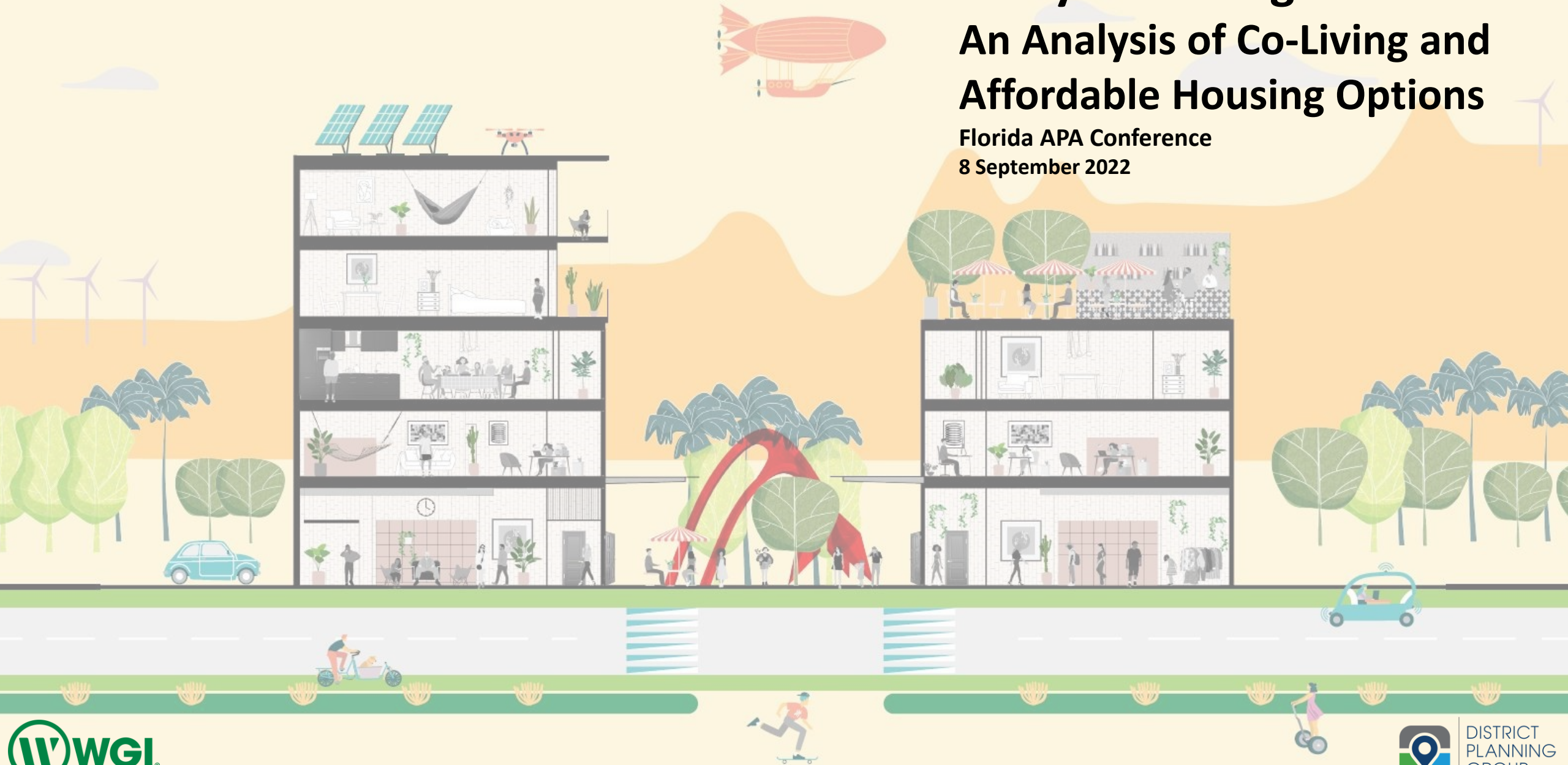


Not your College Dorm: An Analysis of Co-Living and Affordable Housing Options

Florida APA Conference
8 September 2022



Agenda



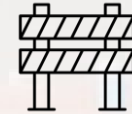
Introduction



Affordable Housing Shortcomings



Co-Living



Barriers to Co-Living



Solving the Problem



Introduction

What is Co-Living

Definition

“A housing arrangement in which a tenant **pays rent for a private bedroom** but **shares common living areas** such as kitchens, bathrooms, and laundry facilities with other tenants,” (US HUD, 2021)

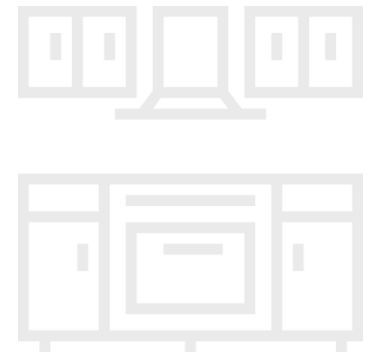


Source: .908 Coliving. retrieved from <https://www.908coliving.com/common-space/>

How is Co-Living Unique?

Co-Living Features

- Relatively affordable
- Fully furnished
- No roommate search
- Lease is attached to the individual instead of the entire unit
- Shared common space and kitchen facilities
- Amenities





Affordable Housing Shortcomings



Accessory Dwelling Units

Neighborhood Grassroots Solution

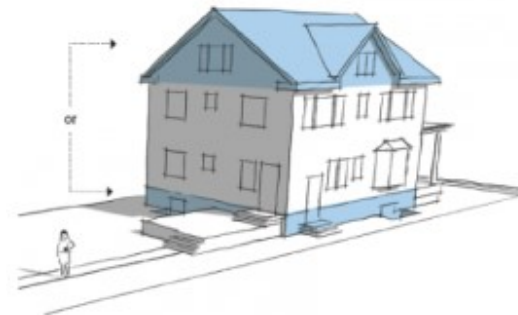
- Historic use; Planners began advocating for ADUs again in 2001
- Flexible family resource supporting financial stability
- Provides neighborhood- integrated affordable housing
- Diversifies neighborhood income and age stratification
- Citizen driven, not developer driven



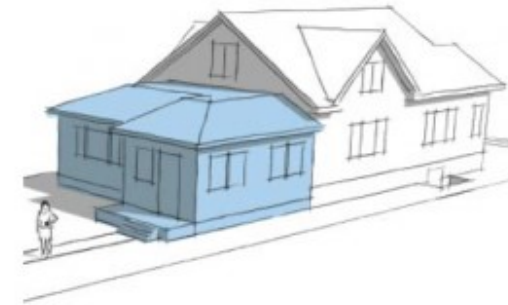
Credit: Getty Images

Barriers to Accessory Dwelling Units

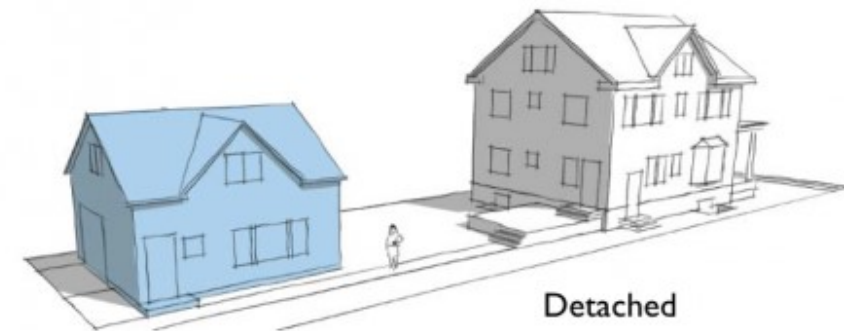
- Since 2001 we have identified the barriers to implement ADUs in neighborhoods
 - Suburban or Urban Neighborhood built environment
 - Permitting process
 - Zoning regulations
 - Permitted accessory uses
 - Size
 - Density limitations
 - Parking and owner-occupancy requirements
 - Character consistency



Internal



Attached



Detached

<https://www.mightysmallhomes.com/house-kit-ideas/accessory-dwelling-unit-adu/>

Lessons Learned & Moving Forward

ADU best practices

- Permit ADUs as accessory uses
- Exempt from density requirements
- Neighborhood compatibility design guidance
- Remove parking & owner-occupancy requirements when feasible
- Exempt from impact fees

Policy changes

Florida Statute 163.31771; 2020

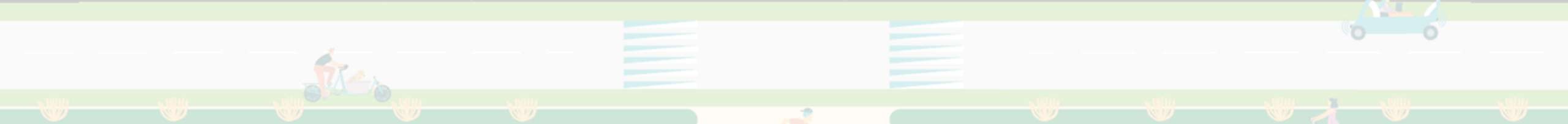
- Encourages local ADU Ordinances for purposes of providing affordable housing
- Owner signs affidavit committing to affordable rate



<https://www.co.washington.or.us/LUT/Divisions/LongRangePlanning/PlanningPrograms/CommunityPlanning/Housing/accessory-dwelling-units-adu-s.cfm>

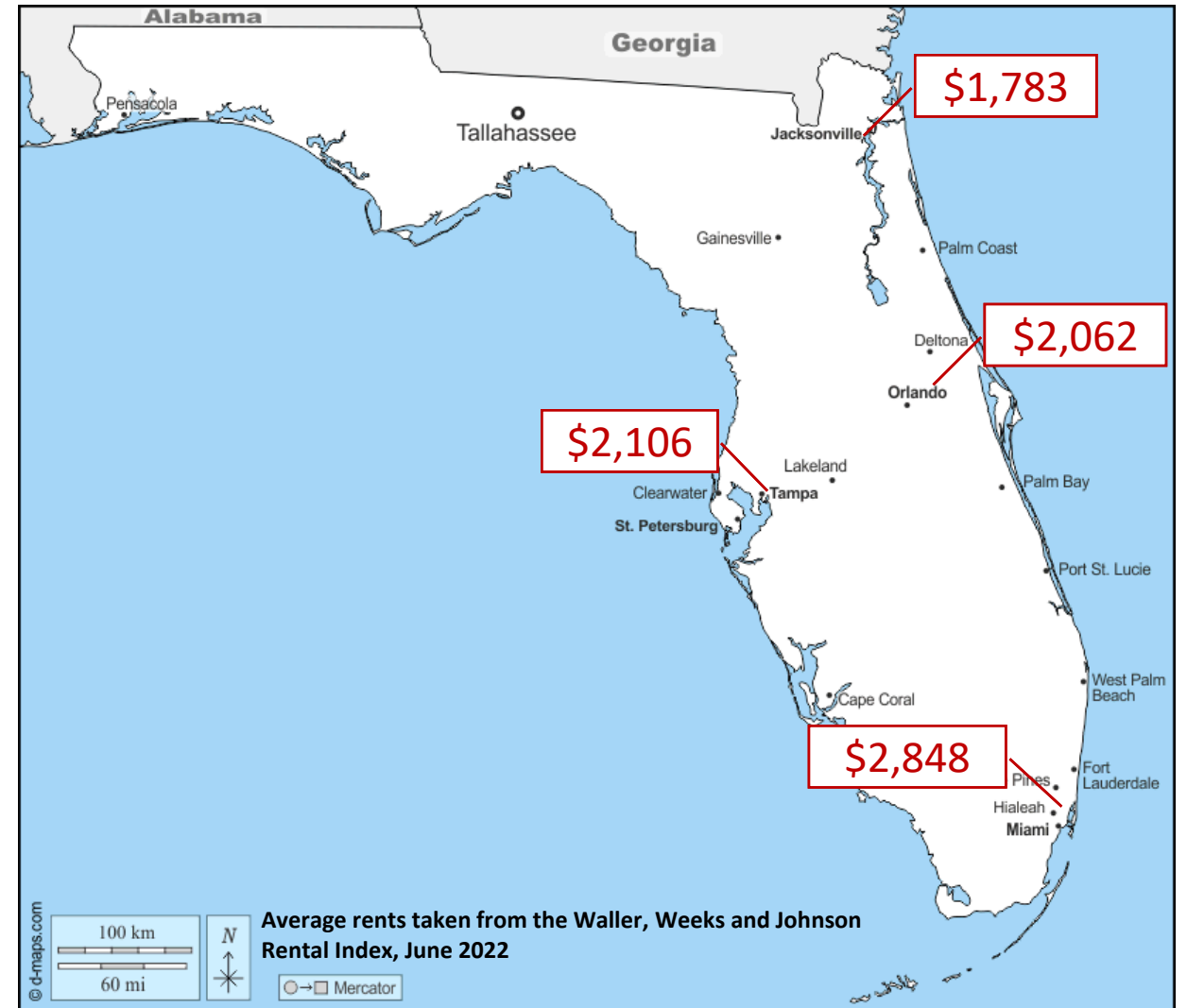


Co-Living



Co-Living: The Urban Solution

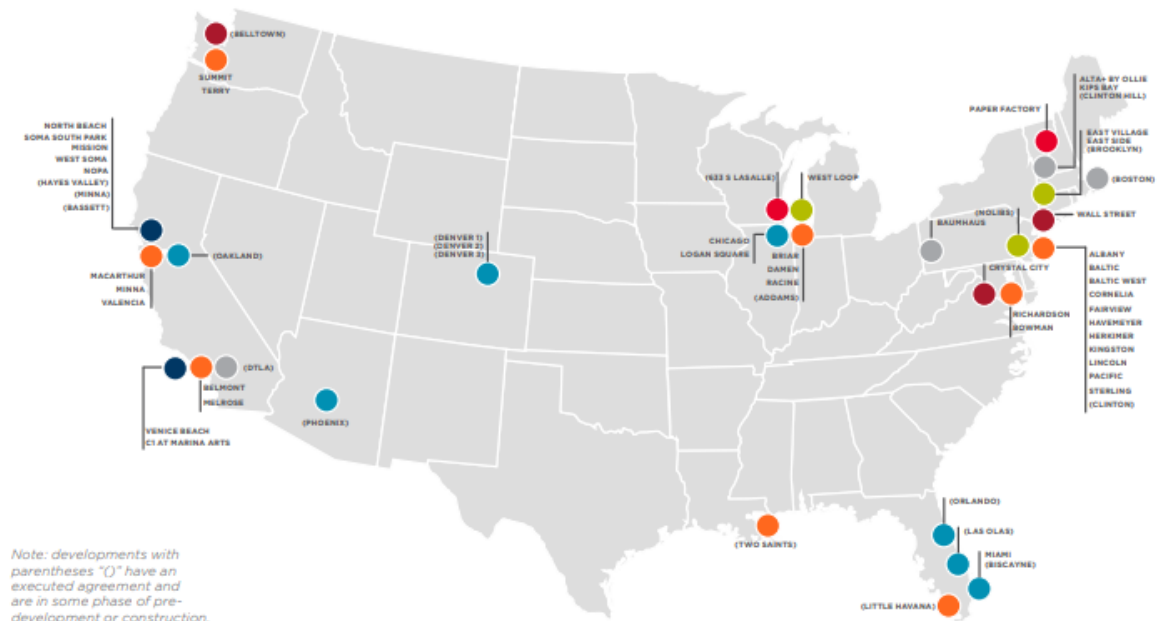
- Rising rental costs
- Desire to live in an area of opportunity
- Social isolation post COVID-19
- Evolving definition of family
- Rise in nonfamily households



Who Benefits from Co-Living?

- Middle income renters earning \$60,000 to \$80,000 a year
- Younger adults and recent college graduates
- Older adults
- New city residents

Major U.S. Coliving Developments



Note: developments with parentheses "()" have an executed agreement and are in some phase of pre-development or construction.

COMPANY	CURRENT U.S. BEDS ESTIMATED	BEDS IN PIPELINE LOWER BOUND
Common	731+	2,000+
Ollie	512+	600+
Quarters	293+	1,200+
Starcity	200+	1,600+
The Collective	125+	1,000+
WeLive	351+	400+
X Social Communities	970+	9,930+
TOTAL	3,182+	16,730+

Source: Cushman & Wakefield, https://cw-gbl-gws-prod.azureedge.net/-/media/cw/americas/united-states/insights/research-report-pdfs/2019/coliving-report_may2019.pdf (p. 39)

Why Advocate for Co-Living? Equity Implications

- Located in areas of opportunity
 - Proximity to work, family, and amenities
- Increase social support and community building
 - Improves mental health
- Expands housing choices for all
 - Older adults

Figure 3: Older Adult Renters Had the Fastest Cost Burden Increases

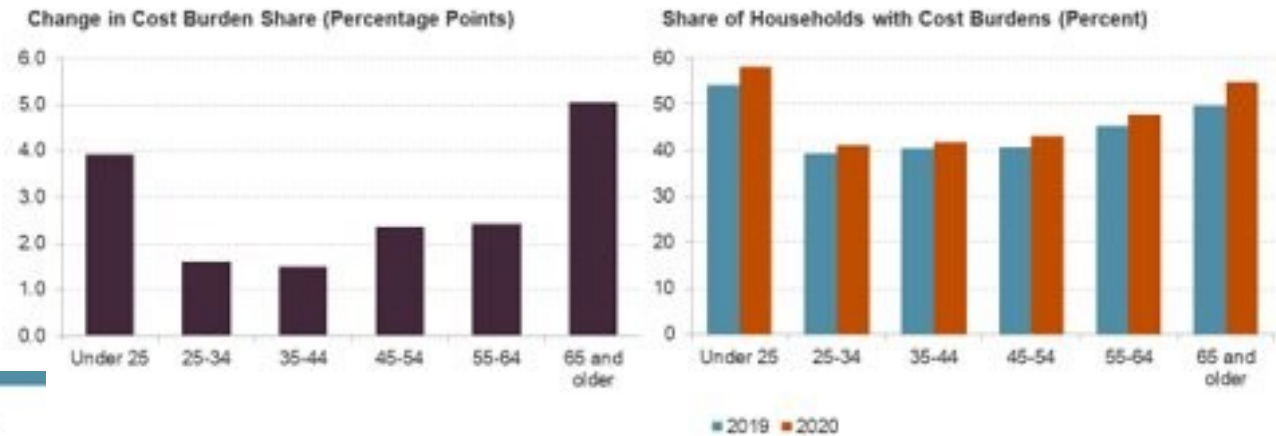
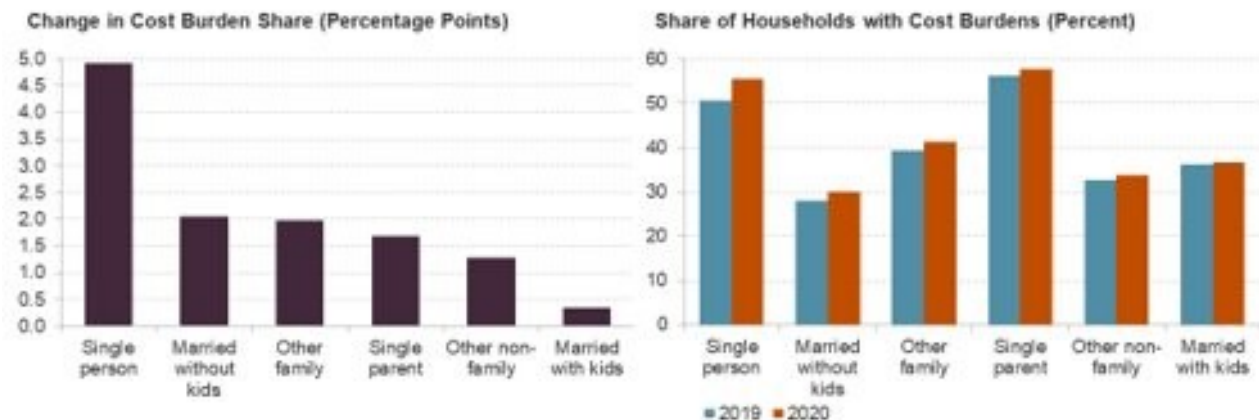


Figure 4: Cost Burdens Rose Quickly for Single-Person Renter Households



What Co-Living Looks Like

Location: St. Petersburg, FL

Floorplan: 8 bed, 8 bath

Amenities:

- Comfy spaces
- Private baths
- Furnished common areas
- Wi-Fi and utilities
- Monthly cleaning
- On-site laundry
- Community connection
- Fire pit and grill

Cost: Membership cost + \$150 monthly amenity and service fee; a monthly income of \$2,850 required

Lease: 12-month lease

Source: <https://www.dockedliving.com/>

Single Family Residential



Source: <https://www.dockedliving.com/>

What Co-Living Looks Like

Location: Chicago, IL

Floorplan: 4 bed, 3 bath

Amenities:

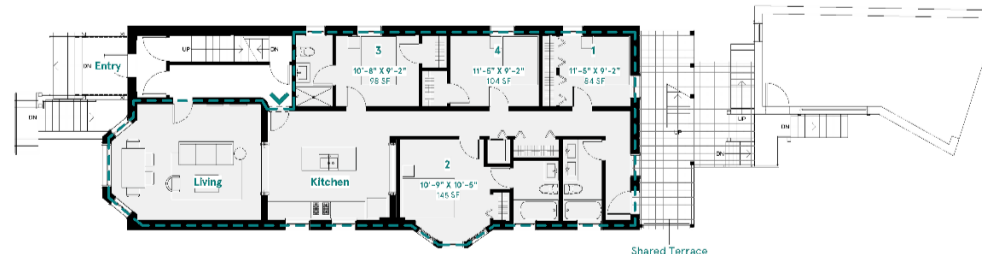
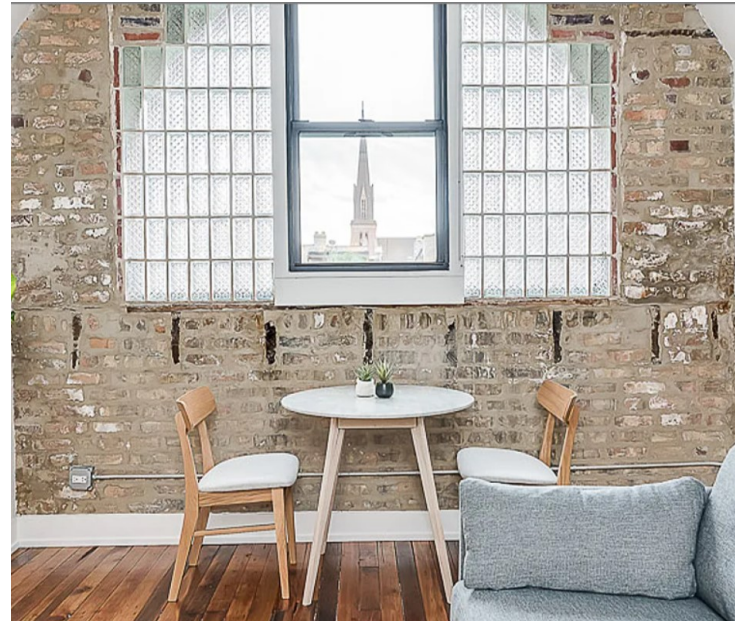
- Private, furnished bedroom
- Fully furnished shared spaces
- High- end stainless steel kitchen appliances
- Stocked household essentials
- Fully furnished community spaces
- Free Wi-Fi
- All utilities included in the rent,
- Keyless access and tech-enabled spaces
- Weekly cleaning of all shared spaces included

Cost: From \$1,145/month

Lease: 3 months or more

Source: <https://www.common.com/violet/>

Single Family Residential



What Co-Living Looks Like

Mid-Rise Residential



<https://www.common.com/lenox/>



Location: Harlem, NY
Floorplan: 11 bed, 6 bath
Amenities:

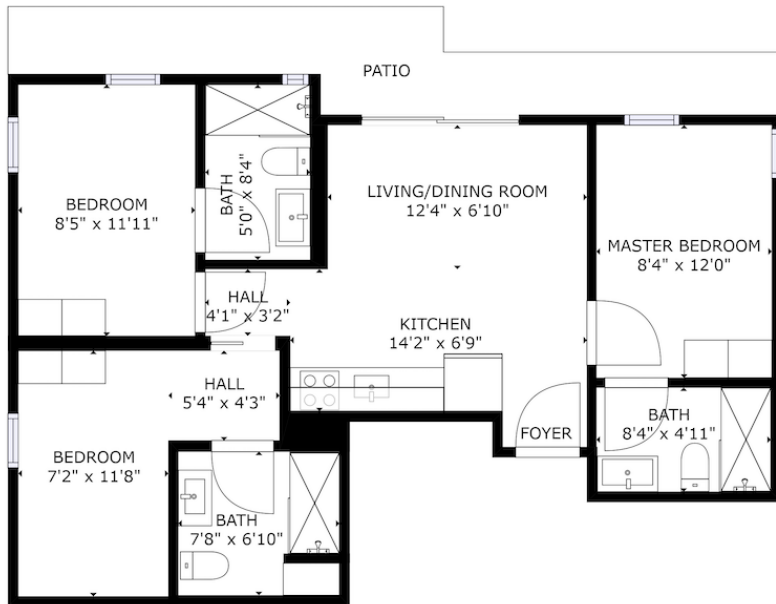
- Furnished rooftop
- Private bedroom
- Fully furnished
- Weekly cleaning
- Basic supplies
- On-site laundry
- High-speed Wi-Fi
- Property services

Cost: Starting at \$1,366
Lease: 3 months or more

Source: <https://www.common.com/why-common/>

What Co-Living Looks Like

Mid-Rise Residential



Location: Little Havana, FL
Floorplan: 2 and 3-bed units, 2 baths

Amenities:

- Fully furnished
- Private bathrooms
- Household cleaning
- Private workstation
- Basic supplies
- High-speed Wi-Fi
- Property services

Cost: Starting at \$975

Lease: 12-month, with a few units reserved for month-to-month leases

https://thepropolis.com/aerie-coliving-miami/?utm_source=gmb&utm_medium=info&utm_campaign=link

https://thepropolis.com/aerie-coliving-miami/?utm_source=gmb&utm_medium=info&utm_campaign=link

What Co-Living Looks Like

Location: Miami, FL

Floorplan: 2 Bed, 2 Bath (Individual 1 Bed, 1 Bath, 433 SF)

Amenities:

- Roof Terrace
- Grill and entertainment area
- Bike storage
- Clubhouse
- Courtyard with dog park
- Pool with ocean views
- Fitness center
- Storage space

Cost: \$1,882/month - \$2,249/month

Lease: 7-15 months

Source: <https://xmiami.co/floorplans/>



Source: <https://xmiami.co/gallery/>

High-Rise Residential





Barriers to Co-Living

Antiquated Zoning Codes



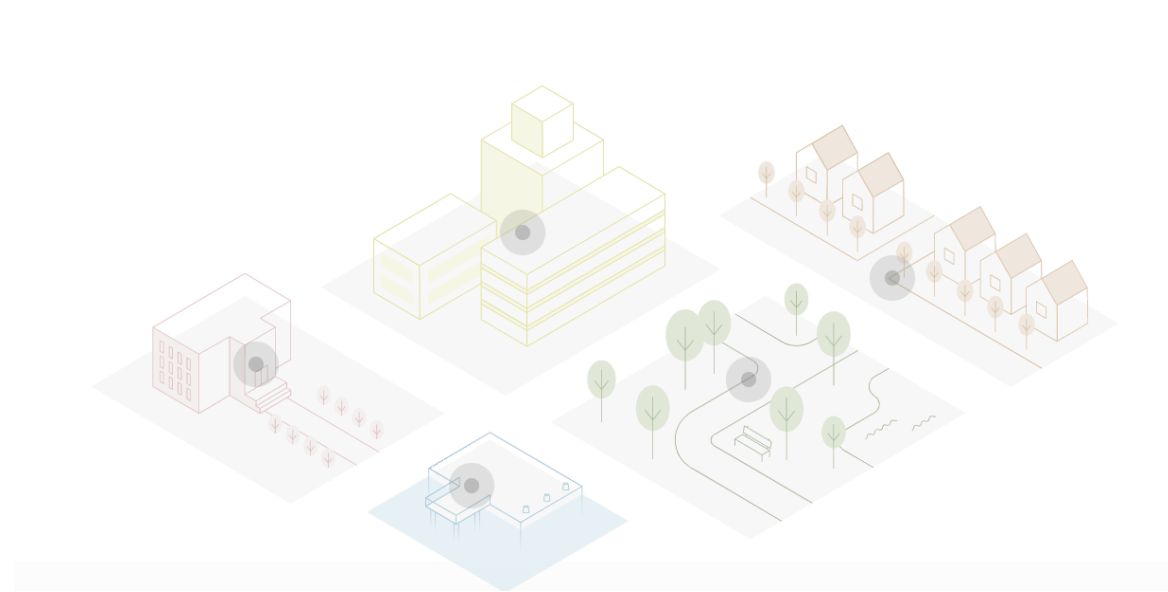
Definition of family



Use regulations



Development standards



<https://www.louispoulsen.com/en/professional/applications/city-landscapes>

Building Code Intent

Section 553.72, Florida Statutes, sets forth the Legislature's intent

Florida Building Code (code) serves as a mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of a single, unified state building code. It consists of a single set of documents that apply to the **design, construction, erection, alteration, modification, repair, or demolition of public or private buildings, structures, or facilities** in this state and to the enforcement of such requirements. The code is to allow for the **effective and reasonable protection of public safety, health, and general welfare** for all the people of Florida at the most reasonable cost to the consumer.



MODIFICATION, ALTERATION, CONSTRUCTION

PUBLIC SAFETY, HEALTH, AND GENERAL WELFARE

Building Code Definitions

R-1

Congregate living facilities (transient) with more than 10 occupants

R-2

Congregate living facilities (non-transient) with more than 16 occupants

R-3

Congregate living facilities (non-transient) with 16 or fewer occupants

Congregate living facilities (transient) with 10 or fewer occupants

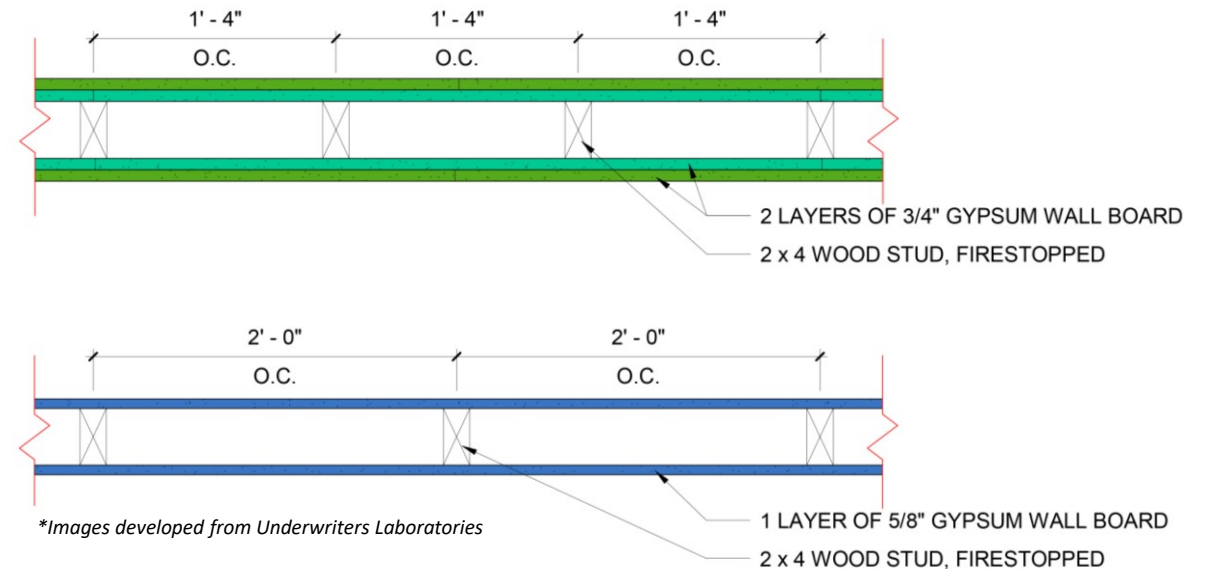


Building Code Requirements

Separation Walls:

Walls separating **sleeping units** in the same building will require a fire-resistance rating of not less than **1 hour**. (FBC 420.2 and 708.3)

Exception: Type IIB, IIIB and VB construction

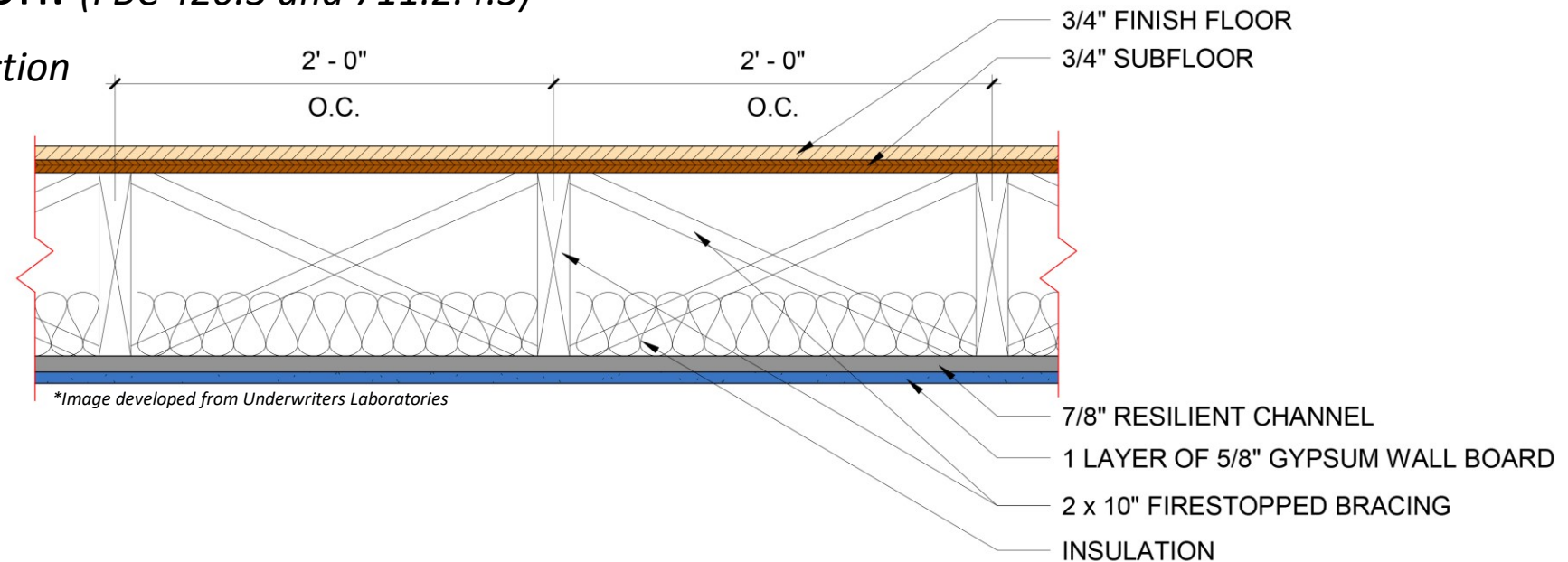


Building Code Requirements

Vertical Separation:

Horizontal assemblies serving as **sleeping unit** separations shall be not less than **1-hour** fire-resistance-rated construction. (FBC 420.3 and 711.2.4.3)

Exception: Type IIB, IIIB and VB construction



Building Code Requirements

- **AUTOMATIC SPRINKLER SYSTEM REQUIRED!**
IN ***"FIRE AREAS"***
- **Average Cost For A New Kitchen: \$6 per SQFT**
- **Average Cost For A Sprinkler System:**
Existing Building: **\$6 per SQFT**
New Building: **\$1.25 per SQFT**





Solving the Problem: The Developer's Role

Co-Living Market



Global funding for co-living facilities has increased by 210% since 2015.



Debt brokers have stated that co-living can generate operating margins that are 30-50% higher than conventional multifamily.



Today, there are approximately 30 co-living companies operating close to 3,500 rooms in the US with 7,000 more planned over the next two years.

New Construction vs. Conversions

What are the goals?

- Large scale or small scale

Large Scale

- What systems are already installed?
- Construction type and previous use?

Small Scale

- How easy is it to install a fire sprinkler?
- What is the construction type?



Image Source: <https://www.common.com/blog/2019/05/what-is-coliving/>

Building Code Considerations

Code considerations

- Additional fireproofing equates to additional development costs
 - More gypsum board
 - More sprinklers

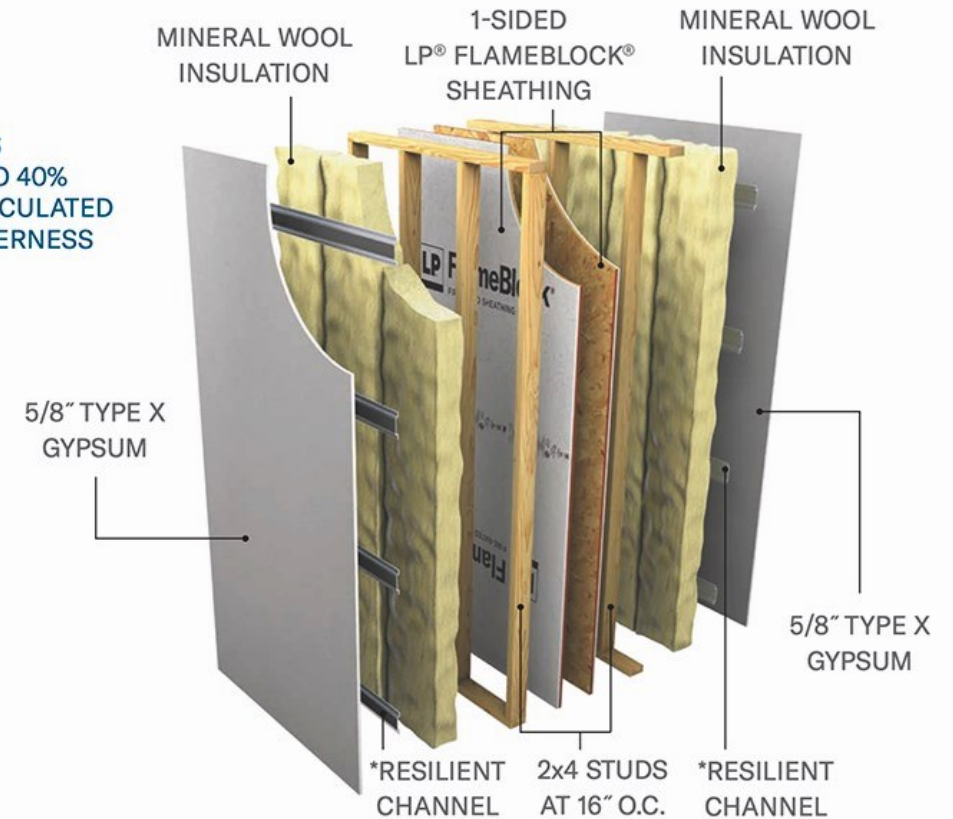
Change the building code vs. Adapt to the code

- Building code amendments - timely, costly, difficult path
- Adapt – work with the municipality to interpret the code and provide a safe, secure, feasible development

V340

TWO 1-HOUR WALLS
LOAD RESTRICTED TO 40%
STUD CAPACITY, CALCULATED
ASSUMING A SLENDERNESS
RATIO OF $l/d=33$

*Staggered studs and resilient channel required for STC=61, not required for fire resistance



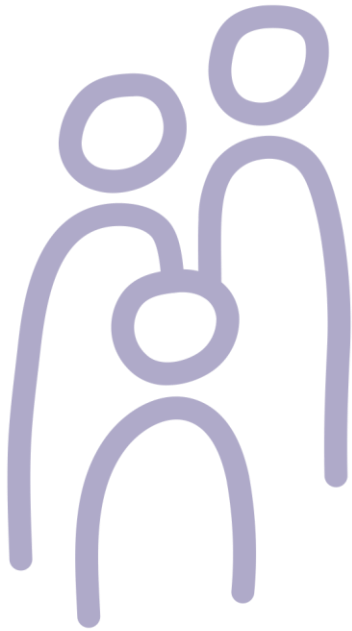


Solving the Problem: The Planner's Role

Zoning Code Considerations

Definition of Family

Remove the definition of family



Permit the Use

- Allow co-living facilities in urban, mixed-use zoning districts as a permitted or conditional use
- Single-family co-living may be compatible in some low-medium density zoning districts
- Determine whether co-living is a conditional use or permitted by right

Criteria for Approval

- Required facilities and standards (i.e. laundry, bathroom, kitchen)
- Minimum bedroom square footage
- Management plan



Planners Role – The Long View

Where should planners focus?

- **Monitor** industry trends (i.e., is it cyclical or generational?)
- **Monitor** transportation advancements
 - How does advancement in transportation options impact housing, livability, and commuting time?
- Be **innovative** with the zoning code
 - How do you incorporate co-living concepts in repurposed retail areas?
 - Is there an opportunity to intensify development around transit hubs?
 - Allow additional units to existing homes?



Questions?