



FACTSHEET

Improving the Cape's Accessory Dwelling Unit (ADU) By-Laws

The Cape does not have enough year-round rentals. Modifying towns' Accessory Dwelling Unit by-laws will increase the supply of available units without developing more land or ruining the character of our community. *Young professionals and students on Cape Cod will be more likely to stay on the Cape if there are more convenient, affordable apartment homes for them to rent.*

The Problem: The Cape Cod Young Professionals 'Shape the Cape' study showed housing availability and affordability as one of the main reasons young professionals either do not locate on Cape Cod or simply leave the region altogether. We need to reverse this trend in order to have a healthy, sustainable community. Accessory dwellings are one of the ways we can increase both the availability and affordability of the housing stock without developing more land, while prioritizing our environment.

The current rental market on Cape Cod is too small, driving up rental prices. The types of rentals tend to be too big (3BR houses) and expensive for some segments of the population while affordable housing excludes those with moderate incomes, like young professionals and students who may make a decent income but have to spend a large amount of it on student loans or other expenses.

The Solution:

This by-law would make it easier for homeowners to rent out accessory units on their property, for example a carriage house, an in-law apartment or a garage apartment. It would limit and remove some current zoning restrictions on accessory units to encourage the creation of more year-round rentals on Cape Cod. The by-law would maintain existing regulations that are necessary to protect community character and water quality.

Accessory units are great option because they create affordability in two categories – increasing attainable rental options and creating an income stream to make a home more affordable for owners. We all know rental opportunities are scarce due to the Cape's desirability and attractiveness as a tourist destination. Allowing existing homeowners to create more rental opportunities without adding more bedrooms or bathrooms than allowed strikes a great balance of more units, while keeping the charm and character of Cape Cod intact.

The crux of an accessory dwelling bylaw lies in the fact all existing land use and wastewater regulations will have to be met. The proposed bylaw just allows the creation of more attainable, yet compact units to help offset the shortage of available and affordable units.

Who else benefits?

- More year-round Cape Cod residents will be able to afford to stay on the Cape and buy a home here if they can rent out a carriage house or garage apartment to help them pay for their mortgage.
- Making it easier to rent out accessory units will provide more reasonably-priced rental units for people who might otherwise have difficulty finding housing on the Cape.
- By making it easier for homeowners to rent out their carriage house or garage apartments, towns on the Cape can increase the number of year round rentals without letting developers ruin the character of the community with more development and big apartment buildings.
- Many seniors on Cape Cod will have an additional, sustainable source of income - and potentially a younger person to help them out around the house.

By-law Details:

- The accessory units would have to comply with the septic and wastewater requirements for the town.
- The accessory unit could not be sold separately from the primary residence.
- All accessory units would have a separate entrance, a bathroom, and a kitchen.
- Accessory units would have to be rented for at least one month or longer, meaning it couldn't be used for Air B&B or other lodging purposes.
- No more than one accessory unit could be created on a lot.
- The accessory unit could not have more than two bedrooms or be more than half the size of the primary residence.
- Accessory units would need to have their own parking spots.

Frequently Asked Questions:

What's wrong with the current by-law?

Most towns current by-laws are a good start, but they are not encouraging homeowners to participate in upgrading or building these units. [This can be because of the complications, administrative hurdles, income restrictions, or deed restrictions.] A simplified by-law will encourage homeowners to create or bring up to code their in-law apartments.

What would the impact on wastewater be?

The by-law requires homeowners comply with existing land use and wastewater requirements. It specifically requires wastewater compliance.

For example: If the a house has a septic system designed for 4 bedrooms and the house currently has 4 bedrooms, they couldn't add an ADU unless the homeowner made their main dwelling a 3 bedroom.

Furthermore, If a town has a lot size requirement for the number of bedrooms on a lot, this by-law would not supercede it.

Would this lead to more development? Wouldn't it change neighborhoods?

No; in fact, one of the top benefits to towns is that modifying their ADU by-law allows for the creation of more housing without developing precious open space or creating big apartment

buildings. It encourages a more economic and energy-efficient use of the town's housing supply while maintaining the appearance and character of the town's single-family neighborhoods.

The by-law specifically requires the each ADU to be *substantially smaller* than the main house and would have *at most* 2 bedrooms (though towns could require a maximum of 1 bedroom) - as opposed to duplexes, which are equal in size and house multiple families.

Most ADUs blend into the main building and neighbors have no idea one exists there. They're carriage houses, above garage apartments, and basement apartments. Many exist already, though illegally; a modified ADU by-law merely allows the homeowner to install a stove.

Lastly, passage of this bylaw doesn't mean *every* homeowner who could take advantage of it would. Indeed, many simply won't want to, others can't afford to, and others will find it impractical. Using the wastewater example above, a homeowner may not want to reduce the number of bedrooms in their main dwelling. Or, if they are on a smaller lot, they may find the footprint would exceed other local zoning regulations. In other areas of the country where similar by-laws have been passed, the percentage of people taking advantage of it is low.

But for empty-nesters no longer needing 4 bedrooms and facing retirement, creating an in-law apartment is a great way to ensure they have a steady income coming in as they age. And because the tenants will be living on the property with them, most homeowners will be extra careful about renting to responsible, quiet tenants.

Wouldn't this increase the number of people in town and burden on the town? No. These people already live here. But many are struggling and moving in and out of winter rentals. As evidenced by the census and the Shape the Cape study, we are seeing a demographic reduction in year-round residents - particularly young people who work in our seasonal economy. We need to provide them with moderately priced housing options or we will lose more of them for good.

Additionally, the by-law requires compliance with town wastewater requirements.

Wouldn't this just lead to more summer rentals and Air B&B rentals? No. The by-law *expressly* prohibits using the unit for lodging.

Who makes sure the by-law is being followed? Some towns may put different people in charge but generally, the Building Commissioner is in charge of compliance.

For more information or to get involved, visit www.buildasmartercape.com.

The Smarter Cape Partners

Smarter Cape Cod's objective is to create a vibrant Cape Cod community for the 21st century—one that supports the evolution of our economy from service-based to knowledge-based, and uses our recently-built, fast, reliable and robust technology infrastructure to improve our quality of life by making the way we do things "smarter".

