

ITEM #: 22  
DATE: 12-12-23  
DEPT: P&H

**COUNCIL ACTION FORM**

**SUBJECT: HEARING ON TEXT AMENDMENTS TO AMES MUNICIPAL CODE CHAPTER 13 (RENTAL HOUSING CODE), CHAPTER 29 (ZONING ORDINANCE), & CHAPTER 31 (HISTORIC PRESERVATION) TO ALLOW ACCESSORY DWELLING UNITS (ADUS) IN RESIDENTIAL DISTRICTS**

**BACKGROUND:**

The City Council identified implementing the Ames Plan 2040 initiatives related to infill development options for housing as priority for 2023 and directed staff to prepare draft standards and seek public input for allowing Accessory Dwelling Units (ADU) within residential zoning districts as one of these measures. In response to this direction, Staff conducted public outreach in August and September and provided this input to City Council at its October 10th meeting. **The public input was generally supportive of creating an ADU option, but had roughly equal opinions about the draft standards as being too permissive, too restrictive, or fairly balanced.**

The City Council reviewed the public input and comments at the October 10th meeting and directed Staff to proceed with related text amendments to Chapter 31, Historic Preservation and Chapter 29, Zoning Ordinance, to adopt ADU standards consistent with the draft regulations. In addition to the zoning changes, Chapter 13, Rental Code will be updated in relation to ADUs as well. The proposed ordinance for approval on first reading is included as an attachment to this report.

**CHAPTER 29 ZONING ORDINANCE SUMMARY:**

**One ADU will be allowed on a single-family residential lot that is the primary residence of the property owner. If a property already has two units, it is not eligible to have add an ADU.** ADUs will only be permitted in the in the following zoning districts: R-L (Residential Low Density Zone), R-M (Residential Medium Density Zone), UCRM (Urban Core Residential Medium Density Zone), FS-RL (Suburban Residential Low Density Zone), FS-RM (Suburban Residential Medium Density Zone), and F-PRD (Planned Residence District). Notably, F-VR (i.e., Somerset) does not include an allowance for ADUs because of the design requirements related uniquely to that zoning district and the covenants in Somerset prohibit the use.

**Key elements of the ADU requirements were patterned after the standards of our existing accessory building requirements.** The City's existing accessory building requirements found in Section 29.408 will apply to ADUs. These include maximum size, setbacks, height coverage, and location in the rear yard. An exception of allowing for habitable space within an accessory building was added to this section.

Standards unique to ADUs are proposed in Section 29.409. **Unique elements of an ADU are the allowance for it to be a dwelling, accessory to a single-family dwelling.** Previously, the city prohibited creating habitable space within accessory buildings. **As a dwelling, an ADU is limited to a maximum of one bedroom, must have cooking, sanitation, and sleeping areas and be independently functional from the principal residence with its own utility services.** The utilities are allowed to be split from existing services or for wholly new metered services to be connected to the

ADU. Bedrooms are a defined term within the Zoning Ordinance and will apply to the one-bedroom limitation of the ADU. As mentioned in October, **any living area that is separated from kitchen, living room or the bathroom will likely meet the definition of a bedroom and additional rooms, therefore, will not be permitted, including basements and second floors when a bedroom already exists on the main level. One additional parking space is also required for the ADU and a paved sidewalk connecting to the home or paved parking area is also required.**

**An ADU is only permitted through the construction of a new detached building or through the conversion of an existing detached accessory building. Conversion of space within an existing home or the addition of space to an existing home for an ADU is not permitted. The ADU must be a building, it cannot be a RV or trailer, and must be set upon a permanent foundation. All new buildings and conversions are subject to residential building code requirements a residential dwelling occupancy classification.**

**Although an owner must reside on the site, they can live in either dwelling- the other dwelling is permitted to be rented. Only one of the two dwelling units on the lot may be rented. Properties owned by an L.L.C. or other non-natural person entity will not qualify as owner-occupied.** To receive a permit for an ADU the owner must already reside on the property and a signed and recorded “Notice of Limitations” will be required confirming their understanding of rental and occupancy requirements. The notice of limitations will restate the ADU requirements about occupancy and rental restrictions.

Currently within Chapter 29, no additional building for human habitation may be located anywhere on the same lot as a principal residential building, except within the Agricultural (A) Zone, or for specifically permitted uses such as multifamily residential. The amended text will clarify what is meant by human habitation regarding accessory buildings (defined for this purpose as sleeping, cooking, and sanitation facilities), while continuing to still allowing for pool houses to include a bathroom. **The final proposed language does not permit any other accessory buildings to have a bathroom or features of an ADU that enable it to function as a dwelling unless the structure is designed to fully meet the ADU requirements. One of the questions related to this change is whether other accessory buildings that are not ADUs could have a bathroom, other than pool houses. As currently written, it does not allow such an improvement.** Staff was concerned that allowing other types of habitable space could be hard to monitor for occupancy limitations and preferred that either a structure fully meet the requirements or meet the recreational building exception. An accessory structure could have a sink.

Additionally, the section on “size and appearance of detached dwellings” (formerly Section 29.412, now proposed as Section 29.410) has been expanded to include ADUs, and clarifying language has been added in Section 29.1101 Single-Family Conservation Overlay District, exempting ADUs from the dwelling unit count and compatibility standards.

### **CHAPER 31 HISTORIC PRESERVATION SUMMARY:**

The draft ordinance addresses the review process for Alterations of contributing garages when they could be converted to an ADU. Section 31.11(1) grants staff administrative authority to grant a Certificate of Appropriateness for Alterations; however, **changing a contributing garage to an ADU will require approval by the HPC. Additionally, character-defining features of a contributing garage must not be significantly altered.**

New Construction of an ADU is included under Section 31.13(10), Garages and Accessory Buildings. **The draft ordinance includes clarification of Design Criteria for New Construction of garages and**

**accessory buildings (including ADUs), on requirements for porches, two-stories, raised foundation, and meeting footprint design criteria have been addressed, as they relate to garages and accessory buildings (including ADUs).**

Additionally, the draft ordinance includes changes to the wording of Section 31.10 Certificate of Appropriateness, without making any substantive changes. This section has been under discussion by the HPC at various times over the past 18 months.

### **CHAPTER 13 RENTAL HOUSING SUMMARY:**

**The allowance for an ADU is predicated upon the owner of the property also residing on the property. Chapter 13 amendments include a definition for ADU, standards that only one of the two dwellings on the property may be rented, that the owner must always occupy one of the two structures to rent any of the dwellings, and that the ADU with the single-family dwelling are considered collectively for the Owner-Occupied exception. The Owner-Occupied definition with the exception would allow for family members and a roomer to live in either the primary residence or the ADU without it being registered as rental.**

**The Near Campus Neighborhood bedroom limitation based upon 2018 records has been updated to make it clear that regardless of modifications to a structure, additions to a structure, or construction of a new did not increase the bedroom count for purpose of calculating maximum occupancy.**

**It should be emphasized that two of the issues highlighted above were not previously discussed in detail. The first issue makes it clear that in no case can both dwellings be licensed as rental units, even if the property owner lives in one of the dwellings. The second issue specifies that once an ADU is constructed, the property must always be owner occupied to allow for either dwelling to be rented. Outside of the regular renewal requirement, no additional or ongoing confirmation of owner residency is required and no specific time period of transition from one owner to another has been included.**

### **HISTORIC PRESERVATION COMMISSION RECOMMENDATION:**

On November 13, 2023, the Historic Preservation Commission (HPC) discussed at length the proposed amendments to Chapter 31. The Commission voted 5-0 to recommend City Council approval of modifications to the proposed text amendments in Chapter 31, clarifying the application of design criteria and guidelines to accessory structures and ADUs. Conversion of a contributing garage to an ADU will require HPC approval.

### **PLANNING & ZONING COMMISSION RECOMMENDATION:**

On December 6, 2023, the Planning and Zoning Commission reviewed the text amendments to Chapter 29, Zoning Ordinance and Chapter 31, Historic Preservation. The discussion included questions about ownership requirements and how that affected living trusts that and how parking requirements apply to ownership and rental situations. The Commission voted 5-0 to recommend approval of the draft ordinance for Chapter 29 and 31.

---

### **ALTERNATIVES:**

1. Approve on first reading, implementing an allowance for Accessory Dwelling Units (ADUs) into the *Ames Municipal Code*, as per the attached ordinance amending the following three chapters: Chapter 13, Rental Housing; Chapter 29, Zoning Ordinance; and Chapter 31, Historic Preservation.
2. Approve on first reading a modified version of the attached ordinance implementing an allowance for Accessory Dwelling Units (ADUs) into the *Ames Municipal Code*.
3. Continue the public hearing to a date certain and direct modifications to the draft ordinances prior to first reading.
4. Take no action regarding the text amendments, thereby not memorializing changes in state law related to short-term rentals within the *Ames Municipal Code*.

**CITY MANAGER'S RECOMMENDED ACTION:**

Staff has indicated on a number of occasions that the proposed standards are “middle of the road” compared to our review of other cities. Generally, most single-family properties that are not restricted by private covenants should be able to take advantage of the new standards. Properties with one-car garages and small rear yards are the sites most likely to have difficulty in meeting the requirements. As described in April, almost 25% of the City's single family residential lots will not be able to take advantage of the allowance because of current covenants. Staff believes that based upon experiences in other communities there will be slow and gradual approach of homeowners building ADUs.

The proposed standards for ADUs are designed for consistency with our existing accessory building requirements. They are a balance between encouraging the use while respecting compatibility with the surroundings. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving first reading of the ordinance amending three chapters of the Ames Municipal Code to allow for ADUs.

**ATTACHMENT(S):**

[Ordinance for Allowing ADUs in Residential Districts.pdf](#)