

ACCESSORY DWELLING UNITS (ADUs)

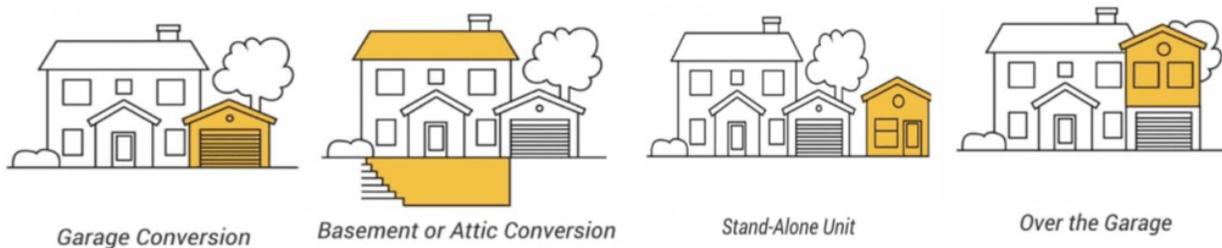
What are Accessory Dwelling Units (ADUs)?

- ❖ Second independent living units with full kitchens and bathrooms located on residential lots
- ❖ Originally called granny flats or in-law suites when their purpose was to house older members of one family in separate housing spaces on the same lot
- ❖ Of the estimated 2 million ADUs now in the U.S., nearly half of them are in California, Florida and Texas; most are now built for investment purposes and rented out to unrelated parties.

How did ADUs come to Chicago and why is this such an issue now?

- ❖ **Chicago's ADU pilot program expires May, 2024 when the City Council will consider extending ADUs to the entire city as proposal by 44th Ward Ald. Bennett Lawson.**
- ❖ Originally recommended by the Chicago Metropolitan Agency for Planning in 2018 to create alternative housing in Cook, DuPage, Kane, Kendall, Lake, McHenry and Will Counties
- ❖ Promoted by Chicago affordable housing advocates to incentivize private property owners to add extra dwelling units to the city's existing 2,400 coach houses, reversing a 1957 ban the city imposed after homeowners complained about the increased density and inadequate street parking independent dwelling units on residential lots brought to neighborhoods
- ❖ **Approved by the Chicago City Council Dec., 2020 as the "Coach House Ordinance" for both independent structures (usually above garages) and basement/attic conversion units.**

Four common types of ADUs



How is the building of ADUs in Chicago different from building other separate housing units?

- ❖ The law reduces typical building and financial obstacles to make it easier and less expensive for private property owners to build extra living spaces (apartments) in residential areas.
- ❖ **Initial intake applications go through Department of Housing, not the local alderman** for:
 - Coach houses (separate backyard units) with a maximum of 700 square feet of living space up to 22 feet tall and 60% reductions in required rear setbacks; can currently be built in the North/Northwest zones even before a principal dwelling is erected
 - Conversion units (typically basements and attics)—including those previously built illegally—as long as they are upgraded to meet all current building codes
- ❖ **ADUs can be built only on residential properties.** These include:
 - All lots zoned RM (Residential Medium to high density apartments)
 - All lots zoned RT (Residential Two-Flat, Townhouse and Low-Density Apartments), and
 - RS-3 (Residential Single-Families on 2,500 sq ft lots) and RS-2 (Residential S-F homes on 5,000 sq ft lots), but not RS-1 (Residential S-F homes on 6,250 sq ft or larger lots)

Most of Gladstone Park’s residential areas are zoned RS-3 with a smaller portion zoned RS-2; if the City Council extends the law as written here, ADUs would be allowable virtually everywhere in the community. See zoning chart below for potential ADU eligibility.

Com. Area No.	Community Area	Percentage of Residential Parcels		
		RS1	RS2	RS3
70	Ashburn		94.7%	3.8%
62	West Elsdon		90.9%	4.3%
74	Mount Greenwood	4.7%	90.7%	1.0%
65	West Lawn		89.5%	0.7%
56	Garfield Ridge		89.2%	5.8%
48	Calumet Heights		84.9%	13.8%
73	Washington Heights		83.7%	11.6%
45	Avalon Park		81.1%	14.4%
17	Dunning		79.3%	4.1%
9	Edison Park		75.4%	6.8%
10	Norwood Park	7.2%	73.4%	10.1%
64	Clearing		69.7%	11.3%
75	Morgan Park	16.9%	63.7%	12.3%
53	West Pullman		58.7%	35.8%
49	Roseland		58.1%	35.0%
18	Montclare		57.7%	28.9%
55	Hegewisch		57.3%	36.6%
44	Chatham		54.2%	27.1%
13	North Park		52.1%	27.7%
52	East Side		47.7%	47.0%
50	Pullman		46.6%	51.3%
12	Forest Glen	43.4%	44.2%	5.8%
11	Jefferson Park		43.8%	41.4%
72	Beverly	49.7%	43.0%	3.6%
15	Portage Park		42.2%	48.0%
71	Auburn Gresham		41.5%	48.8%

Figure 7. Top 25 Chicago Community Areas by Percentage of Residential Parcels in RS2 Zoning District
Source: IHS analysis of Cook County Assessor Data

- ❖ **The five pilot areas where ADUs have been allowed in Chicago since 2021 are:**
 - North Zone covering portions of the Edgewater, Lake View, Lincoln Square, North Center, Uptown and West Ridge community areas
 - Northwest Zone covering portions of the Albany Park, Avondale, East Garfield Park, Hermosa, Irving Park, Logan Square, Near West Side and West Town community areas

- West Zone covering portions of the East Garfield Park, North Lawndale, South Lawndale and West Garfield Park community areas
- South Zone covering portions of the Ashburn, Auburn Gresham, Chatham, Chicago Lawn, Englewood, Greater Grand Crossing, Roseland, Washington Heights, Washington Park, West Englewood, West Lawn and Woodlawn community areas
- Southeast Zone covering portions of the East Side, Hegewisch, South Chicago and South Deering community areas

How many ADUs can a property owner build?

- ❖ Only two ADU permits per block per year are permitted in the West, South and Southeast, but **numbers of ADUs per block have not been restricted in the North and Northwest.**
- ❖ For residential properties with 1 to 4 units (like a two/three flat), a property owner can add either one coach house unit or (if the property is at least 20 years old), one conversion unit
- ❖ Residential properties with 5 or more units do not permit coach houses, but allow 33% more basement or attic apartments (for example, 2 more basement units in a 6-unit building)
- ❖ **No additional parking is required for new ADUs**
- ❖ **There are no stipulations about new ADUs conforming to a community's character**

What about rental prices?

- ❖ **The first basement or attic conversion apartment can be rented at market rates.**
- ❖ **The second conversion unit (and every other unit after) are legally restricted "affordable"** with requirements they be registered with the Chicago Department of Housing (CDH), deed restricted with Cook County for 30 years at predetermined rental rates for households earning 60% or less of the Area Median Income and certified by yearly paperwork.

What have been the results of the pilot study so far?

- ❖ No final figures have yet been released, but by April, 2022 (the 1-year point), 39 permits had been issued for 45 units: 11 for single-unit coach houses and 28 conversion permits (all in basements); another 246 more applications had been pre-approval by CDH, almost all for single basement (conversion) apartments.
- ❖ By mid-2023 **authorities estimated nearly 500 ADUs had been built in the city, primarily in the two wealthier North and Northwest pilot zones.**
- ❖ ADUs have been a popular choice in the Hermosa, Logan Square, Avondale, Irving Park, and Albany Park neighborhoods with most homeowners adding single market rate living spaces—mostly basement apartments—to boost their incomes.
- ❖ Housing advocates disappointed at the lack of participation by West, South, and Southeast property owners brought together 100 building designers, lenders and city staff in March, 2023 to promote the ADU initiative with extra city staffing, design help, and financial aid.

More detailed information on Chicago's ADU ordinance specific to Gladstone Park is available by clicking on "Accessory Dwelling Units" at <https://gladstonepark.net/preservation/zoning-issues/>