

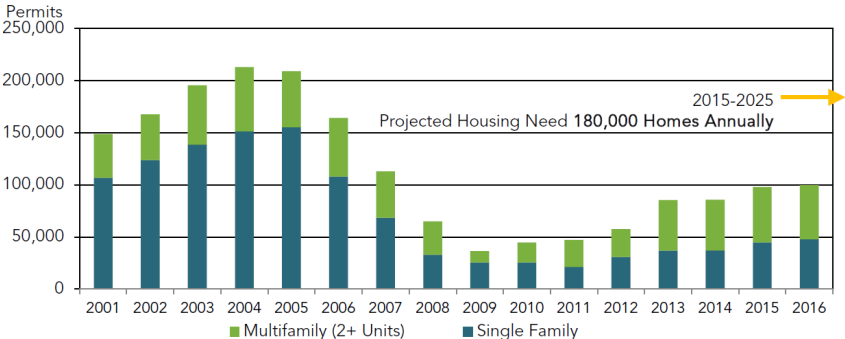
Accessory Dwelling Units

CALBO Annual Business Meeting
March 18, 2019



Accessory Dwelling Units CALBO ABM Workshop

Annual Permitting of Housing Units 2001-2016
Compared to Projected Statewide Need for Additional Homes



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Why are Accessory Dwelling Units Relevant?

- By 2025 California is expected to have a housing gap of 3.5 million homes.
- Because housing is so expensive and so much is spent on housing, often that people cannot afford, the housing shortage costs the State of California more than \$140 Billion dollars per year in lost economic output

\$53 billion - Consumption spending lost because of CA housing costs

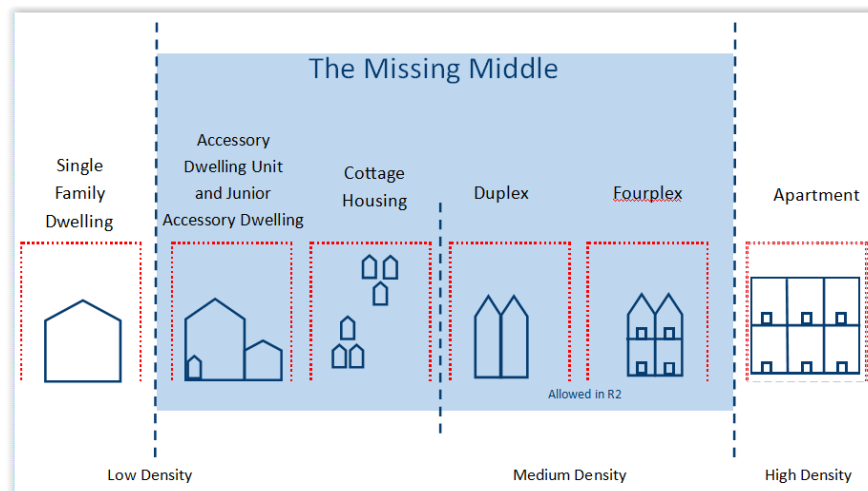
\$85 billion - Economic activity related to construction lost because of housing

\$5 billion - State spending on services related to homelessness

(McKinsey Institute, "A toolkit to close California's Housing Gap")

<https://www.mckinsey.com/global-themes/urbanization/closing-californias-housing-gap>

ADUs, JADUs & Missing Middle



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What is an ADU?

HCD Defines them as: “Accessory Dwelling Units (ADUs) are known by many names: granny flats, in-law units, backyard cottages, secondary units and more. No matter what you call them, ADUs are an innovative, affordable, effective option for adding much-needed housing in California.”

YES/NO	STATE STANDARD*	GOVERNMENT CODE SECTION
	Unit is not intended for sale separate from the primary residence and may be rented.	65852.2(a)(1)(D)(i)
	Lot is zoned for single-family or multifamily use and contains an existing, single-family dwelling.	65852.2(a)(1)(D)(ii)
	Accessory dwelling unit is either attached to the existing dwelling or located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.	65852.2(a)(1)(D)(iii)
	Increased floor area of an attached accessory dwelling unit does not exceed 50 percent of the existing living area, with a maximum increase in floor area of 1,200 square feet.	65852.2(a)(1)(D)(iv)
	Total area of floor space for a detached accessory dwelling unit does not exceed 1,200 square feet.	65852.2(a)(1)(D)(v)
	Passageways are not required in conjunction with the construction of an accessory dwelling unit.	65852.2(a)(1)(D)(vi)
	Setbacks are not required for an existing garage that is converted to an accessory dwelling unit, and a setback of no more than five feet from the side and rear lot lines are not required for an accessory dwelling unit that is constructed above a garage.	65852.2(a)(1)(D)(vi)
	(Local building code requirements that apply to detached dwellings are met, as appropriate.	65852.2(a)(1)(D)(vii)
	Local health officer approval where a private sewage disposal system is being used, if required.	65852.2(a)(1)(D)(ix)
	Parking requirements do not exceed one parking space per unit or per bedroom. These spaces may be provided as tandem parking on an existing driveway.	65852.2(a)(1)(D)(x)

* Other requirements may apply. See Government Code Section 65852.2

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Why are Accessory Dwelling Units a hot topic?

- Housing production continues to lag dramatically beyond the needs of our California residents.
- The state estimates that in order to meet our needs, 1.8 million new dwelling units will need to be built prior to 2025.
- Current estimates show that we will only construct 640,000; a staggering difference of over a million units.

Recent Legislation

□ 2016

- SB 1069- Lowers barriers to ADU construction
 - Eliminates parking restrictions
 - Prohibits certain utility or impact fee charges
 - Prohibits local agency from preclude ADUs altogether
- AB 2299- Requires ministerial approval if:
 - Setback requirements are met
 - The increased floor area is not greater than 50% of existing area
 - Constructed on a single or multi-family zoned parcel

Recent Legislation

- 2016
 - ▣ AB2406- Creates Housing Flexibility
 - Limits 1 JADU per residential lot
 - JADU property must be owner occupied (SFD or JADU)
 - Required deed restriction recorded
 - JADU must have own access and “efficiency kitchen” meeting CBC standards
 - Bath may be shared with main residence
 - Prohibits additional fees and parking requirements

Recent Legislation

- 2017
 - ▣ SB229- Imposes zoning allowances for ADUs
 - Restricts ADU size to less than 50% of SFD
 - Allows for separate rental of ADU
 - Prohibits setbacks for garage conversions
 - Works in conjunction with AB494 allowances for ADU rentals

Recent Legislation

- 2018
 - SB 831- Exempted unpermitted ADUs from permitting
 - This bill died in committee after significant opposition lobbying by CALBO
 - Would have required local agencies to ignore unpermitted ADUs for up to 10 years- even in the case of an imminent safety hazard
 - AB 2939- Ministerial ADU permitting
 - This bill died in committee and would have required ADUs be ministerial approved in multifamily zoned areas.

Recent Legislation

- 2019
 - SB 13- ADU permitting
 - Requires agencies have a process to delay ADU permitting until January 1, 2030.
 - Requires agencies grant the delay unless a health or safety necessity is determined by the Building Official or Fire Marshal
 - AB 1074- Construction Bonds for ADUs
 - Creates a funding source through HCD of up to 500 million for the construction of ADUs

The Future

- ADUs will continue to be low hanging fruit to solve the housing crisis
 - Continuing legislation to lower barriers for construction of ADUs
 - Increased construction activity due to both additional funding and lower barriers
 - Additional pressure at state and local levels for B.O.s to “help” smooth the way for ADU permitting and construction

Questions?

