

Affordable housing can be good for Sedona

A city ordinance permitting the long-term rental of Accessory Dwelling Units is worth considering

by Carl Jackson, Editor | Sedona.biz

Sedona, AZ - In the January 5, 2008 Associated Press article written by Jay Lindsay entitled *Cape Cod's rapid aging, slow growth point to future problems*, it stated that "Since 1990, the Cape's median age has risen about seven years, from around 39 to just under 46. Nationwide, the median age (36.4) rose about half as much during the same time...[and] about a quarter of Cape residents are over 65, compared to about 13 percent nationwide."

The article points the finger at the Cape's booming tourism industry and the rapid increase in second homes which have placed home prices far out of reach of regular working people, leading to an influx of rich retirees and baby boomers.

Sound familiar? The 2000 Census for Sedona by the U.S. Census Bureau notes that 25.5% of Sedona's population is over 65. Sedona is at the same crossroad as Cape Cod.

Don't get me wrong, I aspire to be a rich retiree; but that doesn't mean I want everyone else around me to be one too.

In my mind, Sedona needs young, old, rich, poor, conservative, and liberal alike to make it the interesting, diverse, and culturally rich city I think we all want it to be. We talk a lot about wanting to retain Sedona's small town character, but how do we do it?

It's not going to be easy, not everyone is going to agree on every solution, and it might cost us something. A small group at the City's Housing Commission chaired by Linda Martinez is slowly making its mark: affordable housing.

Affordable housing in Sedona will give young, entry level, and low income people the opportunity to live and work here and this will help create a more diverse population.

The Housing Commission has offered several solutions. For example, the Sedona City Council recently approved the Housing Commission's [affordable housing policy](#) that provides guidelines and offers incentives to property developers to encourage the construction and retention of workforce housing in Sedona.

Another solution is for the City to purchase property in Sedona and convert it to affordable housing. Let's stop right there. I'm a banker by background, and I'm not too keen on the City becoming a landlord and subsidizing the fair market value of property in Sedona for a few affordable rental units. I told you that not everyone is going to agree on every solution.

At a recent Planning & Zoning Commission meeting, however, I heard a solution that has a lot of appeal, and also some risks: Accessory Dwelling Units (ADUs).

Currently the City of Sedona prohibits the construction and rental of Accessory Dwelling Units, which are defined as small, self-contained residential units, providing complete living facilities for the use of one or more individuals, with permanent provisions for living, sleeping, eating, cooking, and sanitation. They are built on the same lot as an existing single-family home and subordinate to the primary single-family dwelling unit.

The Housing Commission is proposing that the City lift this ordinance and allow residents to construct and rent ADUs for greater than 30 days (the City currently prohibits rentals in residential areas for less than 30 days). The Housing Commission is also proposing that the ADUs be at least 300 square feet but no more than 800 square feet.

Why is this a good idea?

According to a Sedona City Staff report by Audree Juhlin, Assistant to the Community Development Director, "housing options for Sedona's workforce, youth and elderly is a growing issue of concern. In Sedona, between the year 2000 and 2007, the median income increased by 15% from \$44,885 to \$51,300. At the same time, the median price asked for a Sedona home increased 206% from \$280,250 to \$577,500. As Sedona's housing costs continue to remain high, our workforce is finding it increasingly difficult to live in the community they serve. According to the Arizona Department of Housing, to afford a median priced home in Sedona a person must earn over \$84 an hour."

Small ADUs rented for more than 30 days will allow Sedona homeowners to earn additional rental income while creating affordable housing for Sedona's workforce, and create the diversity and small town character Sedona desires; and it won't cost the City anything.

What are the potential unintended consequences?

ADUs would increase population density and neighborhood traffic. Also, if the City of Sedona ever decides to lift its ordinance prohibiting short-term rentals in residential areas for less than 30 days, ADUs could quickly become vacation

rentals rather than affordable housing. And who will rent these ADUs? Maybe they'll be more retirees.

It's now up to Sedona to weigh the risks, and decide what it wants to become: Cape Cod, or something else?