# WDSF+INITIATIVE ACCESSORY DWELLING UNIT (ADU) PILOT PROGRAM

# WDSF+ ADU PILOT PROGRAM INTRODUCTION

| Sept 28, 2020 |

The West Denver Single Family Plus (WDSF+) ADU Pilot Program provides moderate and low income qualified homeowners development, design, financing, and construction resources to develop a detached ADU.



The WDSF+ ADU Pilot Program is currently accepting homeowner applications. Participants must own a home in a West Denver Renaissance Collaborative (WDRC) neighborhood, income qualify, and have ADU zoning. Please review the 'WDSF+ ADU Pilot Program Basic Requirements' to determine your eligibility and interest.

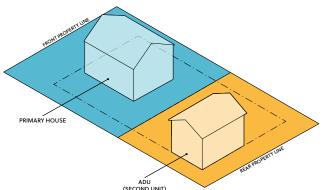
#### **WDRC NEIGHBORHOODS**



### **ACCESSORY DWELLING UNIT (ADU)**

ADUs are commonly known as Mother-In-Law Quarters, Granny Flats, Casitas, Backyard Cottages, and Carriage Houses.

**Accessory Dwelling Unit (ADU)** - second, usually smaller, house on a homeowner's residential lot



In Denver, a primary house and its ADU must be owned by the same owner, and the owner must live in one of the units. Depending upon zoning and the residential lot, this could mean utility systems are shared.

# BENEFITS AND WEALTH BUILDING POTENTIAL OF AN ADU

Homeowners can rent the ADU, use it to house extended family, or move into it and rent their primary house.

- **Income** ability to rent the second unit and supplement monthly income and ability to grow equity by increasing property value.
- Family Support ability to house multi-generational families and extended family for aging-in-place, savings on senior-living and/or childcare costs, and to support long-term household stability.
- **Neighborhood Strength** homeowners can gain income from their rental units and renters can gain access to new single family rental options.

### **WDSF+ ADU PILOT PROGRAM TERMS**

The ADU must be used for residential occupancy, and either the ADU or primary house must be occupied or rented by a household earning less than 80% current Denver Area Median Income (AMI) for a 25 year term (AMI source: CHFA).

If rented, the monthly rent must be equal to or less than 80% Denver current AMI maximum rent (AMI source: CHFA).

Short-term rental of the ADU is NOT allowed during the 25 year term. In Denver, short-term rental is defined as "a primary residence used for lodging accommodations to transients for a period of less than thirty (30) consecutive days" (DRMC, Sec. 33-46).

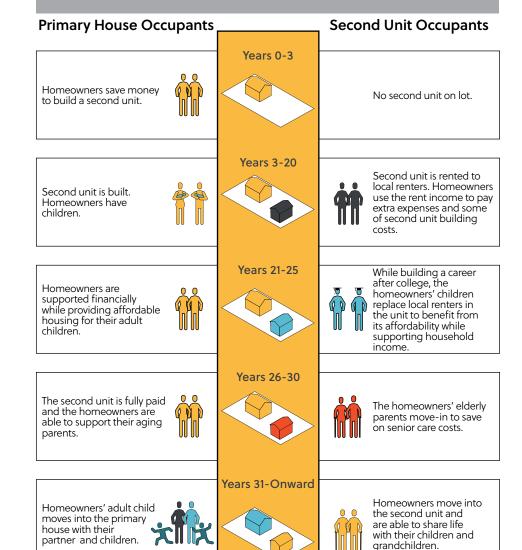
# WDSF+ ADU PILOT PROGRAM COST SAVINGS & RESOURCES

The WDSF+ ADU Pilot Program provides significant cost savings for design permitted detached ADU models. The cost savings along with development, design, financing, and construction resources make it possible for moderate and low income homeowners to build an ADU.

#### DEVELOPMENT, DESIGN, FINANCING, AND CONSTRUCTION RESOURCES

- Site development and permit process assistance
- Architecture services and pre-approved ADU designs
- ADU construction
- Custom housing counseling services
- Access to an affordable ADU development loan
- Access to refinancing and ADU construction consolidated in one mortgage
- Property management training

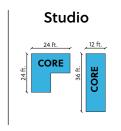
### **EXAMPLE LIFE CYCLE OF AN ADU / TANDEM HOUSE**



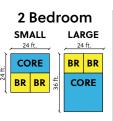
#### WDSF+ ADU PILOT PROGRAM DESIGNS

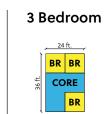
#### **CORE + BEDROOMS**

Each ADU will include the core: kitchen, living, and bath. Homeowners choose to add bedrooms (12 ft. x 12 ft.) to fit their needs and their site. The ADU orientation and location will be selected to fit homeowner needs and to comply with city standards.









#### **DEVELOPMENT COST + ESTIMATED CONSTRUCTION VARIABLES** OCTOBER 2020\*

\$ 167,000	Linear Studio (432 sq. ft.)
\$ 168,000	Studio (432 sq. ft.)
\$ 186,000	One Bedroom (576 sq. ft.)
\$ 188,000	Small Two Bedroom (576 sq. ft.)
\$ 216,000	Large Two Bedroom (864 sq. ft.)
\$ 218,000	Three Bedroom (864 sq. ft.)

<sup>\* -</sup> Pricing is updated each year to reflect construction costs

#### **FINANCIAL ASSISTANCE**

Depending on household income, you may be eligible for the following:

\$ 25,000	City of Denver Affordable ADU Forgiveable Loan
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#### \$ 21,000 Affordable ADU Construction Waiver

#### **IMAGES AND VIRTUAL TOUR**

Five ADU/Tandem House designs are available and design approved at this time. The images below are intended to be illustrative only.











#### WDSF+ ADU PILOT PROGRAM BASIC REQUIREMENTS

I have owned the property in a WDRC neighborhood where the ADU is intended to be built for at least the last consecutive five

Homeowners who have owned the application property less than five years or are in a different neighborhood may apply, but priority will be given to applicants within the WDRC neighborhoods who have extended term homeownership and/or a demonstrated need for stabilization.

#### WDRC NEIGHBORHOODS

- Athmar Park Lincoln Park
- Sun Vallev Barnum
- Villa Park West Colfax

- West Barnum
- Valverde
- Westwood

# My property is zoned to allow an ADU.

- 1. Find the zone district: Search by property address on www.pocketgov.org
- 2. Use the table below to determine eligibility

#### ZONE DISTRICTS AND ADU / TANDEM HOUSE ELIGIBILITY

	Neighborhood Context								
	Suburban	Urban	Urban (U)	General	Urban	Downtown	Master		
	(S)	Edge (E)		Urban (G)	Center (C)	(D)	Planned (M)		
	S-SU-A	E-SU-A	U-SU-A	G-RH-3			M-RH-3		
	S-SU-D	E-SU-B	U-SU-B	G-MU-3			M-RX-3		
	S-SU-F	E-SU-D	U-SU-C	G-MU-5			M-RX-5		
	S-SU-Fx	E-SU-Dx	U-SU-E	G-MU-8			M-RX-5A		
	S-SU-I	E-SU-G	U-SU-H	⊣ G-MU-12 ਮੂੰ ਮੂੰ	ds ds	M-CC-5			
<sub>22</sub>	S-SU-lx	E-SU-D1	*U-SU-A1	G-MU-20	istri	istri	M-MX-5		
izi	*S-SU-F1	E-SU-D1x	*U-SU-A2**	I-A2** G-RO-3	e d	M-IMX-5			
Residential Zone Districts	S-TH-2.5	E-SU-G1	*U-SU-B1	G-RO-5	l zor	Contains no residential zone districts Contains no residential zone districts	M-IMX-8		
	S-MU-3	E-TU-B	*U-SU-B2**		Contains no residentia		M-IMX-12		
	S-MU-5	E-TU-C	*U-SU-C1				M-GMX		
	S-MU-8	E-TH-2.5	*U-SU-C2**						
	S-MU-12	E-MU-2.5	*U-SU-E1						
	S-MU-20		*U-SU-H1						
			U-TU-B						
			U-TU-B2**						
			U-TU-C						
			U-RH-2.5						
			U-RH-3A						

\*\*- ADUs permitted only on corner zone lots of collector/arterial streets. See notes in DZC 5.3.4.5.A

- Zone Districts not allowing ADUs Zone Districts allowing ADUs
- ☐ I have a clear area in the rear of the property to accommodate an ADU.
- I have an average to good credit score (620 and above) that would allow me to qualify for a new mortgage.
- I understand that I must financially qualify based on my household income in order to become eligible for any financial assistance.

#### **WDSF+ ADU PILOT PROGRAM PARTICIPANTS**

If you meet the 'Homeowner Basic Requirements' and are interested in the WDSF+ ADU Pilot Program, complete and submit the Pre-Qualification Application online or in-print. Eligible applicants will be contacted by a WDSF+ staff member to move forward to the next step of the WDSF+ ADU Pilot Program.

More Information and Pre-Qualification Application: www.mywdrc.org mywdrc@gmail.com 720-932-3112

If you do not meet the 'Homeowner Basic Requirements' but would like to receive WDSF+ ADU Pilot Program updates, please respond to the 'ADU Pilot Program Survey' online at mywdrc.org.

## WEST DENVER SINGLE FAMILY PLUS (WDSF+) INITIATIVE

The WDSF+ is an initiative to stabilize low and mid income homeowners and minimize displacement by providing targeted homeowner resources, connections to trusted home services, and equitable access to detached ADU and tandem home construction in west Denver. For additional information on other services, see mywdrc.org.

#### WEST DENVER RENAISSANCE COLLABORATIVE

The West Denver Renaissance Collaborative (WDRC) was created in 2016 with the mission of facilitating west Denver revitalization in an equitable fashion, improving the livelihood of existing residents and working to preserve and amplify west Denver's rich, multicultural character. The WDRC has led the creation of the West Denver Single Family Plus initiative (WDSF+) in direct response to the need for housing strategies within west Denver neighborhoods.



West Denver Renaissance Collaborative 1035 Osage Street | Denver, CO | 80204 | 720.932.3136

#### **WDSF+ INITIATIVE PARTNERS**











