:

- Regulating short term rentals
- Parking for ADA
- Allowing larger or smaller ADUs
- Applying impact or similar fees
- Applying historic district standards
- Incentivizing affordability or housing for local workforce
- Applying other standards not specified in statute

LOCAL ACCESS TO SUPPORT FOR ADU'S

- **Must also adopt at least one strategy from a menu to support ADUs - any from list:**
 - Pre-approved ADU plans
 - Incentivize affordability through lower fees and other incentives.
 - ADU tech. assistance program
 - Short term rental regulations
 - Incentives for accessible ADUs
 - Any other innovative strategy