

# **Draft Summary of Comments**

Focus Groups Meetings Conducted on August 17, 2017 and August 21, 2017



# Homeowner ADU Focus Groups Meetings

## A. Overview of the Homeowner ADU Focus Groups

This Draft Summary has been prepared as part of the first phase of work on accessory dwelling units (ADU), and is part of the outreach and research activities to gather information on the experience of ADU stakeholders and end-users of the ADU products, including an ADU Idea Book, ADU Process and Design Manual, ADU

website, etc. Specifically, this document provides a summary and important takeaways from two focus group meetings with homeowners — (1) one with homeowners who have either built or and in the process of building their ADU; and (2) the other with homeowners who are thinking about or planning to build an ADU.

The purpose of these two focus group meetings was to identify the needs and challenges of homeowners who want to build an ADU, and to use this information to help inform the ADU materials produced throughout this entire process.

This Summary should be viewed as a companion to other materials being prepared during this process, including: (1) surveys of jurisdictions within San Mateo County to gather information on jurisdiction standards and fees for ADUs;





Photos from the April 17 and April 21, 2017 Homeowner ADU Focus Group Meetings

(2) an online survey that was used to select participants for the focus group and collected information from 140 homeowners who have an ADU or are interested in building one; and (3) focus group meeting with architects, designers and builders of ADUs. A summary of the findings from the surveys and focus groups will be prepared to inform all of the ADU products being prepared for the ADU work effort.

Comments at each of the focus group meetings were recorded on a large wall-graphic (see Section G for a photo-reduction of the wall-graphics from the meetings). In addition, participants were given comment sheets covering each of the topics discussed at the meeting to supplement the ideas recorded on the wall-graphic and to provide a written ranking of the product/information priorities.

## B. Important Takeaways from the Homeowner Focus Groups

- (1) Reduce Risk, Worry and Uncertainty for Homeowners. Homeowners want to be able to plan for their ADU in a knowledgeable way to know what they are committing to, including knowing the costs, what they can build, how long it will take, how to find an architect and builder, how to manage the process, information about renting, etc. Homeowners want to minimize surprises and feel in control of the process. Not having all the information about the process adds stress, uncertainty and, sometimes, additional costs.
- (2) Create a Friend at City Hall. For many homeowners the perception and/or reality is that staff (planning, building, public works, etc.) at the jurisdictions do not encourage ADUs. Many perceived staff to be ill informed and offer inconsistent review, and felt they had negative interactions with staff due to incompetence and misinformation. Participants were also frustrated by the seeming lack of communication between departments. Many felt the process took too long and there was far too much uncertainty and too many surprises they had no knowledge about how long and complicated the process would be. Homeowners want helpful, personable, and knowledgeable staff, clarity and consistency about the rules, and preferably one contact for ADUs.
- (3) Provide High Quality, Comprehensive Information for Homeowners.

  Homeowners want information on the ADU process and how to manage costs.

  Ideas include a one-stop website with a Q&A feedback mechanism, a
  calculator for costs and rents, "How to Build an ADU" workshops, and a "How To"
  manual covering the entire process through renting (selecting tenants, renting
  considerations and rules, "How to" be a landlord, etc.).

- (4) Enable the ADU Approval Process to be Transparent and Easy to Navigate. Homeowners in the focus groups generally view the currently available information at the cities on the process and requirements for approval as scattered, complex and confusing.
- participants who have built or are in the process of building an ADU complained about construction headaches and complications with subcontractors. In addition, unforeseen issues such as heritage trees protection or tree removal, foundation and drainage work, hillside development complication, grading/excavation work required, and other costs, etc. created surprises and significantly increased their construction budget. Ideas generated include advice on getting competitive bids, comparisons and examples of costs for building an ADU, obtaining building/construction requirements and how to find a good project manager especially an expert specialized in ADUs.

# C. Summary of Comments from the <u>August 17, 2017</u> Focus Group Meeting — HOMEOWNERS WHO HAVE EITHER BUILT OR ARE IN THE PROCESS OF BUILDING THEIR ADU

Eight (8) people attended the August 17<sup>th</sup> focus group meeting representing 6 ADUs (two couples attended). Three (3) of 6 had very challenging experiences - some to the point of not being sure they would do it again. Most had to manage the process extensively and had a very difficult time working with the city or county to get permits. Three (3) people were happy with the experience, though they built their ADU 10 plus years ago and one ADU was not permitted. One (1) added an ADU as part of a home remodel.

Below is a summary of comments. The summary is organized by the comment sheet questions that are also shown below.

#### One Word

If you had to come up with <u>one word</u> to describe the process of building your ADU, what would it be? Why?

- 1. "Single mom" feeling like a deer in the headlights (permits, timing, etc.).
- 2. "Excruciating" due to the incompetence of city and county staff, as they are not knowledgeable and provide misinformation.
- 3. "Frustrating" due to "fascist" design review and permits required.
- 4. "Extremely challenging" to obtain permits.

- 5. "Need for more knowledge" to control costs, no help from city staff and poor website.
- 6. "Exhausting and feeling like it is never ending" due to the length of approval time and unexpected surprises.
- 7. "Difficult "finding a contractor.
- 8. "Expensive" due to costs for improvements that weren't necessarily required and the costs go up with length of processing and construction time.
- 9. "Painful" because of the lack of communication between departments.
- 10. "Easy" because I found a good project manager.
- 11. "Scary" because of the logistics of construction and the need for help need for specialized consultant familiar with ADUs.
- 12. "Hopeful and creative."
- 13. "Miracle" because I had a great architect and a great builder.

#### **Decision-Making Process**

We want to understand the decision making process that got you from being vaguely aware that ADUs exist, to deciding you want to do it. What were key considerations and important research you did and how did you decide to move forward?

- 1. Provide for the ability to stay in my house and create income.
- 2. Get income from the property.
- 3. Provide housing for family (that may be required at a given period time).
- 4. Recognize the flexible use of a home.
- 5. Consider that housing prices are going up.
- 6. Enables you to stay and increase value in your current home.
- 7. Factor in the increase in resale value.

#### **Looking Back**

Now imagine yourself a year or more back, thinking about should I do it or not do it — What scared you? What motivated you? Were you right about those things? What would have been useful going forward?

- 1. Understand costs scared of the money and costs (we don't want a money pit).
- 2. Fear of the timeframe.
- 3. Knowledge of the cost, timeframe and process.
- 4. Consider that if I had a choice I might not do it again.
- 5. Need to know how long will it take to get a permit.
- 6. Understand more about potential construction headaches.
- 7. Uncertain about the quality of a tenant.
- 8. Need a manual.
- 9. Get as much information about the cost of building a unit.

- 10. Get a list of comparison ADUs.
- 11. Understand and fully know the details.
- 12. Provide information and materials on design.
- 13. Provide a summary of the codes and regulations.
- 14. Provide a website, with a feedback mechanism.
- 15. Find an expert, although it's hard to find one.

#### **Steps Moving Forward**

Once you decided you really wanted to build your ADU, what were the next steps? Which parts were hardest? Were there fun parts? Is there anything that would have made it easier?

- 1. Provide an endorsed list of architects and builders.
- 2. Provide a list of ADU mentors who have built units.
- 3. Convey knowledge early on about what you can build and how much it will cost.
- 4. Identify the dollar amount for all costs important to know.
- 5. Know the rent possible so you can figure out how long it will take to pay off the new construction.
- 6. Consider that noticing and the approvals take too long.
- 7. Factor in that new things come up that are unknown and are surprises such as trees and tree removal, foundation work required, drainage, septic system, etc.
- 8. Understand the challenges of building on a hillside lot.
- 9. Avoid multiple contractors, if possible, as it makes the construction process very complex

#### Renting

For those of you who are renting your ADU, was that difficult? Are there resources that would have made it easier?

- 1. Understand the law.
- 2. Know the responsibilities of being a landlord.
- 3. Provide information on how to do credit checks.
- 4. Provide information on short-term rentals.
- 5. Identify ways to make it easy to rent and at a good price.
- 6. Provide information on how to find good tenants.
- 7. Include sample contracts.
- 8. Identify the rights of the landlord and the tenant.
- 9. Cover the ability to calculate monthly and annual rent and income and costs.
- 10. Provide information on the Section 8 rental voucher program.
- 11. Provide information on the best time of the year to find a renter.

12. Answer the questions whether it is good to do an open house?

#### **Advice for Others**

For everyone, what advice would you give to someone thinking about building an ADU?

- 1. Go for it!
- 2. Consider building an ADU with the remodel of the property.
- 3. Recognize how nice it is to have the extra income.
- 4. Hire a professional project manager.
- 5. Recognize that certain jurisdictions are more difficult to work with and obtain approval.
- 6. Find an expert.
- 7. Identify a good contractor.
- 8. Shop around and get competitive bids, especially find someone who can do all of the work so there are fewer sub contractors, making it more complex.
- 9. Obtain sample contracts and get legal advice.
- 10. Understand capital gains (taxes).
- 11. Increase your knowledge going into the project.
- 12. Use a local brain trust of people and resources.
- 13. Recognize there are no incentives for government workers to expedite processing because they are not paid by the job.

#### **Permits and Approvals**

How challenging has it been to get permits and work with different city departments? What suggestions do you have to make the permitting process easier?

- 1. Ensure consistency and transparency of the process.
- 2. Provide materials that are easy to understand and use.
- 3. Be women friendly.
- 4. Ensure the comprehensive knowledge of staff and have good (personable) customer service.
- 5. Be sensitive to the timeframe of the homeowner and the costs.
- 6. Address the fact that the process seems too open-ended moneywise for the homeowner.
- 7. Identify solar and other innovative green practices that are cost-effective.
- 8. Identify a specific person at the city who is responsible for ADUs and would be a central contact for people.
- 9. Provide information on how an ADU will impact property and personal taxes.
- 10. Identify the rules and regulations for each jurisdiction.
- 11. Ensure appraisal consistency.

- 12. Recognize the challenges of the process this is a very difficult process where San Mateo County does not help in anyway and in fact they make it harder I incompetence and lack of care.
- 13. Consider that there's no incentive for the people in San Mateo County to want to help people they don't care at all.

#### Other Suggestions

Is there anything else we missed that you'd like to add?

- 1. Conduct "how to" workshops.
- 2. Provide easy to understand and use guide to the process.
- 3. Create a good website with comprehensive information and links.

# D. Summary of Comments from the <u>August 21, 2017</u> Focus Group Meeting — HOMEOWNERS WHO ARE THINKING ABOUT OR PLANNING TO BUILD AN ADU

Seven (7) people attended the August 21st focus group meeting representing six (6) ADUs (one couple attended). The group was mostly excited about the prospect of building ADUs, particularly for the additional income or to accommodate family members or themselves (and rent out the primary dwelling). They shared concerns about the many unknowns, such as costs, finding the right people to do the work, permitting and renting the unit.

#### One Word

If you had to come up with <u>one word</u> to describe how you are feeling as you think about building an ADU, what would that be? Why?

- 1. "Excited" in conjunction with other work updating out home and it makes complete sense we like to engage in the building aspects of the project
- 2. "Good" because of the added income and providing affordable housing for the community.
- 3. "Excited" to update my home and provide a design improvement. Both the modernization of my home and the physical work is exciting.
- 4. "Excited" because it would be a joint project with the garage, which I have always wanted.
- 5. "Smart" because it makes sense as affordable, small space living.
- 6. "I am optimistic" to build an ADU to help students and to provide additional income to help my living situation.

- 7. "I'm interested" in building and ADU but it comes down to cost and my frustration in finding information about costs, permits, etc. There really is no central place to get all the answers that will help in making a sound decision.
- 8. "The cost uncertainty" for the approvals and the construction are challenging.

#### Motivation

What is motivating you to possibly move forward to build an ADU? What benefits do you see for building your ADU? Are there fun parts in the process you're looking forward to doing?

- 1. Accommodate my adult children or guests or others. The possibility of housing someone in need is also exciting.
- 2. Help paying our mortgage.
- 3. Provide income and senior care.
- 4. Interest in building an ADU that is legal.
- 5. Concern about shutting down rooming houses and the misapplication of the definition of family in our community.
- 6. Provide more income to pay off my mortgage.
- 7. Add value to my home.
- 8. Provide an opportunity to house and help individuals.
- 9. Modernize my house.
- 10. Add income, square footage and value to my home.
- 11. Design a smaller home.
- 12. Make more sensible use of our property also want to re-landscape and complete the property layout.
- 13. Able to invite missionaries or students or interns who may need a place to live.
- 14. Help family members including in-laws, young people and seniors.
- 15. Create the ability to rent the main house out later and live in a smaller space in retirement (downsizing).
- 16. Enable greater adaptability of my house.
- 17. Provide research on tiny houses, especially Japanese houses.
- 18. Recognize the opportunities due to the shape of my property and setback constraints want an additional unit plus more usable outside space.
- 19. Understand the rules, regulations (such as sprinklers) and costs.
- 20. Follow city council meetings and new ordinances, although cities should do more outreach.

#### Concerns

Imagine yourself moving forward from this point, what scares you the most about getting your ADU approved, paid for, built and occupied?

1. Reassessment and property taxes.

- 2. Ensure code compliance and avoid landlord hassles.
- 3. Concern about City inflexibility that can make the project too expensive.
- 4. Becoming a landlord.
- 5. The cost of extending and covering utilities in the new ADU.
- 6. Costs added by builders. Are there city-approved builders?
- 7. Concerned about community impacts of street parking when there are narrow streets and no street parking (the impact of ADUs).
- 8. Insurance needs.
- 9. Providing adequate noise insulation between the units.
- 10. City inflexibility can make construction too costly.
- 11. Maintain good neighbor relations don't want to impact neighbors.
- 12. Recognize that the permitting process seems to be different everywhere.
- 13. Have a basic understanding of building codes and other requirements.
- 14. Consider circumstances where someone you know, or a family member, doesn't live in the ADU anymore.
- 15. Address the uncertainty of costs, approvals, and noticing.
- 16. Obtain cost comparisons.
- 17. Nervous about the process but looking forward to landscaping.
- 18. Know the cost of building and nervous about potential surprises.
- 19. Recognize other decisions that are needed and the implications, such as picking finishes, who will live in the space, and how will our neighbors react. We don't want our neighbors to be unhappy.
- 20. Avoid new gotcha's!

#### **Permits and Approvals**

How challenging do you envision it will be to get permits and work with different city departments? What resources, information or other things can cities do to address your concerns going forward?

- 1. Designate one person as point of contact for ADUs.
- 2. Know what will the fees be.
- 3. Avoid getting blindsided with extra costs (need to find a good architect/designer).
- 4. Need costs associated with optional designs and a comparison of new construction versus add-ons.
- 5. Understand the challenges of working on an existing structure because it exposes problems that are unforeseen.
- 6. Identify the best times and busy times for available builders.
- 7. Provide a website and guide they are important.
- 8. Identify architects and builders who have designed and/or built accessory dwelling units.

- 9. Provide examples of accessory dwelling units by type and cost of construction.
- 10. Provide an opportunity for sharing with other homeowners who are interested in building an accessory dwelling unit.
- 11. Set up a design competition and an idea guide for people to look at options.
- 12. Put in information about Dolger Homes and how to best add an accessory dwelling unit.
- 13. Look at ways that prefabricated accessory dwelling units can be provided, similar to the old Sears kit-homes.
- 14. Provide a list of accredited builders and designers who are specialists with accessory dwelling units.
- 15. Enable the city staff to be part of helpful team and help to identify solutions to make the accessory dwelling unit possible.
- 16. Make it possible to do case-by-case decisions by the planning department.
- 17. Identify how to convert an existing "in law" units into a legal ADU.

#### **Decision-Making Process**

We want to understand the decision making process that got you from being vaguely aware that ADUs exist, to now being interested in possibly building an ADU. What have been key considerations, thoughts and important research you've done to get to this point? Have any of these items been particularly challenging to obtain information?

- 1. We decided first that we wanted a separate unit with the kitchen and through research discovered about second dwelling units/granny flats. We wanted the additional income to ease the financial stress.
- 2. I received the postcard and thought about our lot as a possibility for an ADU.
- 3. I got excited about the possibilities of an ADU the more I learned.
- 4. I was intrigued about being able to provide housing for a former student who is a great person, but with no housing choice. It put a personal face to who might rent my ADU.
- 5. I "Googled" In-Law Unit, mother-in-law unit, second unit, tiny homes, bonus houses, granny flats and granny cottages.
- 6. I found out about it through the newspaper and a city email blast.
- 7. I found out through word-of-mouth.

#### Renting

For those of you who are or might consider renting your ADU, what are the challenges you envision? Are there resources that might make your decision to rent your ADU easier?

- 1. Provide information on sound insulation to maintain privacy.
- 2. Include eviction information and optional housing for tenants, especially families who are not paying rent.
- 3. Provide information on evicting tenants who are a problem (landlord responsibilities).
- 4. Provide help and advice on the many issues related to renting an ADU.
- 5. Cover all utilities requirements, including water, PG&E, and others, including requirements for having separate meters and address.
- 6. Provide a renter and landlord guidebook.
- 7. Cover short-term rentals and insurance requirements for short-term rentals.
- 8. Identify business license requirements.
- 9. Cover business taxes when renting an ADU.

#### Other Suggestions

Is there anything else we missed that you'd like to add?

- 1. Provide a written guidebook that is easy to understand.
- 2. Provide a centralized website that is easy to use.
- 3. Offer better finance options.
- 4. Enhance government staff assistance to make it more helpful in meeting homeowner needs for certainty.
- 5. Provide a reference guide of architects that are knowledgeable about ADUs since its very challenging.
- 6. Provide a list of contractors so I can find the right person to build at a reasonable cost. Want to avoid untrustworthy builders.
- 7. Ensure all materials are easy to use.
- 8. Provide sample floor plans as examples.
- 9. Identify one point of contact at a city to help with the process (coach).
- 10. Include information on renting.
- 11. Provide handout(s).
- 12. Reduce permit fees.
- 13. Offer incentives.
- 14. Provide a low government financing option.
- 15. Provide help with costs by offering a lower interest loans and other financial assistance.
- 16. Help people to stay current about state law changes and incentives.

- 17. Consolidate checklists, tips and resources into one document.
- 18. Identify what utility companies require for set-up.

### E. Homeowner ADU Assistance Priorities (Products)

The table on the next page summarizes the ADU product priorities identified by homeowners. The average score shown in the table is based on the total points for the item, which was determined by multiplying the number of mentions by the ranking (i.e., 2 mentions of an item ranked 4<sup>th</sup> results in a score of 8), then divided by the total number of participants at the focus group meeting. A lower average score means a higher recommendation.

The clear top three priorities of the homeowners are: (#1) provide a comprehensive, easy-to-use **ADU Guidebook**; (#2) establish an easy to understand **Website** with centralized information about ADUs; and (#3) provide better **Staff Assistance** for people wanting to obtain information and go forward with their plans to build an ADU.

#### Homeowner ADU Focus Groups Ranking of Product/Information Priorities

Average score based on total points divided by number of participants, with lower average score meaning a higher recommendation (points are the number of mentions multiplied by the ranking category — i.e., 2 mentions ranked 4 = 8 points)

Products	1	2	3	4	5	6	Average Score	Rank
Composite of Both Focus Groups (13 to	tal for b	oth foc	us grou	ps)				
List of Contractors	0	2	6	28	15	0	3.92	4th
List of Architects	0	4	6	12	20	12	4.15	5th
Comprehensive Guide	9	6	0	4	0	0	1.46	1st
Better Government Staff Assistance	1	4	12	0	10	20	3.62	3rd
More/Better Financing Options	1	2	0	4	15	42	4.92	6th
Website with Centralized Information	4	0	24	0	10	0	2.92	2nd
Homeowners Who Have or are in the Pr	ocess c	f Buildir	ng an A	DU (6 to	tal for A	ugust 1	17, 2017)	
List of Contractors	0	0	3	12	10	0	4.17	5th
List of Architects	0	2	3	8	10	0	3.83	4th
Comprehensive Guide	4	4	0	0	0	0	1.33	1 st
Better Government Staff Assistance	ì	0	9	0	10	0	3.33	3rd
More/Better Financing Options	0	0	0	0	0	36	6.00	6th
Website with Centralized Information	2	0	12	0	5	0	3.17	2nd
Homeowners Who are Thinking About B	vilding	an ADU	(7 tota	l for Aug	gust 21,	2017)		
List of Contractors	0	2	3	16	5	0	3.71	3rd
List of Architects	0	2	3	4	10	12	4.43	6th
Comprehensive Guide	5	2	0	4	0	0	1.57	1 st
Better Government Staff Assistance	0	4	3	0	0	20	3.86	4th
More/Better Financing Options	1	2	0	4	15	6	4.00	5th
Website with Centralized Information	2	0	12	0	5	0	2.71	2nd

# F. Approach to the Selection of Homeowner Focus Groups Participants

The online ADU survey was undertaken with an important purpose of being able to select focus group participants from ADU stakeholders and end-users. The online ADU survey was targeted to homeowners who either have an ADU, or who are interested in building an ADU (please see Online ADU Survey Summary). The online ADU survey was completed prior to the focus group meetings to help inform the topics needing additional, more detailed discussion.

Below are the specific actions were taken to select homeowner ADU focus group participants.

#### Built / Building an ADU Focus Group

Fifteen (15) responses were received from the online ADU survey from homeowners who had either built their ADU or who are currently building an ADU. The following steps were taken to select participants:

- (a) **Phone screening** Contacted all the respondents and undertook a phone screening with the 11 we were able to get in touch with. We posed a set of four questions about their ADU.
- (b) **Ranking** Each participant was ranked based on whether their situation was a good fit for the focus group, how forthcoming they were and whether they were available for the focus group meeting dates.
- (c) **Selection** The six respondents with the highest rating were invited to participate in the focus group.

#### Interested in Building an ADU Focus Group

Ninety-eight (98) responses were received from homeowners who are interested in building an ADU and took the following steps to select participants:

(a) Initial Selection — Based on their responses to the survey, fifteen (15) participants were selected for the phone screening based on how likely they were to build an ADU (self-reported) and how informed they were about the process. Selection was also based on achieving a balanced distribution of location within the county (north, south, central, etc.) and by desired ADU type.

- (b) **Phone Screening** Phone screening was conducted with thirteen (13) of the people selected and they were asked a set of four questions about their interest in building an ADU.
- (c) **Ranking** Each participant was ranked based on whether their situation was a good fit for the focus group, how forthcoming they were and whether they were available for the focus group meeting dates.
- (d) **Selection** Seven (7) of those screened received the highest ranking and six (6) were selected for the focus group based on achieving a balanced distribution of location within the county (north, south, central, etc.) and to achieve a distribution of desired ADU type.

# G. Photo Reductions of the Wall-Graphics Comments

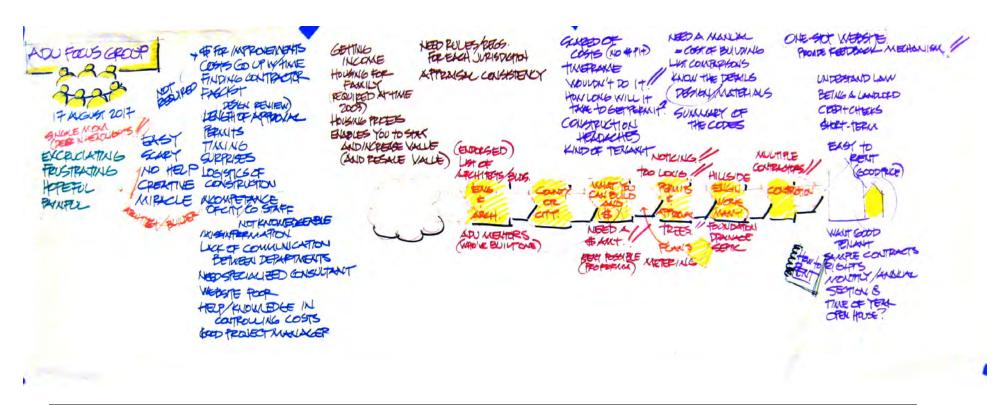
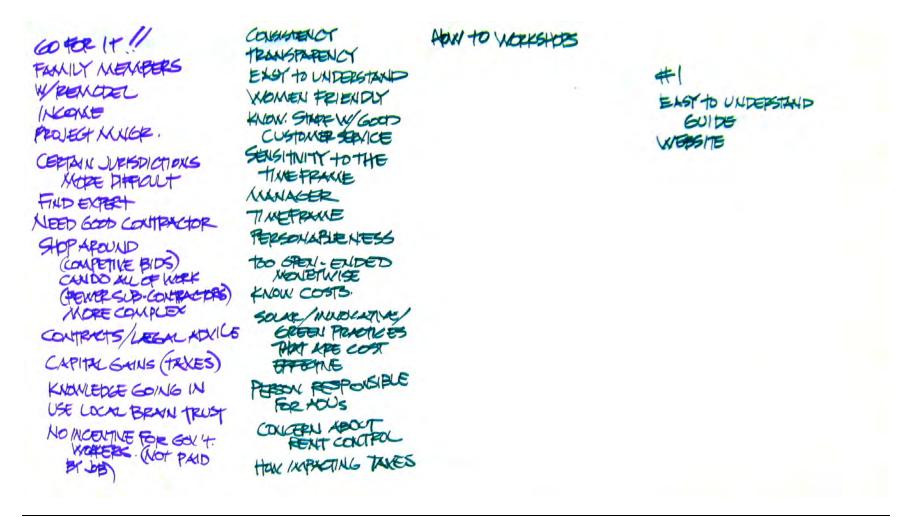
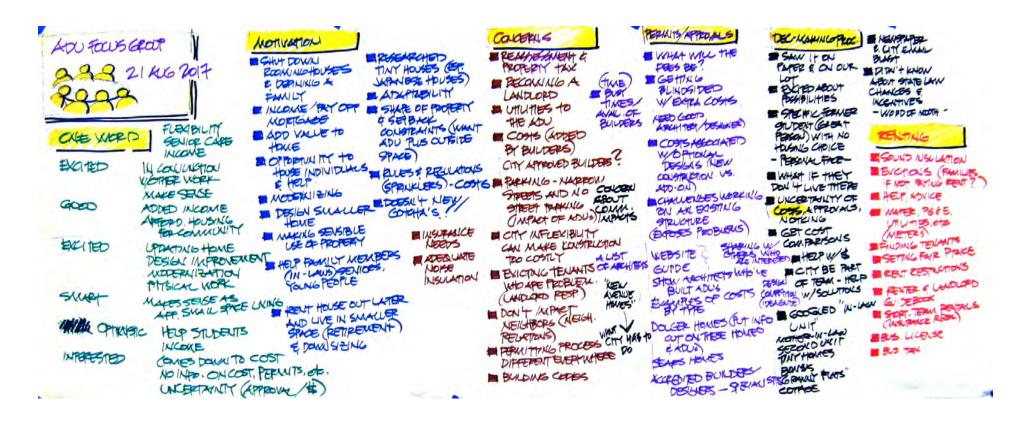


Photo Reduction of Wall-Graphic #1 from August 17, 2017 Homeowner Focus Group (Built or In Progress ADUs)



Wall-Graphic #2 from August 17, 2017 Homeowner Focus Group (Built or In Progress ADUs)



Wall-Graphic from August 21, 2017 Homeowner Focus Group (Considering Building ADU)