

STAFF REPORT

Date: March 27, 2024

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action) – Presentation and potential direction to staff regarding updates to the amendments to Title 18 of Reno Municipal Code pertaining to accessory structures and accessory dwelling units.

From: Grace Mackedon, Senior Management Analyst

Department: Development Services - Planning

Summary:

Accessory dwelling units (ADUs) are being used throughout the country to provide affordability and diversity of housing options in infill areas without drastically increasing density or changing the character of a neighborhood. ADUs are currently prohibited in most areas of the City of Reno. Reno City Council directed staff to draft an ordinance that would allow ADUs within the City. Staff felt it necessary to first conduct a survey to better understand the community's concerns related to ADUs and short-term rentals (STRs). Although Council has not initiated a text amendment related to STRs, staff was anticipating that this would be one of the number one concerns related to ADUs and wanted to get a better idea of what those were. The survey results are included as **Exhibit A**.

Alignment with Strategic Plan:

Economic Opportunity, Homelessness, and Affordable Housing

Previous Council Action:

November 1, 2023 – Council directed staff to initiate a text amendment that would allow ADUs in certain areas of the City. As part of that direction, Council requested substantial neighborhood outreach be done to adequately understand how people throughout the City feel about ADUs.

Background:

On November 1, 2023, during a housing workshop, Council initiated a text amendment to Title 18 of the Reno Municipal Code (RMC) to allow for ADUs within certain zoning districts and neighborhoods. Following Council direction, staff began the process of seeking public input. To get an accurate and comprehensive understanding of the community's concerns regarding ADUs,

City staff published a survey that was open from the beginning of January to the end of February where 11 questions were asked to gauge the community's thoughts on the issue.

Discussion:

The above-mentioned survey was promoted at all of the Neighborhood Advisory Board (NAB) meetings in January, on local news channels, through the City's social media, and the City's website. Just over 2,000 responses were collected with 1,361 people generally in support of ADUs, 309 people generally opposed to ADUs, and 318 people in support of ADUs if there were to be area restrictions. For context, in 2018 a survey was conducted regarding ADUs with 442 responses. Additionally, the City of Reno Master Plan encourages ADUs and prioritizes the adoption of an ADU ordinance in the implementation plan as strategy IMP-4.1c. The Reno Master Plan was the largest public engagement effort in Reno's history with more than 9,000 people participating. Therefore, two of the largest public engagement efforts in the City of Reno Development Services history were favorable towards ADUs.

In the survey that was published in January, the two most common concerns for allowing ADUs were parking and whether the ADU can be rented out as an STR. Additional concerns include neighborhood compatibility, size of the ADU, lot size, and whether the ADU can be rented to a non-family member. Of the responses that indicated support of ADUs with area restrictions, some of the concerns included: infrastructure and environmental considerations; the ability of homeowner associations (HOAs) and covenants, conditions, and restrictions (CC&Rs) to restrict ADUs; increased density; the size of lots; and neighborhood character. Staff also collected information on STRs. That information can be found in the survey results (**Exhibit A**).

The results collected were mapped to demonstrate any potential concentrated areas throughout the City that felt strongly one way or another regarding ADUs (**Exhibit B**). Although there are areas where there were more negative responses regarding ADUs, the responses were still overwhelmingly positive throughout the City. There was a small cluster of negative responses in the South Reno area, but since that area is regulated by planned urban developments (PUDs), they would not be impacted by a new ADU ordinance.

As part of the survey, there was an open-ended question where respondents could provide any other information or concerns regarding ADUs and STRs (**Exhibit C**). There were almost 1,000 responses; staff also provided **Exhibit C** to provide a breakdown of the common themes that were discussed and categorize them for a simpler snapshot of the responses. Some common themes that were seen in these responses included the following:

- The need for affordable housing.
- Personal stories about how unaffordable and unavailable housing has become in this region.

- Concerns about growth and additional building.
- General support for ADUs and wanting additional incentives to encourage ADUs citywide.
- Concerns with where ADUs will be permitted.
- Private property rights and the sentiment that property owners should be able to have ADUs on their property if they desire.
- Concerns with overregulation.
- ADUs enabling multi-generational housing.
- Support for infill and more walkable neighborhoods.

Next Steps:

City staff received a strong response from the survey. To keep interest and participation high, staff plans to start the public outreach process in April. Below is a tentative schedule:

- NAB Meetings in April
- Four stakeholder meetings in April
- Planning Commission in May
- Reno City Council first reading in May

Additionally, the survey results will be published through an interactive map, and stakeholder meetings will be promoted on social media, news channels, and email lists.

Financial Implications:

There is no financial impact at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council provide feedback to staff regarding survey results and potential next steps.

Proposed Motion:

I move to direct staff to move forward with the text amendment based on feedback from Council.

Attachments:

Exhibit A – Survey Results
 Exhibit B – Mapped Results
 Exhibit C – Common Themes
 Exhibit D – Open Ended Responses