



Accessory Dwelling Units (ADUs)

Housing Acceleration Program - Technical Assistance

March 27, 2024

Agenda



Welcome and Introductions



Overview of ADUs



Legislative Context



Overview of Permitting Process



ADUs and RHNA



Roundtable Discussion



Conclusion

Introductions

Speakers

- **Carrie Simmons** - *SANDAG*
- **Thomas DeFranco** - *SANDAG*
- **Matt Gelbman** - *Ascent*
- **Ian Dunn** – *Open Scope Studio*
- **Erin Lapeyrolerie** – *Goldfarb and Lipman, LLC*
- **Adam Pisarkiewicz** – *Civic Solutions*
- **Celeste Goyer** – *Casita Coalition*

Overview of ADUs

Why ADUs?

- Diversify housing types and increase supply
- Address housing shortages and provide affordable housing options
- Lower construction costs
- Rental income potential
- Facilitate flexible and multigenerational living arrangements



What is an Accessory Dwelling Unit?

- Defined in Government Code Section 65852.2
- Attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence.
- For more information and resources on ADUs, visit the Department of Housing and Community Development's website :
[https://www.hcd.ca.gov/policy-and-research/accessory-dwelling-units.](https://www.hcd.ca.gov/policy-and-research/accessory-dwelling-units)

What is an Accessory Dwelling Unit?

- The most common arrangement is the construction of a second unit on a site that already has a “**primary**” single-family home.
- Like all buildings, ADUs are regulated by the local planning code and the State building code.

Local Jurisdiction’s Planning Code

regulates development standards, including land-use, density, height, setbacks, and parking requirements.

The California Building Code

regulates construction standards, including plumbing & electrical codes.

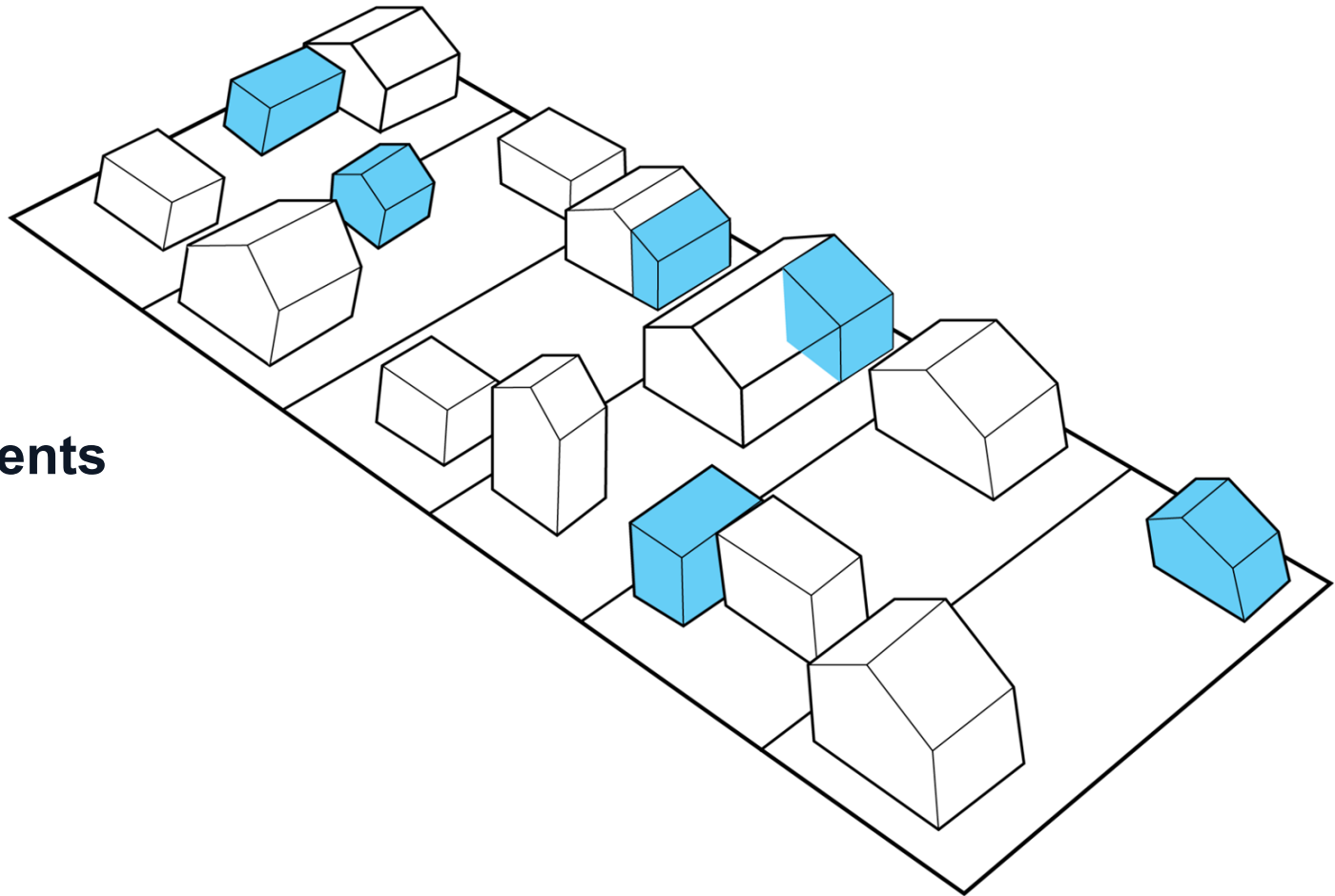
Common Types of ADUs

For Existing Single-Family Homes

- Junior ADU (JADU)
- Garage Conversion
- Freestanding ADU
- ADU Addition

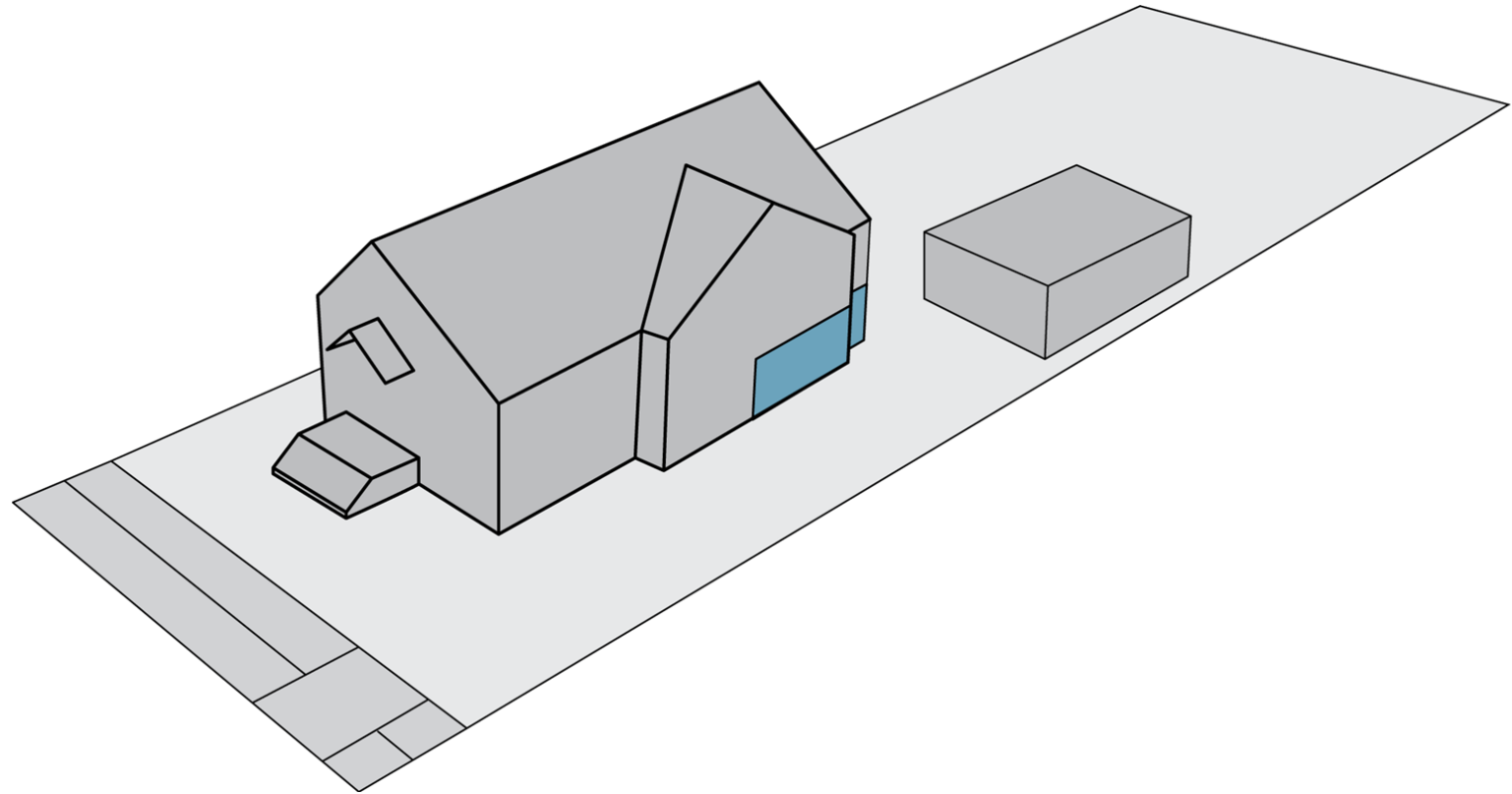
For Existing Multi-Family Developments

- Freestanding Duplex
- Infill ADUs



Junior ADU (JADU) – Existing Single-Family Home

- **JADUs are created within the walls of an existing or proposed single-family residence.** They repurpose existing space within the residence and do not expand the structure.
- A JADU **must have its own entry/exit door**, independent of the primary residence - though it may also have a connecting interior door.
- They can be **no larger than 500 square feet**. They may share basic systems with the primary residence - like electrical and heating - but are required to have their own kitchenette. **They may share a bathroom with the primary dwelling.**
- **One of the units must be occupied by a legal owner of the property.**



Junior ADU (JADU) – Existing Single-Family Home



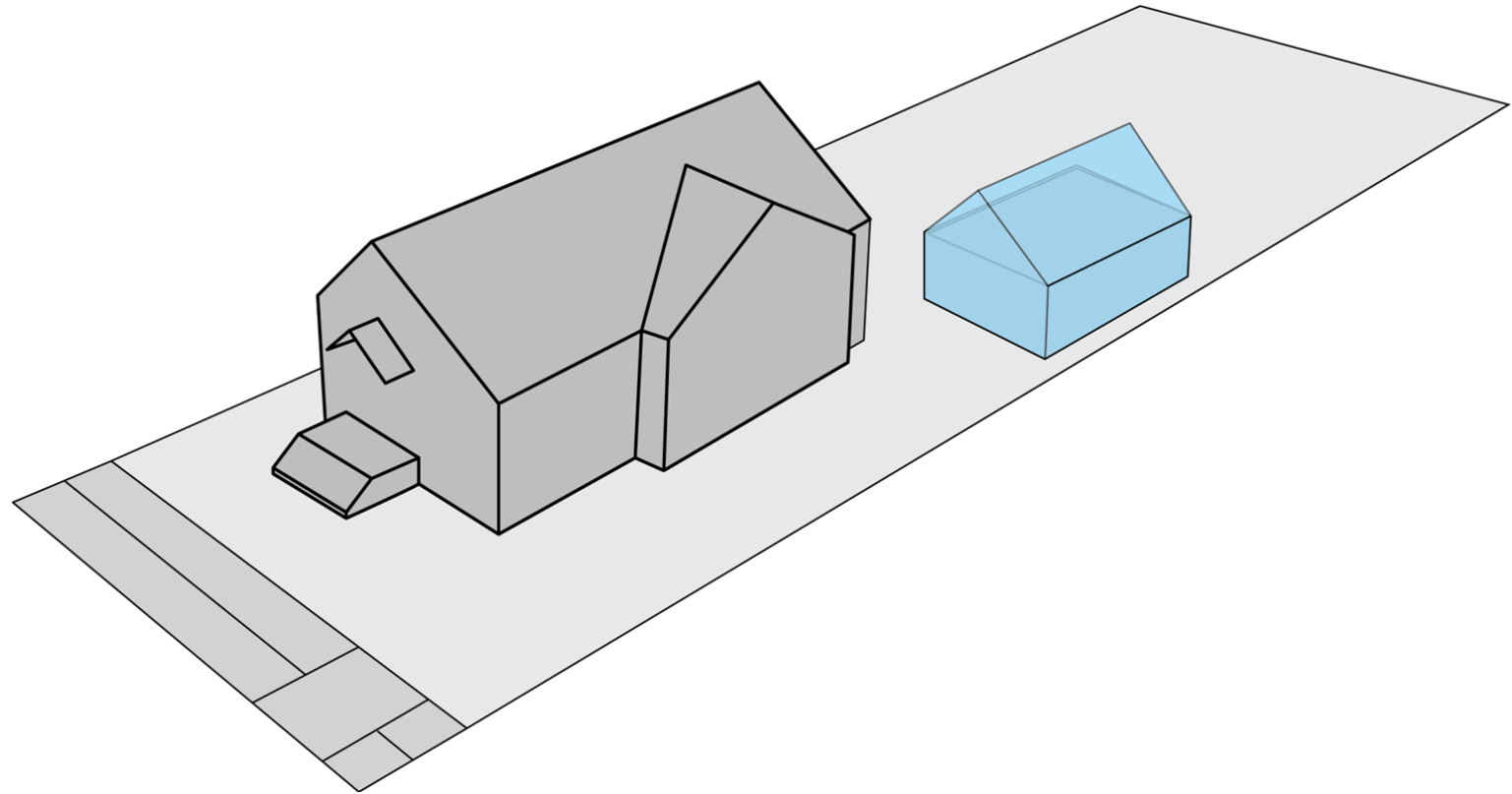
Best Practice



Propel Studios

Garage Conversion – Existing Single-Family Home

- An ADU may be placed **inside an existing freestanding accessory building** of an single-family residence, such as a garage or large shed.
- **The footprint of the accessory structure can be maintained**, regardless of the distance from the accessory structure to the existing home or the property line.
- **Unlike with a JADU, the unit must be provided with independent bathroom, kitchen, and utilities.**



Garage Conversion – Existing Single-Family Home



Best Practice



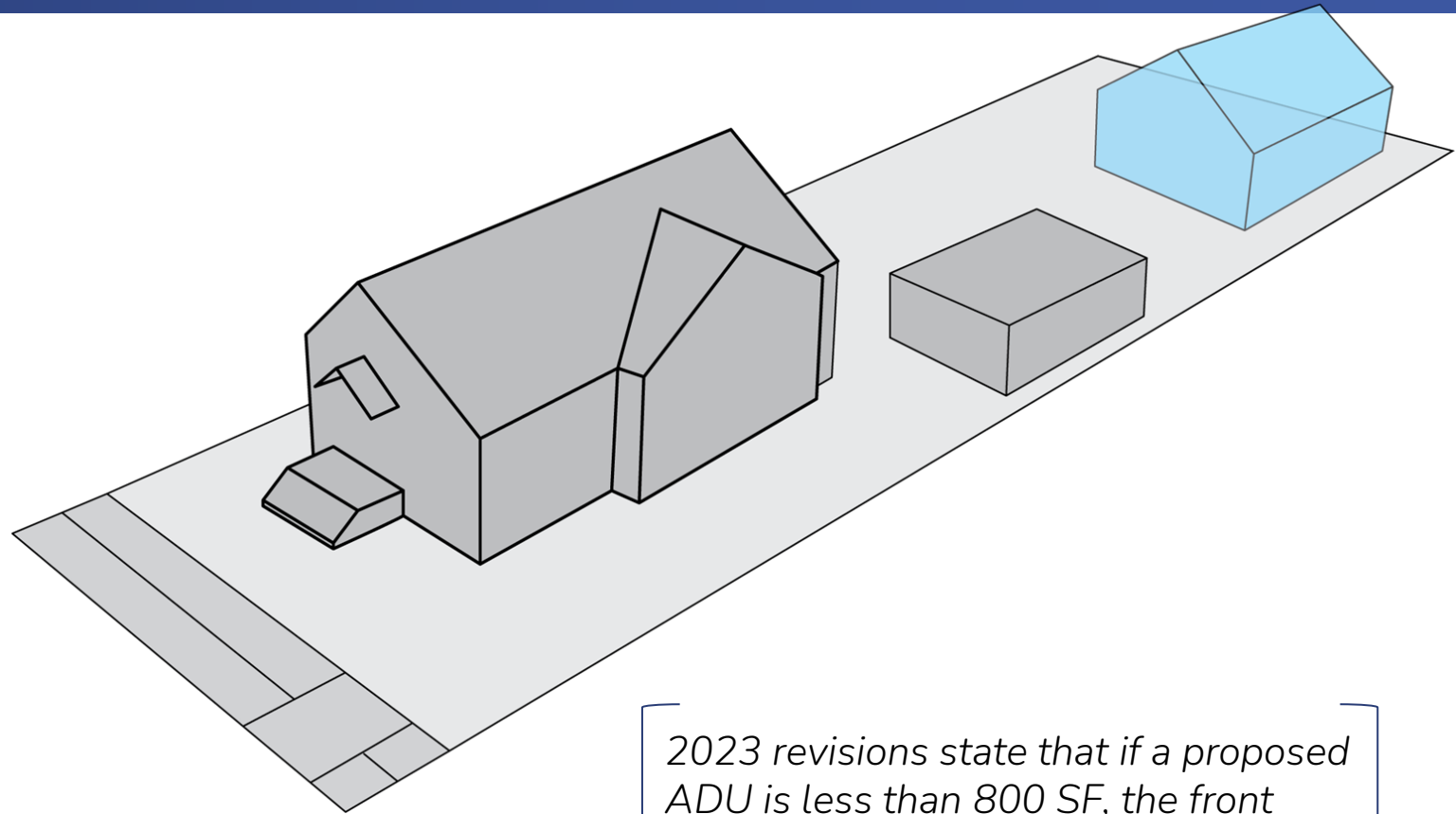
Baran Studio



Bunch Design

Freestanding ADU – Existing Single-Family Home

- A freestanding ADU may be placed in the rear yard, **at least 4' from any side or rear property line.**
- The ADU **cannot be taller than 16 feet** measured to the top of the roof.
- **The height may be increased to 18 feet if the property is within ½ mile of transit.** It is common for jurisdictions to allow a slightly taller ADU to allow for pitched roof that better integrates with the existing home.
- **Building Separation:** The state ordinance does not regulate building separation. If a jurisdiction seeks to regulate building separation, care should be taken to clarify if the separation is measured from the wall or roof eave.



2023 revisions state that if a proposed ADU is less than 800 SF, the front setback requirement can no longer prevent the ADU from getting built.

Freestanding ADU – Existing Single-Family Home



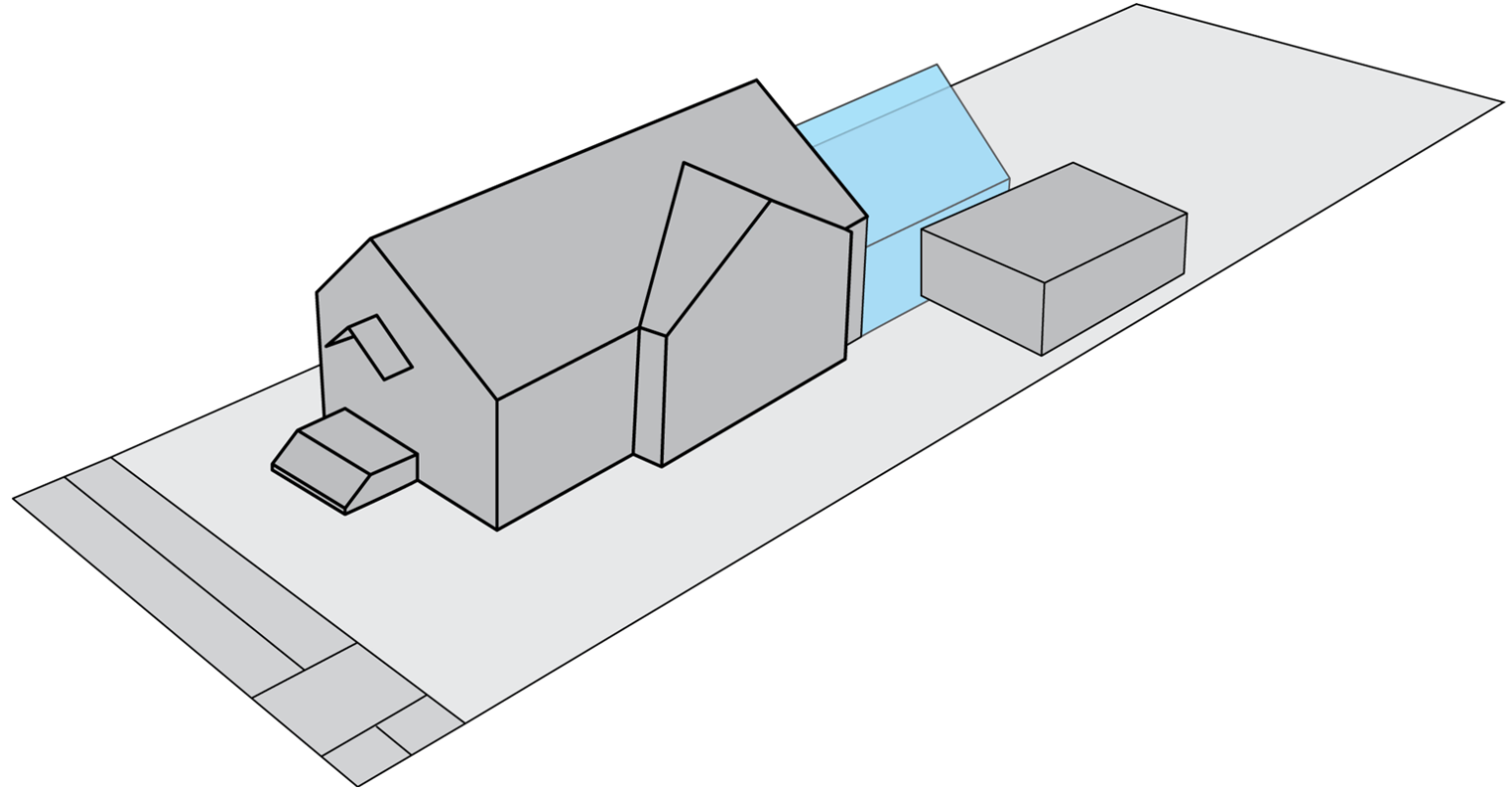
Further Out Group



Neil Kelly Company

ADU Addition – Existing Single-Family Home

- ADUs can be constructed as additions to the existing home, generally with the same restrictions as with a freestanding ADU (setbacks, utilities, parking, etc.).
- Similar to a JADU, the new unit must have its own independent entry door.
- Attached ADUs can be up to 25 feet, or as tall as the main house, whichever is lower.



ADU Addition – Existing Single-Family Home



ADUs in Multi-Family Developments

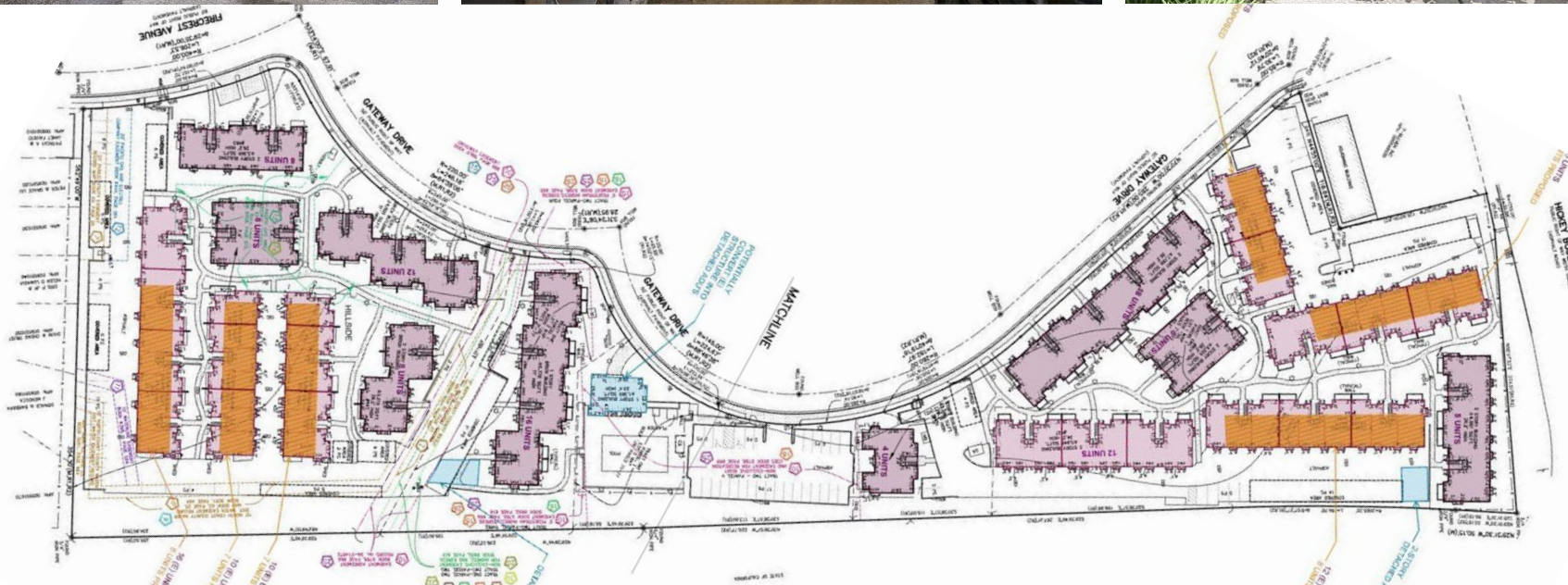
- State law allows two different options for adding units to existing apartment complexes:
 1. Replace unused interior common spaces and covered parking with dwelling units. Up to 25% of the existing unit count may be added.
 2. Those new units may only be added to non-residential space in an existing building, such as common rooms, leasing offices, storage rooms, and parking garages.
 3. Add up to two freestanding units to open space in the existing development, with similar constraints of heights, setbacks, etc. as adding a freestanding unit to single-family property.



ADUs in Multi-Family Developments

Case Study: Podium Construction

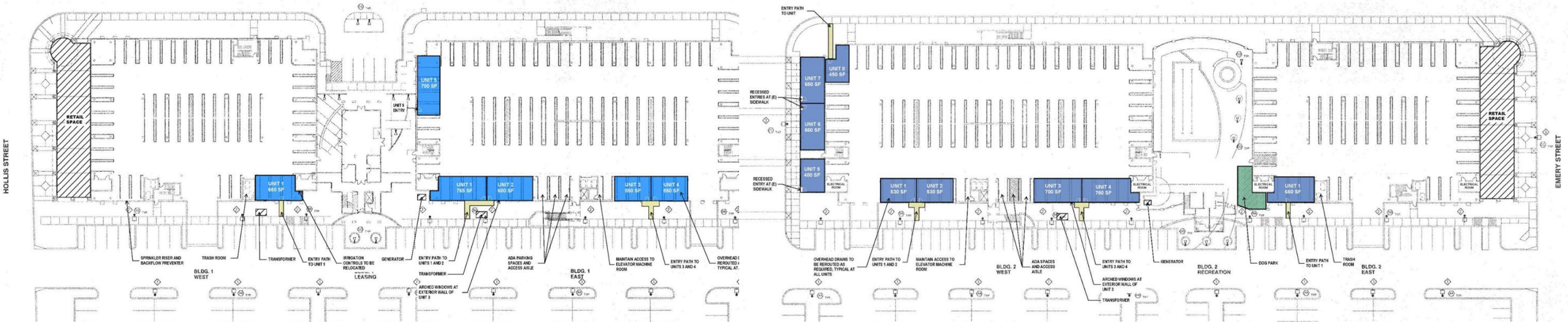
42 affordable studio and 1-bedroom units replacing tuck-under parking areas of a 172-unit development.



ADUs in Multi-Family Developments

Case Study: Podium Construction

15 1- and 2-bedroom units added to the perimeter of four parking garages.



Other Constraints

- ADUs may not be used with short-term rental services such as Airbnb and Vrbo. Rental agreements must be for a minimum of 30 days.
- Unless specifically adopted by the local jurisdiction, ADUs may not be sold separately from the primary residence. (AB 1033)
- Any new structure used for an ADU must comply with the minimum property line setbacks and height limit.
- Local jurisdictions may include requirements that the exterior of the ADU be designed to compliment and coordinate with the style, finishes, and colors of the primary residence.
- New independent utility connections are likely required (not for JADUs).
- HOAs are entitled to review an ADU proposed for the development. They may not prohibit an ADU that complies with State and local ordinances, but they may impose “reasonable” limitations.

ADUs and Parking

- One off-street parking space may be required for an ADU, unless:
 - The ADU is located within ½-mile walking distance of a public transit stop; or,
 - The ADU is part of the existing primary residence or existing accessory structure - JADUs and Garage Conversions do not require an additional parking space.
- Jurisdictions cannot require more than one parking space per unit or bedroom (whichever is less), and this may be provided as tandem parking on a driveway. On-site guest parking spaces cannot be required in any circumstances.
- If an ADU is placed into an existing garage or carport, and removes parking space(s), that parking cannot be required to be replaced.

Common 'Gaps' in Local ADU Ordinances

- Building separation
- Mechanical equipment
- Utility connections
- Survey, and other Site Information

Legislative Context

Legislative Context- Relevant Statutory Provisions

Civil Code Sections 714.3; 4751	Prohibits restriction on real property prohibiting/unreasonably restricting construction or use of ADU or JADU on lot zoned for single family residential use
Government Code Section 65852.150	Local ADU ordinances cannot unreasonably restrict ability of homeowners to create ADUs
Government Code Sections 65852.2; 65852.22	Provides objective standards and review timelines for ADUs and JADUs
Government Code Section 65852.23	Restricts reasons local agency can deny permit for unpermitted ADU constructed prior to 1/1/2018
Government Code Section 65852.26	Allows properties with ADUs to be held by owners as tenants in common
Government Code Section 65852.27	Requires local agencies to adopt preapproved ADU program
Public Resources Code Section 21080.17	Exempt adoption of ADU ordinance from CEQA
Health and Safety Code Section 17980.12	Allows ADU owners to request delayed enforcement in building standards

Legislative Context – What Can Cities Regulate?

- ADUs allowed under Government Code Section 65852.2(e) are exempt from local design and development standards
- Only *objective* design and development standards allowed, such as
 - Architectural design
 - Front yard setbacks
 - Size (cannot impose maximum size less than 850sf/1000sf, as applicable)
 - Replacement parking for JADUs only
- Size requirements, limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size, for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks must be waived
- No impact fees for ADUs smaller than 750 square feet
- Can be more permissive

Legislative Context – SB 477

- SB 477 chaptered and effective immediately
- Non-substantive bill to reorganize ADU Sections in Government Code

Existing Government Code Sections	New Government Code Sections
65852.15	66310-66312
65852.2	66313-66332
65852.22	66333-66339
65852.26; 65852.2(a)(10)	66340-66341; 66342

Programs for Preapproved ADU Plans – AB 1332

- **All local agencies required to develop a program for the preapproval of ADU plans by January 1, 2025**
- **How to Comply**
 - Provide application form or submittal instructions detailing how applicants can submit plans for preapproval. Follow review standards provided in Government Code Section 65852.2.
 - Post preapproved plans on local agency’s website, with the contact information provided by the applicant.
 - May include other ADU plans that have been approved by other agencies in the state, but first get architect’s permission. (Architect’s plans are copyrighted.)
 - If an applicant uses a detached accessory dwelling unit plan preapproved or previously approved within the current triennial California Building Standards Code rulemaking cycle, review period is **30 days**.
- **Suggested**
 - Bring informational item to Planning Commission and/or City Council to describe AB 1332 and present components of your program

Programs for Preapproved ADU Plans – AB 1332

Local agencies should consider the following actions to establish a program that is compliant with AB 1332:

- Develop a webpage to provide an overview of your agency's preapproved ADU program with an application form or submittal instructions detailing how applicants can submit plans for preapproval.
- Post any preapproved ADU plans developed by your local agency.
- Post preapproved ADU plans not developed by the local agency, with the contact information provided by the applicant.
- Bring an informational item to Planning Commission and/or City Council to describe requirements under AB 1332 and present the components of your local program.

Programs for Preapproved ADU Plans

- **City of Santa Ana**
 - <https://www.santa-ana.org/pre-approved-adu-plan-submittal-process/>
 - Comprehensive process for accepting ADU plans for preapproval
 - Projects utilizing the Pre-Approved ADU plans can only submit via electronic plan check

Pre-Approved ADU Plan Submittal Process

This guide has been generated to assist you in the preparation of your building permit submittal for your Pre-Approved ADU. Please follow the steps outlined below.

**** For standard ADUs (not using a pre-approved plan) please download and complete the standard [ADU/JADU Submittal Checklist](#).*

Step 1. Qualify


Step 2. Submit a request for an electronic plan check

Step 3. Upload required documents and payment

Step 4. Plan check approval

Programs for Preapproved ADU Plans

- **City of Fremont**
 - <https://www.fremont.gov/government/departments/community-development/planning-building-permit-services/accessory-dwelling-units-adus/preapproved-accessory-dwelling-units-adus>
 - Preapproved ADU Interest List
 - List of preapproved designers with, contact, sample photos, and preapproved plans on website
 - Two processing options for designers
 - Concurrent “preapproval” while going through a site-specific plan check
 - Independent application for ADU preapproval
 - All preapproved plans still require additional site-specific plans, studies, and engineering

Fremont  **PREAPPROVED ADUs**
WHAT'S PREAPPROVED, & WHAT'S NOT

Before you decide if a preapproved ADU plan is right for you, it's important to understand what is included with the preapproved plan set. Items that are not provided as part of the preapproved plans may still be required for the City to review your specific project.

ITEMS PREAPPROVED	ITEMS STILL REQUIRED
<input type="checkbox"/> Architectural plans <ul style="list-style-type: none">• Floor Plan, Elevations, and Roof Plan	<input type="checkbox"/> Site-specific plans <ul style="list-style-type: none">• Cover page with property information• Plot plan/Site plan• Color/material details
<input type="checkbox"/> Structural plans <ul style="list-style-type: none">• Floor Framing Plan• Roof Framing Plan/Details• Ceiling Plan/Details• Truss Submittal• Building Cross Sections• Built-up Floor Framing• Stair Plan/Details	<input type="checkbox"/> Foundation plans
<input type="checkbox"/> Mechanical, Electrical, and Plumbing plans <ul style="list-style-type: none">• Mechanical and Plumbing Plan layout• Plumbing Design/Calculations• Electrical Load Calculations	<input type="checkbox"/> Site-specific studies <ul style="list-style-type: none">• Preliminary title report• Geotechnical report <p><i>Sometimes required:</i></p> <ul style="list-style-type: none">• Historic evaluation
<input type="checkbox"/> Structural calculations <p><i>If applicable.</i></p>	<input type="checkbox"/> "WUI" details <p><i>Required only if your home is in the "Wildland Urban Interface" (WUI) area.</i></p>
<input type="checkbox"/> CALGreen forms	<input type="checkbox"/> Separate permits <ul style="list-style-type: none">• Addressing application <p><i>Sometimes required:</i></p> <ul style="list-style-type: none">• Fire sprinkler (AFES) permit• Encroachment permit• Grading permit
<input type="checkbox"/> Title 24 forms	

Visit www.Fremont.gov/PreapprovedADU for a full list of submittal requirements

Subdivisions and ADUs – AB 1033

- Optional for local agencies to adopt local ordinance and allow separate conveyance as condominiums!
- Project would be subject to Davis Stirling Act (regulates condominiums), the Subdivision Map Act, and the local subdivision ordinance.
- Before recordation of the condominium plan, a safety inspection of the accessory dwelling unit must be conducted
- Homeowner needs consent from (if applicable):
 - Any lienholders prior to recording subdivision map or condominium plan;
 - Association governing existing planned development recording condominium plan
- Owner must notify providers of utilities, including water, sewer, gas, and electricity, of the condominium creation and separate conveyance

Overview of Permitting Process

How to Get ADUs Built/Permitted

- State law has gradually eliminated local control
 - Development Standards
 - Approval Authority
- Internal review process is specific to each jurisdiction
- ADU Handbooks present the State laws in combination with local process details.

ADU Handbook Content

- What is an ADU?/What is the law?
- ADU Types
- ADU Standards
- Potential Costs
- Renting an ADU

ADU Types

See what type of ADU you want to build and refer to that page to learn more:

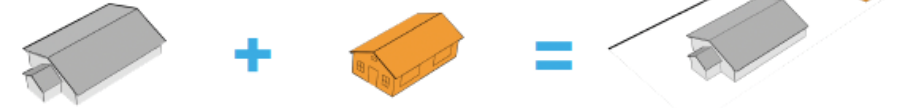
Detached ADU

[See Page 6](#)

I have a single-family house

I want to add an ADU in my backyard and it will not share a wall with the house

The lot with a detached ADU in the backyard:



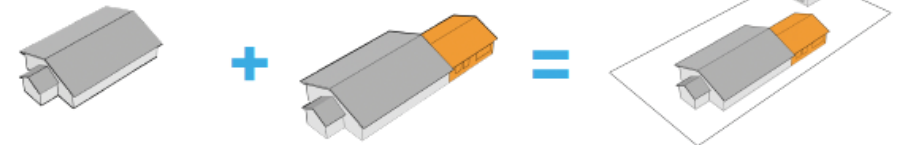
Attached ADU

[See Page 7](#)

I have a single-family house

I want to add an ADU and the unit will share at least one wall with the house

The lot with an ADU attached to the house:



Conversion ADU

[See Page 8](#)

I have a single-family house with a garage (attached or detached), or other permitted accessory structure

I want to convert my garage or other permitted accessory structure into an ADU

The lot with a garage or other permitted accessory structure converted to an ADU:



Junior ADU (JADU)

[See Page 9](#)

I have a single-family house

I want to convert a portion of the house into a JADU

The lot with a JADU:



Application & Review Process

- Points of Contact
- Process Flow
 - Planning Dept.
 - Engineering Dept.
 - Fire Dept.
 - Building Dept.
- Basic Submittal Requirements
- Fee Types
- Links to Application Guides and Other Resources
- Utility Info (Sewer, Water, Power etc.)

Steps to Build

There are many steps involved when building an ADU. The following two pages details steps to take in four phases:

Pre-Application Phase

Confirm Eligibility and Allowed Size of ADU

- Determine the eligibility of your property and the maximum size ADU you can build. Refer to [Chapter 18.30.380](#) of the National City Municipal Code.
- Utilize ADU finance tools (see Resources section) to estimate your costs.
- Call or e-mail the Planning Division (see Contacts section) to discuss options as well as any zoning constraints or site-specific factors. This step will help to avoid surprises after investing time and money into a building design. The Planning Division may refer you additional City Departments to further discuss your proposal.
- If applicable, submit an application at the Sweetwater Authority. The submittal process takes approximately 6 weeks. Please see their "[Application Guide for Concurrent Review with Land Use Agency](#)" for more information.

Design Phase

Design and Preparation

- Decide if you will build a new ADU or convert an existing structure to an ADU. Refer to Resources section for guidance and examples.
 - Consider your options for drafting plans such as hiring a designer or architect, drawing your own plans, purchasing plans, or purchasing a prefabricated unit.
 - Consider your options for construction. You can hire a General Contractor to manage and complete the construction or obtain an owner/builder permit to allow you to manage and complete the project yourself or through sub-contractors. Note that your designer and/or contractor must obtain a National City Business License.
- Once you select an ADU design option, you can get an estimate of City fees by looking up the [Development fees](#). You can also see the ADU Application Checklist for a list of submittal requirements.

- Site Considerations
 - Fire Safety Requirements
 - Wildland Urban Interface Area
 - Grading Requirements
 - Stormwater Management
 - Septic vs. Sewer
- Pre-approved ADU Building Plans
- Points of Contact
- Utility Info (Water, Power etc.)

Process Overview

There are many steps involved when building an ADU. The following section details steps to take in four phases:

Pre-Application Phase

Confirm Eligibility and Allowed Size of ADU

Determine the eligibility of your property and the maximum size ADU you can build.

Square Footage of Existing Single-Family Residence (SFD)	Maximum Allowed Square Footage for Detached ADU	Maximum Allowed Square Footage for Attached ADU (up to 60% of SFD)	
		Studio or 1 Bedroom	2 Bedrooms or more
500	1,200	850	1,000
1,000	1,200	850	1,000
1,800	1,200	900	1,000
2,000	1,200	1,000	1,000
2,200	1,200	1,100	1,100
3,000	1,200	1,200	1,200
4,500	1,200	1,200	1,200

Refer to the [ADU Regulations](#) [handout](#) and [ADU webpage](#) for more information.

Retrieve your [Property Summary Report \(how-to guide here\)](#) which you will take to the County Permit Center to assist with the pre-application and pre-review phase of the permit application process.

Determine any septic system requirements and if your ADU will be feasible. You can read the [Frequently Asked Questions from the Department of Environmental Health and Quality](#).

Utilize ADU finance tools via Casita Coalition, California Housing Finance Agency, Maxable, and others (see Resources section) to estimate your costs including useful and free cost estimator tools.

Call or e-mail the County Planning & Development Services (see Contacts section) to discuss options as well as any constraints or site-specific factors (steep slopes, agricultural buffer setbacks, existing accessory structures, septic systems, etc.). This step will help to avoid surprises after investing time and money into a building design.



Source: Adobe Stock

Design Phase

Design and Preparation

Decide if you will build a new ADU or convert an existing structure to an ADU. Refer to Resources section for guidance and examples.

Consider your options for drafting plans such as hiring a designer or architect, drawing your own plans, purchasing plans, or purchasing a prefabricated unit. In addition, you can adopt one of the free [Pre-Approved County Standard ADU Building Plans](#). By using Pre-Approved County Standard ADU Building plans, much of the design and permitting work is already completed, so there is less chance for delay or unexpected costs down the road.

ADUs and RHNA

ADUs and RHNA

- ADUs/JADUs are allowed to be counted in Housing Element sites inventory to meet a portion of the assigned RHNA.
 - Assumptions are based on the number of these units developed in the prior housing element planning period.
 - Anticipated affordability varies. Typically based on market trends and/or regional survey.
- Agency must track and report ADUs annually through the Housing Element Annual Progress Report (APR).
 - Monitor production and affordability to track if meeting assumptions in the sites inventory.
 - Government Code Section 65863 (No Net Loss law) requires agency to always maintain Housing Element inventory throughout 8-year planning period.

ADU Affordability Survey

- The ADU Affordability Survey was developed by ABAG and HCD to help jurisdictions meet ADU monitory requirements made in their Housing Elements.
- Answers to basic questions will provide information to jurisdictions regarding the affordability level of new ADUs.
- Jurisdictions can use the online survey as part of the ADU permitting and approval process.

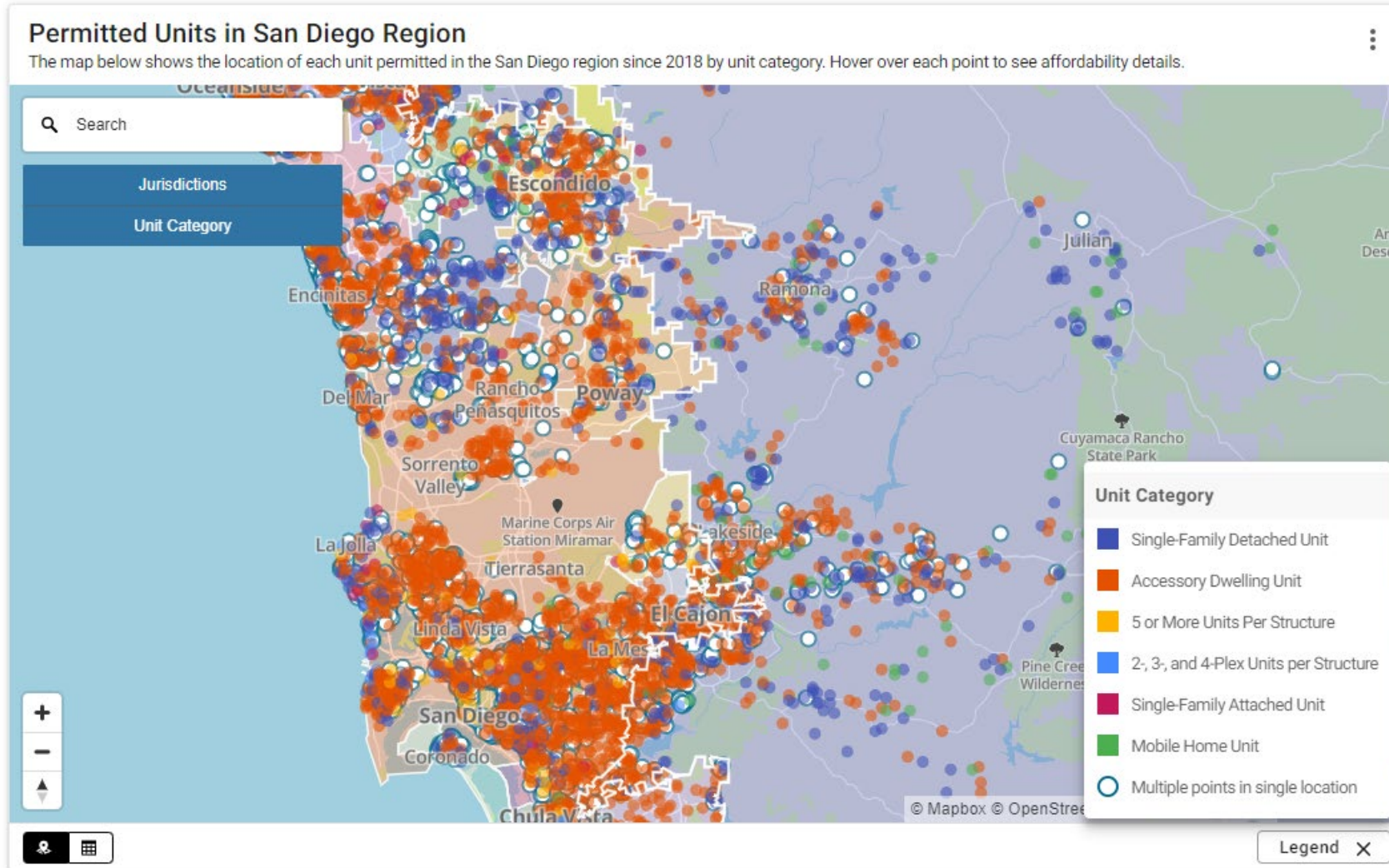
Housing Policy and Planning Tool



Elements of the HPPT

APR Housing Data Explorer

Production Trends: Structure Type & Affordability

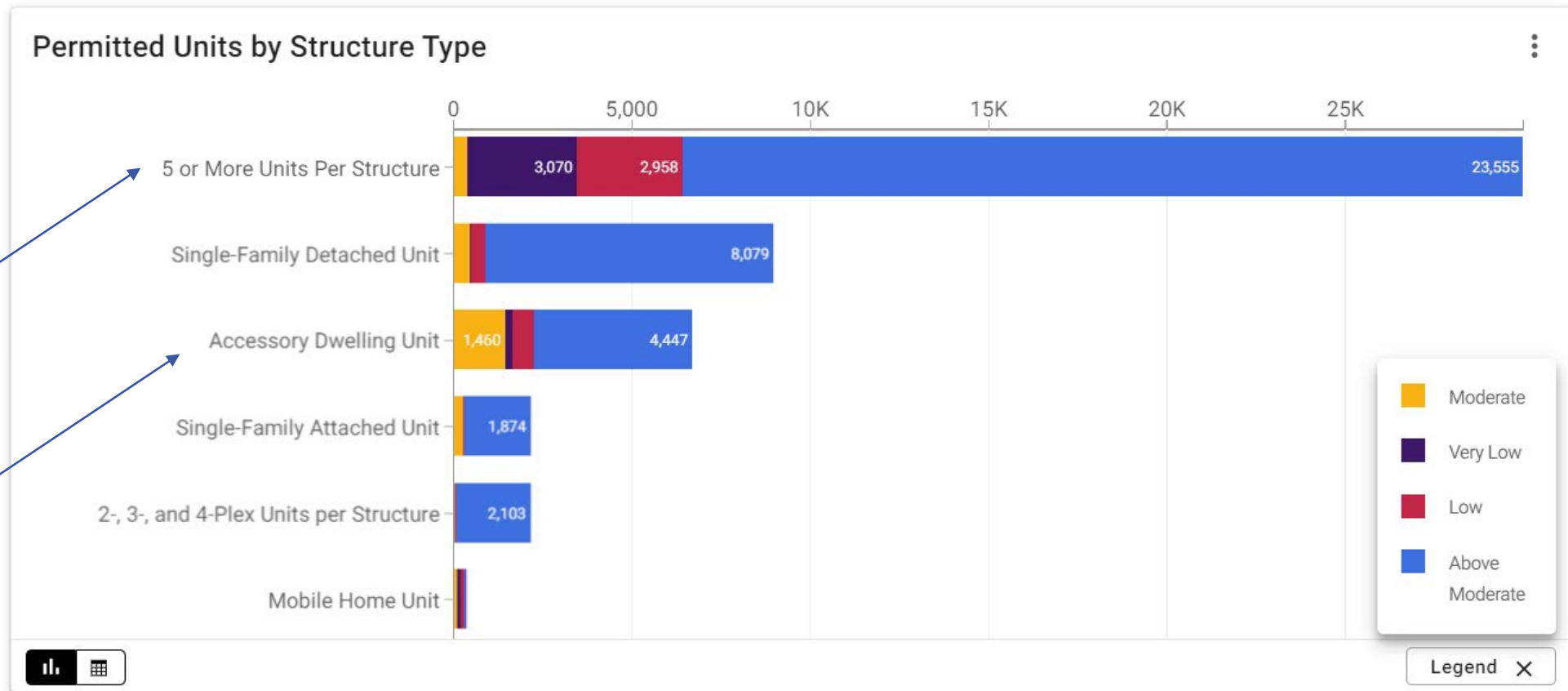


Elements of the HPPT

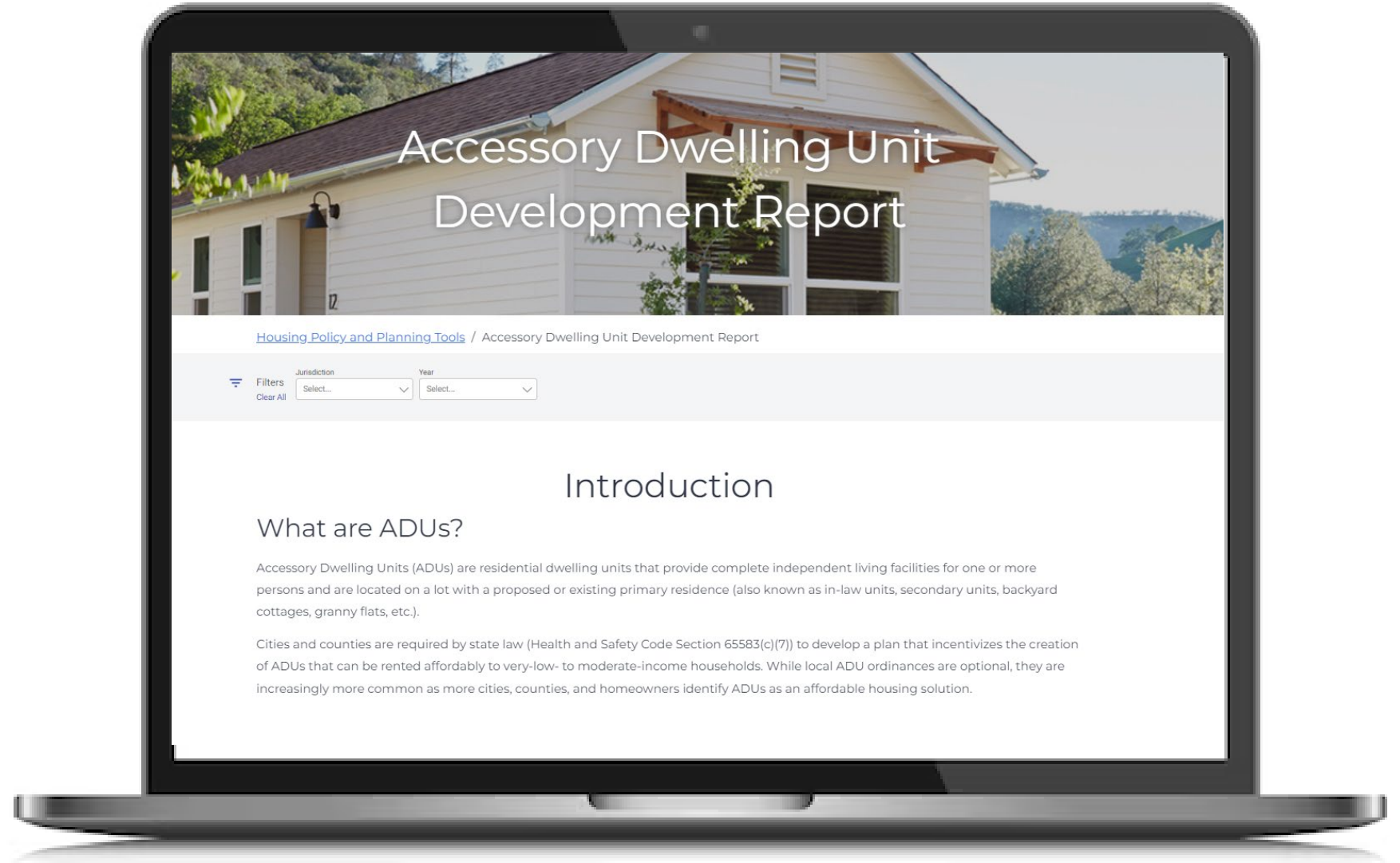
APR Housing Data Explorer

Production Trends: Structure Type & Affordability

Overwhelming majority of our region's very low and low income permitted units come from structure with 5 or more units



Elements of the HPPT ADU Report

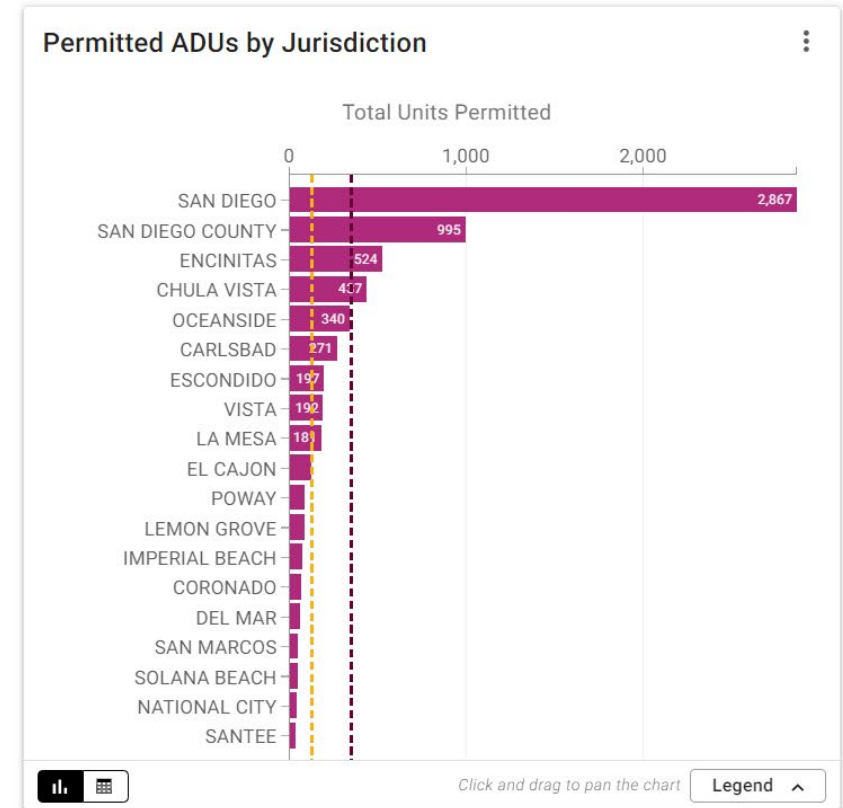
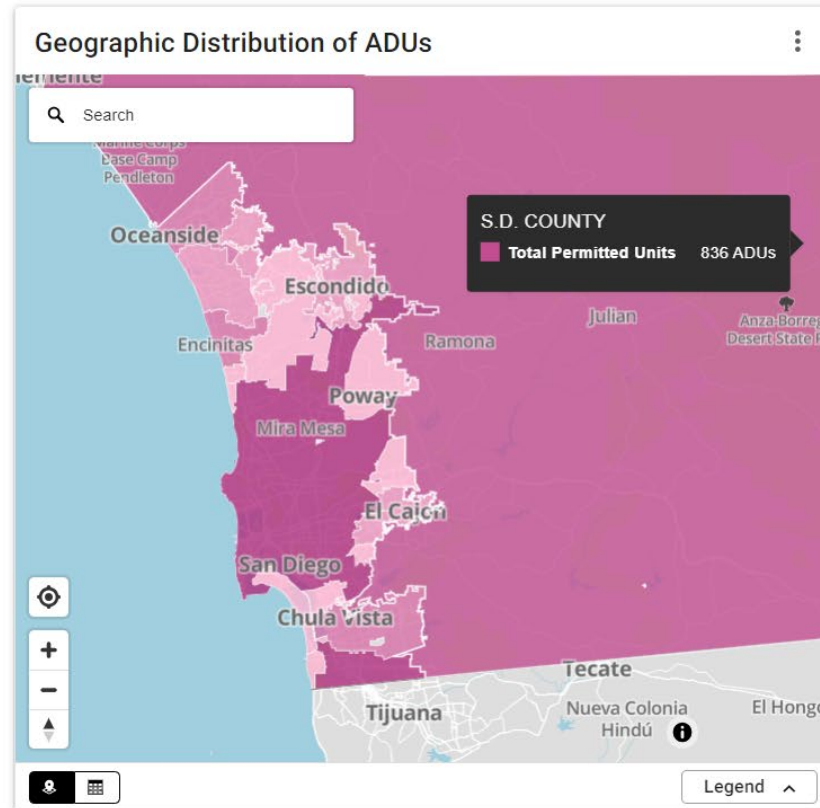


Elements of the HPPT ADU Report

Accessory Dwelling Unit (ADU) Production Trends

Where in the region are ADUs being permitted?

- While ADUs have been permitted all throughout the region, the City of San Diego represents the most significant share at 43% of total permitted units between 2018 and 2022, followed by unincorporated San Diego county at 15% and Encinitas at 8%
- Overall, coastal cities hold the greatest share of permitted ADUs. This includes Central San Diego and North County Coastal subregions.

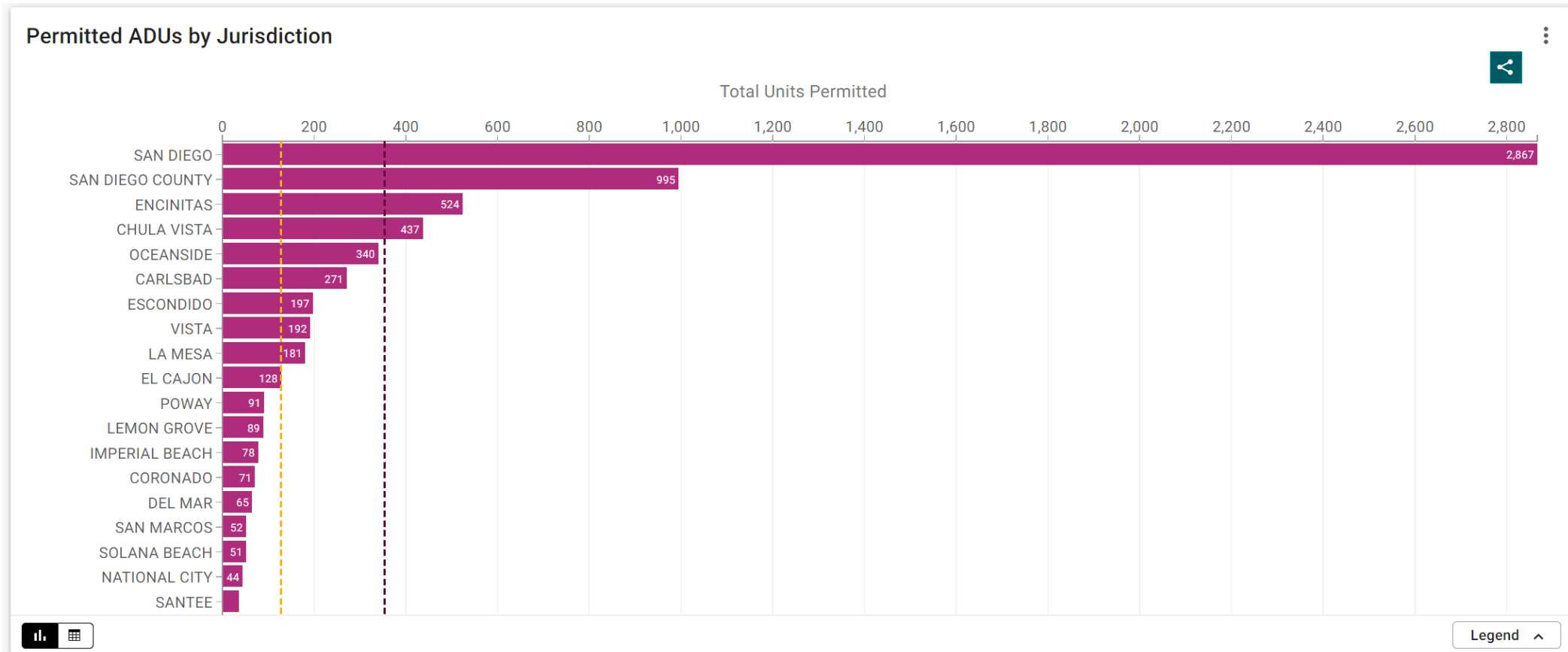


Elements of the HPPT

ADU Report

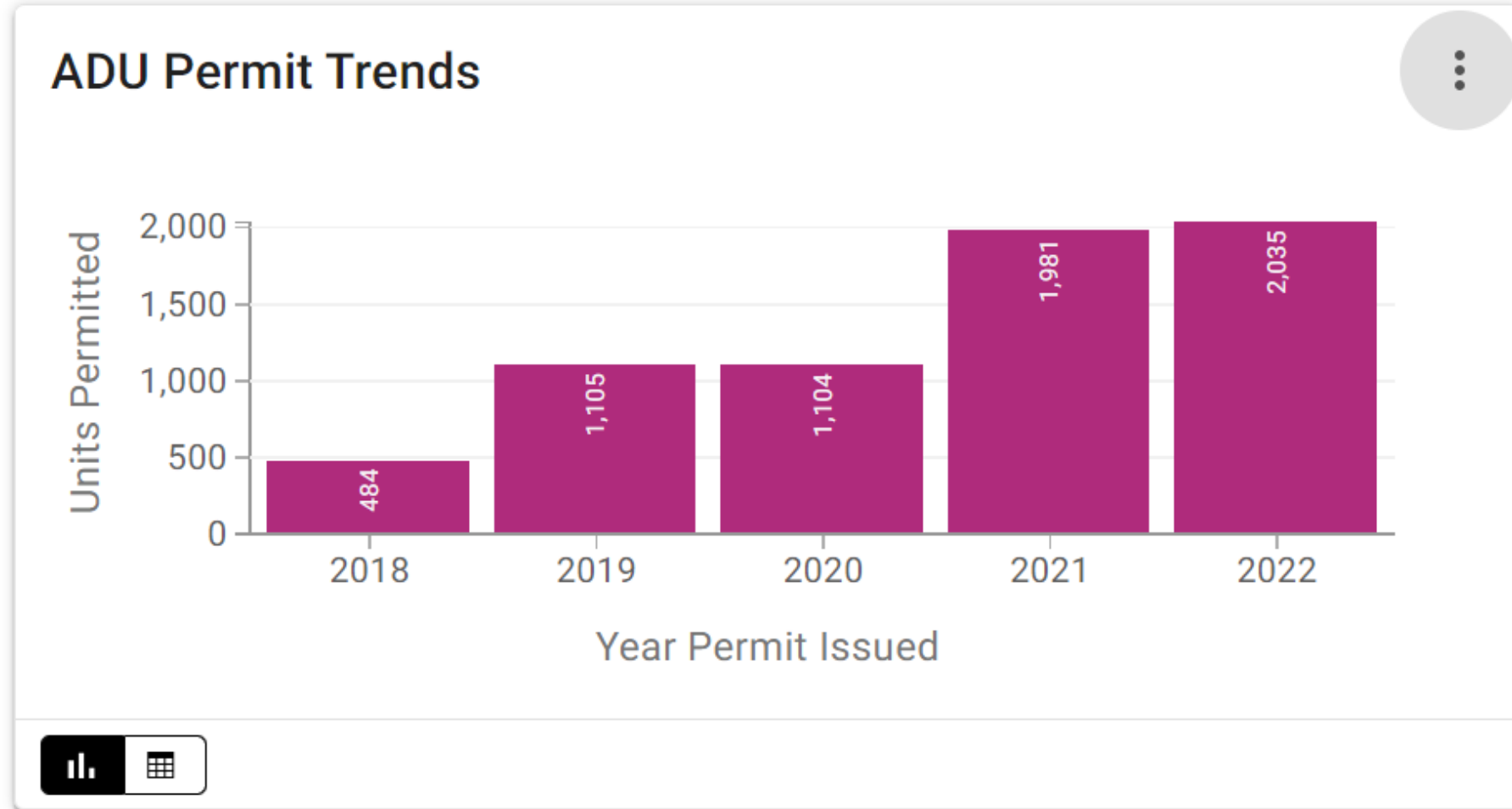
ADU Production Trends: Overall Numbers

6709 Total ADUs permitted from 2018-2022



Elements of the HPPT ADU Report

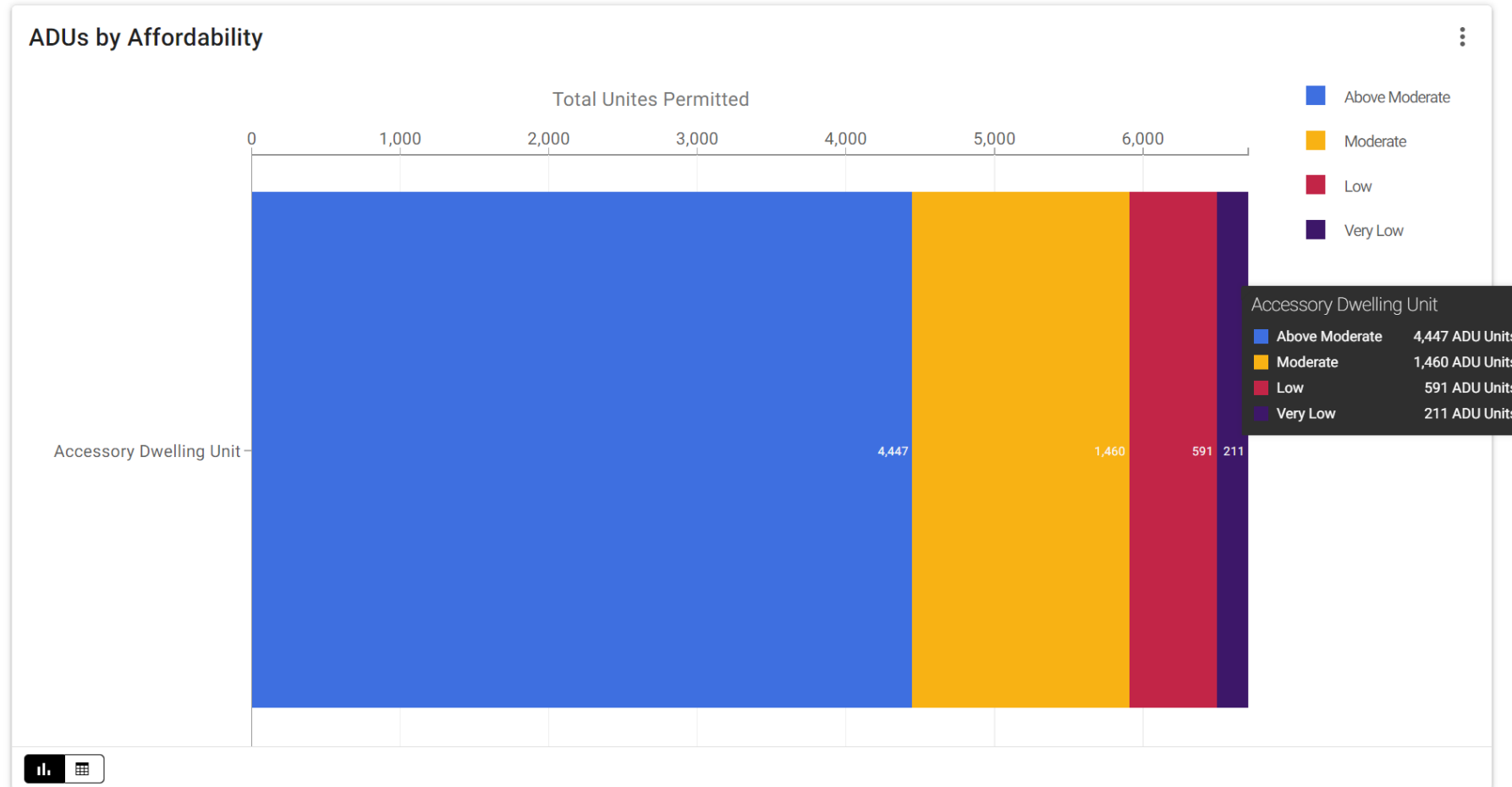
ADU Production Trends: Overall Numbers



Elements of the HPPT

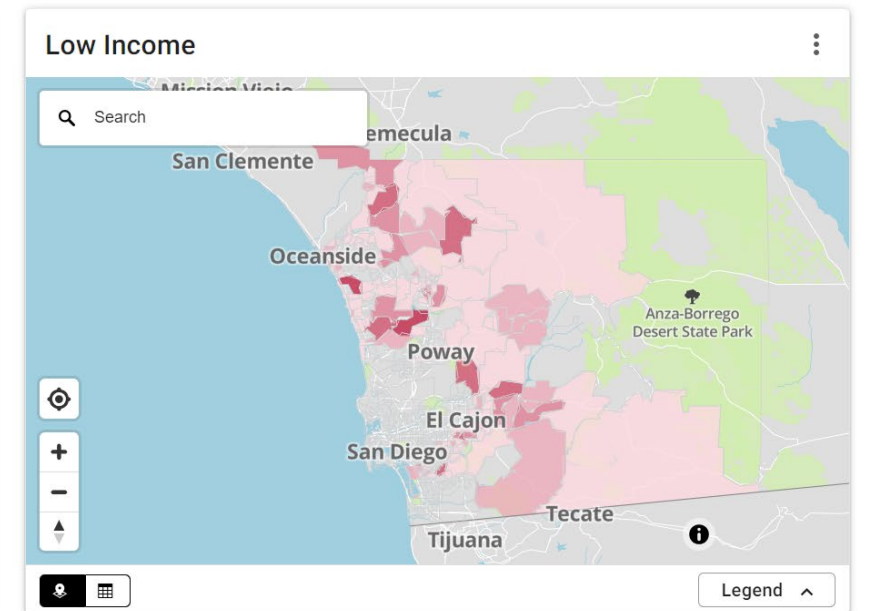
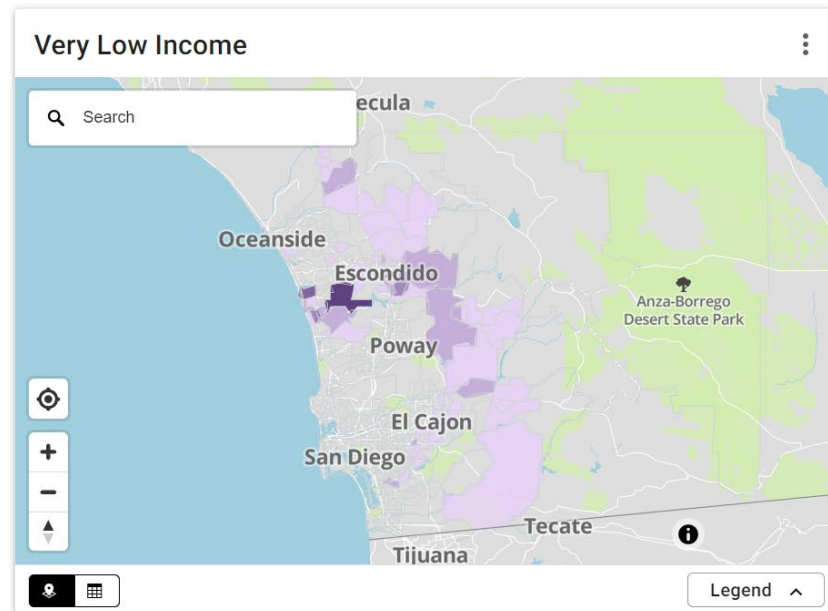
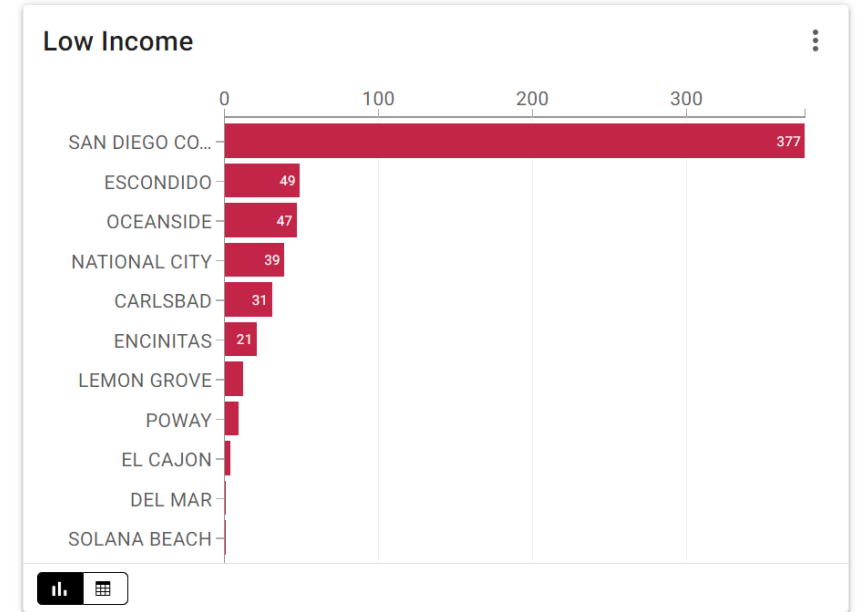
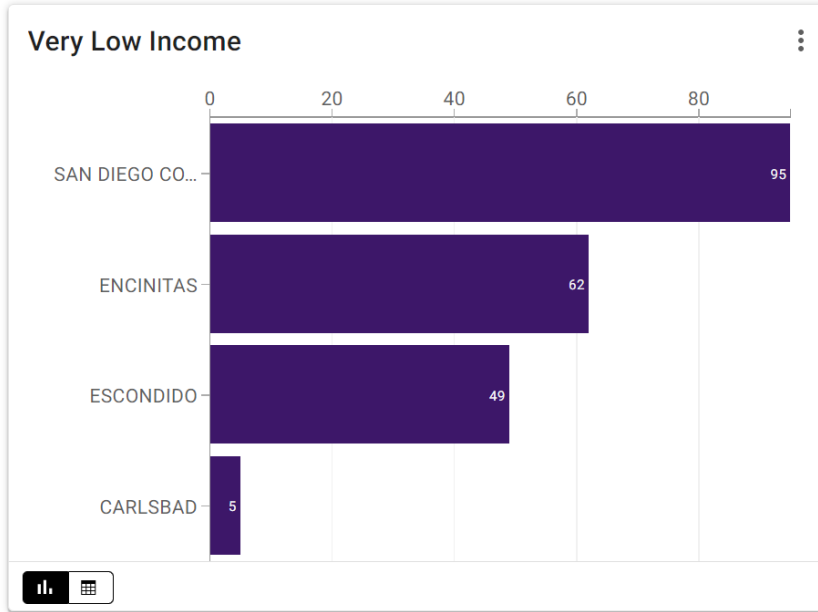
ADU Report

ADU Production Trends: Overall Numbers



Elements of the HPPT ADU Report

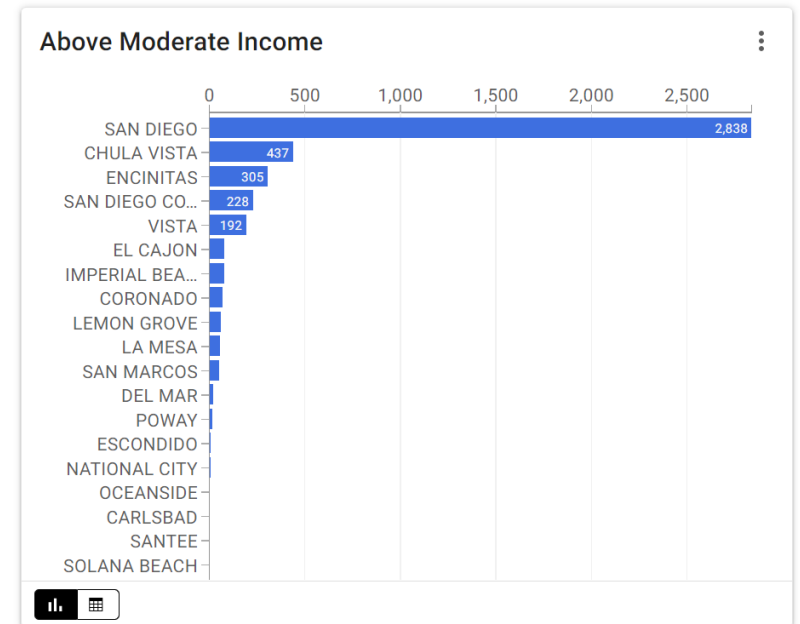
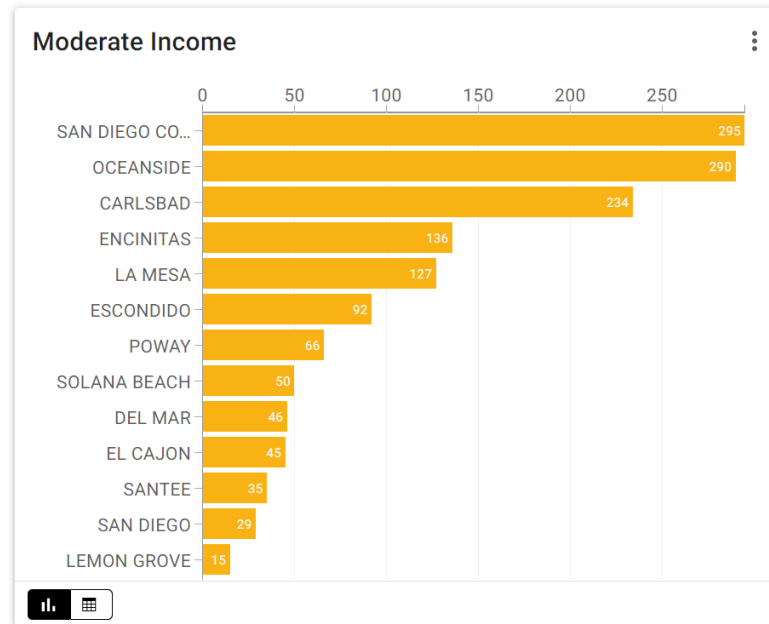
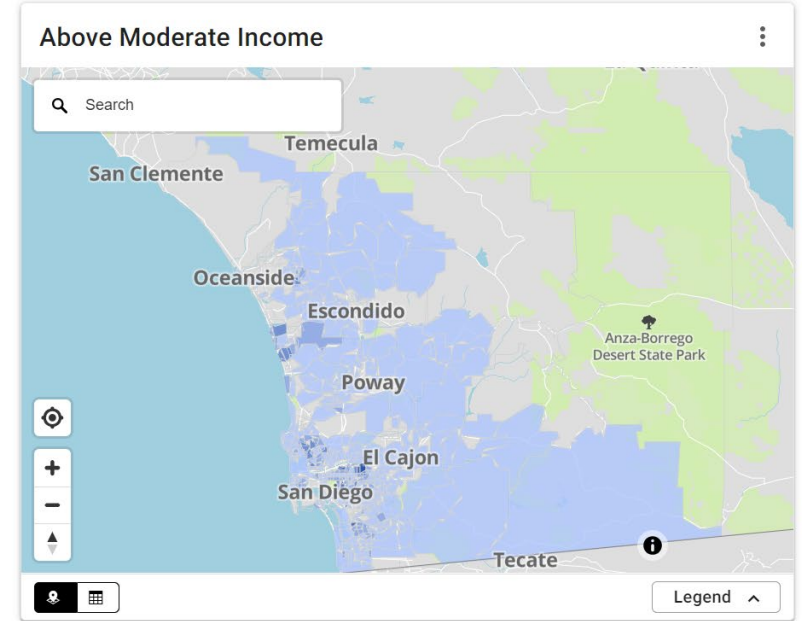
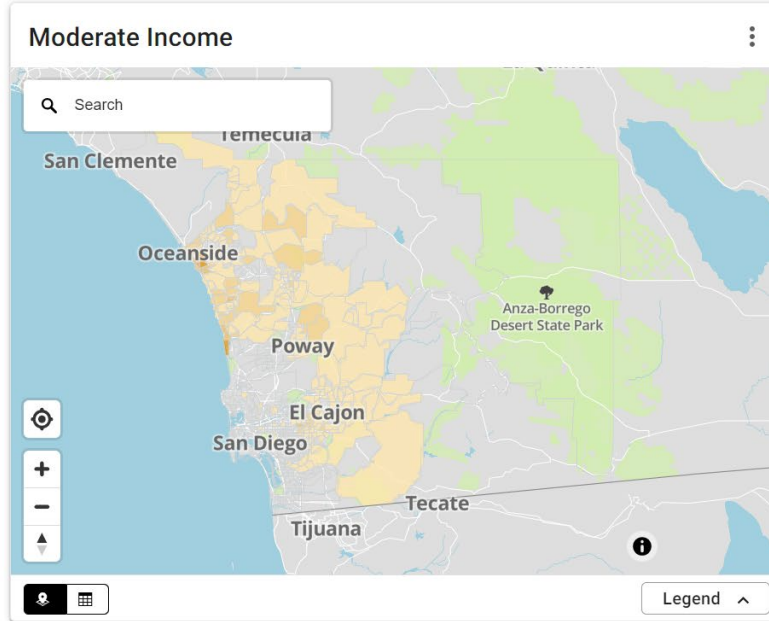
ADU Production Trends: Overall Numbers



Elements of the HPPT

ADU Report

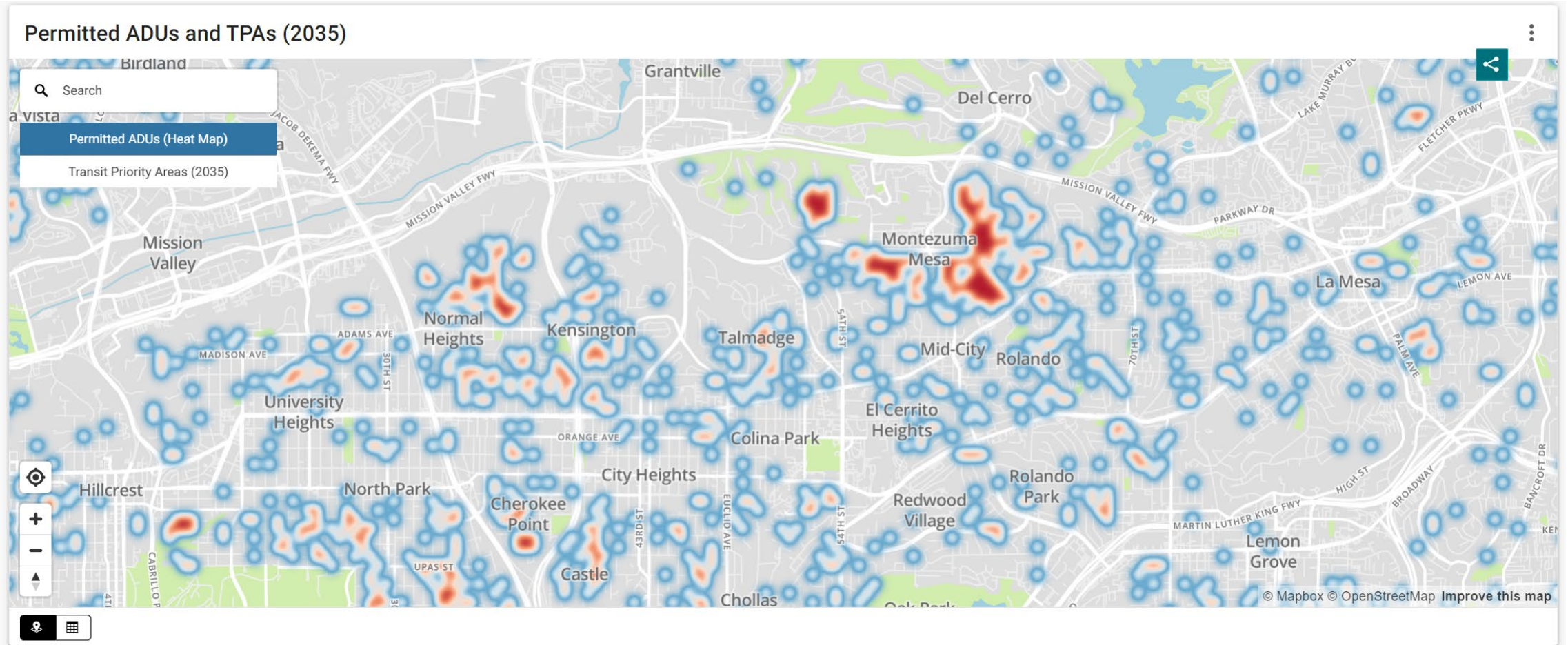
ADU Production Trends: Overall Numbers



Elements of the HPPT

ADU Report

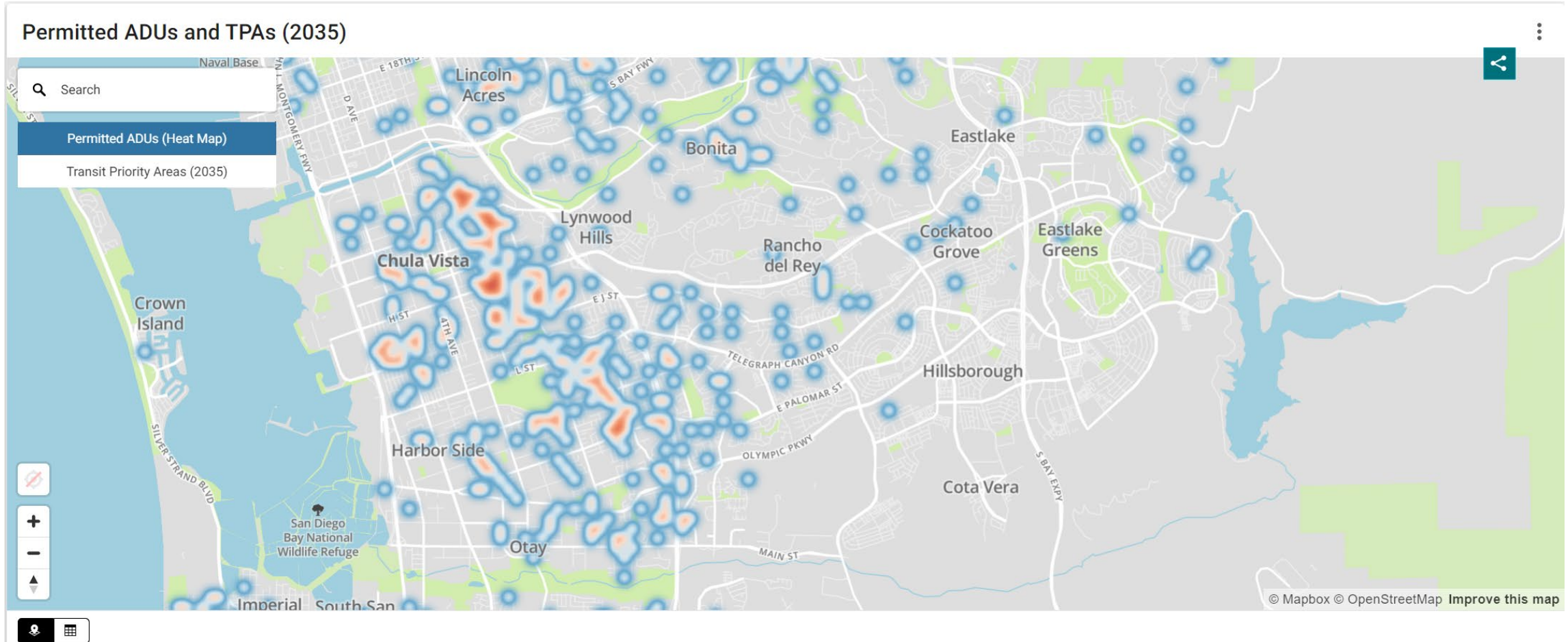
ADU Production Trends: Overall Numbers



Elements of the HPPT

ADU Report

ADU Production Trends: Overall Numbers

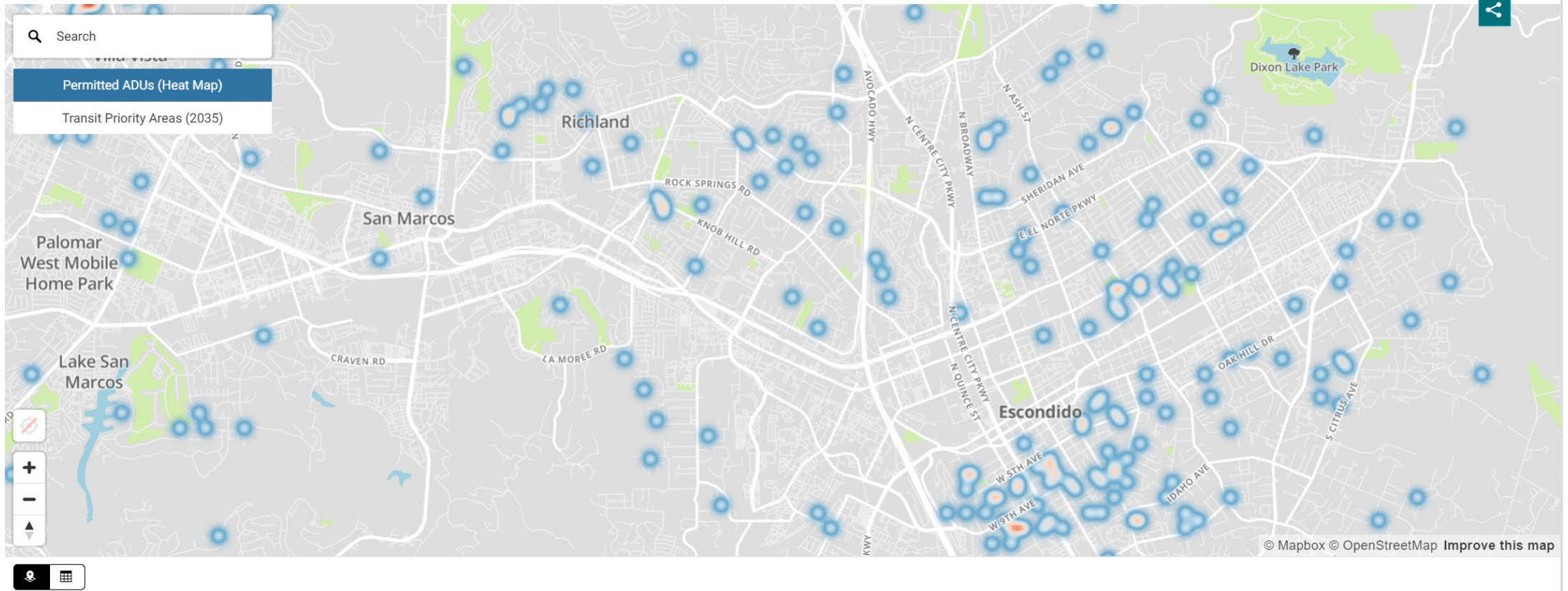


Elements of the HPPT

ADU Report

ADU Production Trends: Overall Numbers

Permitted ADUs and TPAs (2035)



Data Accuracy of the HPPT

Data Limitations and Potential Inaccuracies in HCD Published Information

Please note that the data is collected by another agency. As such, SANDAG does not perform data validation procedures on this data set. Although SANDAG makes efforts to identify and address potential issues, users and analysts should exercise their professional judgment when relying on the data.

Casita Coalition



CASITA COALITION

We are a group of mission-aligned...

Homeowners

Builders

Architects/Designers

Lenders

Consultants

Planners

Realtors

Engineers

Academics

Nonprofit housers

Community groups

Associations

Housing policy leaders

Innovators

...working to remove barriers to ADUs and middle housing throughout California.

ADU Benefits to Homeowners, Tenants, Community

ADUs are adaptable as family needs change

ADUs make neighborhoods more inclusive, diverse and resilient

ADUs take fewer resources to build, are more energy-efficient and use existing infrastructure

ADUs help families meet their needs and take care of each other through rental income and multi-generational living options



ADUs Help Address Equity & Housing Mismatch

- Most CA cities have roughly 70-75% of residential parcels zoned for single family dwellings
- Only 18% of CA residents can afford a median-priced home
- 66% of all households nationally are now 1-2 persons, while average new home size still hovers around 2,000-2,300 sf
- ADUs are often the only affordable homes in previously exclusive neighborhoods

Federal Housing Policy Officials Talk About ADUs

“Increasing the **supply of affordable housing** and helping families to create **generational wealth** is what today’s action making it easier to finance an accessory dwelling unit is all about. This is a part of our work to help address the critical shortage of affordable housing in communities across the country and help people **increase the value of their homes.**”

--HUD Secretary Marcia L. Fudge

“This new ADU policy also contributes to the supply of **affordable housing** in many neighborhoods **where it’s most needed and least available.**”

--Assistant Secretary for Housing and Federal
Housing Commissioner Julia Gordon

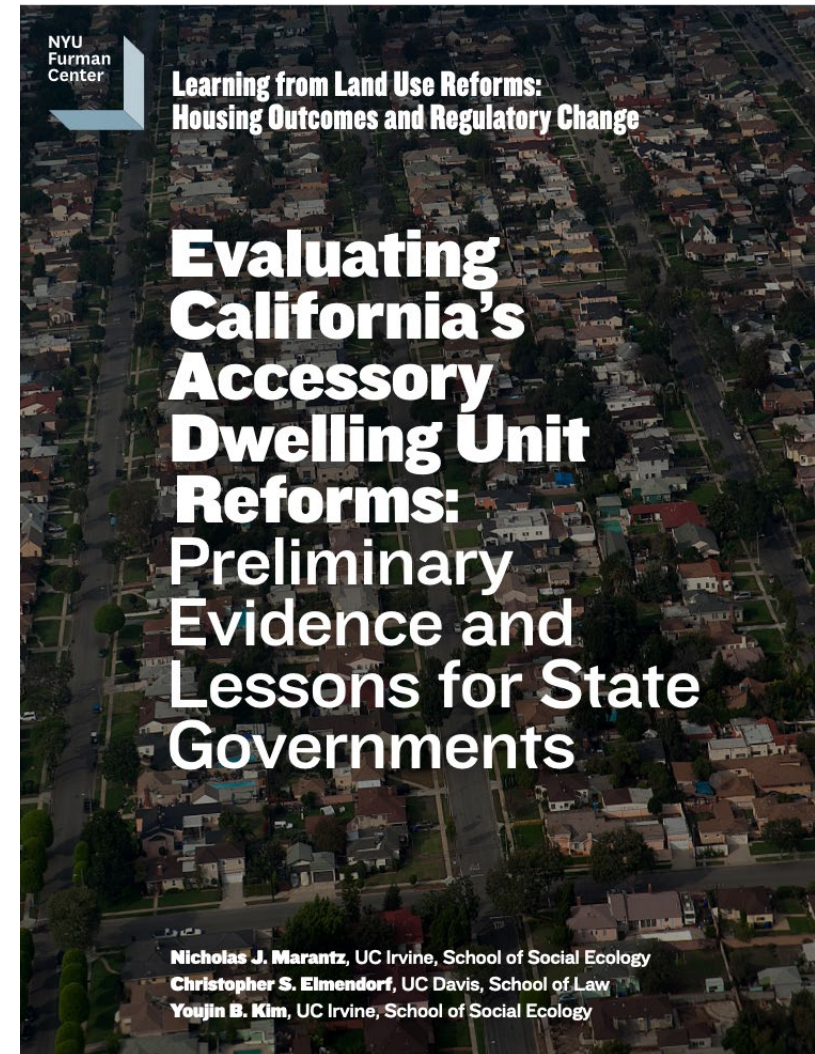
“The new policies provide greater flexibility for the use of rental income from ADUs, which will **help more borrowers qualify** for FHA-insured financing on homes with ADUs.”

--*Deputy Assistant Secretary for Single Family Housing*
Sarah Edelman

Who's building ADUs & where?

NYU Furman Center:

“In both the Bay Area and Southern California, ADUs tend to be located in census tracts that have good access to jobs and relatively low rents.”



Encouraging lower-cost additional living spaces

HOMESHARING

Sharing underutilized bedroom with a housemate under homeshare agreement.

Barriers: Definitions and limits on non-family occupants; awareness & messaging; lack of support for nonprofit homesharing programs



JADU JUNIOR ADU

Attached interior living space with own entrance and cooking facilities--may share bath with primary.

Barriers: Zoning, occupancy and tenancy restrictions; firewall requirements; unpermitted unit legalization barriers



MOVABLE TINY HOME

Allowed as ADUs in some regions, movable tiny homes are classified as RVs but built with standards more suited to full-time living.

Barriers: Limited locations for full-time legal living; lack of lower-cost finance options; stringent certification requirements; awareness & messaging



MANUFACTURED HOMES

Allowed as ADUs or primary homes, manufactured to HUD code.

Barriers: Local design and structural standards; delivery challenges; installer certification requirements



Benefits of Middle Housing



Fit into neighborhoods

Duplexes, triplexes, cottage courts and other middle homes have similar scale to single detached homes



Provide homeownership opportunities

Middle-scale homes are naturally more affordable: 30% to 60% less costly than standard single detached homes



Ideal for new/emerging developers

Middle housing can help the industry become more inclusive and diverse, with manageable projects for new developers

In first 12 months after Portland's Residential Infill Plan passed, 42% of Portland's permitted housing units permitted were middle housing units

Of middle housing units:

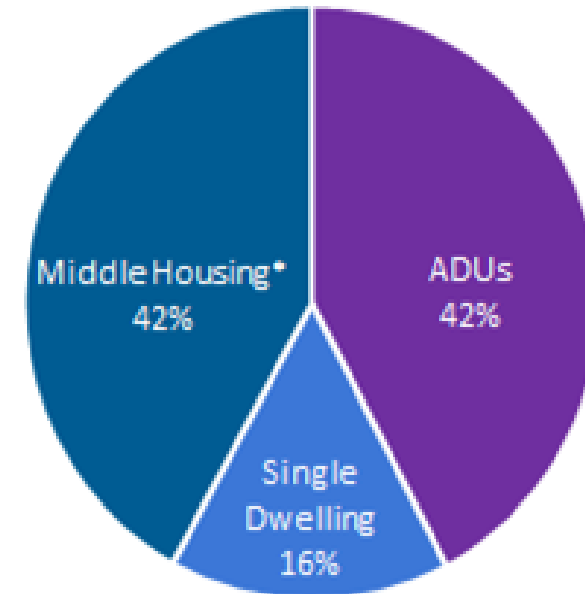
- Fourplexes at 76%
- Duplexes at 13%
- Triplexes at 10%
- Sixplexes at 1%

-
- 23% of ADUs developed in this period were 2nd ADUs

*Based on data from
August 1, 2021-July 31, 2022*

Portland OR Middle Housing Progress

Percent of Units Permitted (SD, ADU, MH)
R2.5, R5, R7



**Middle Housing category includes corner duplexes.
ADUs includes ADU, ADU w/house and ADU allowances*

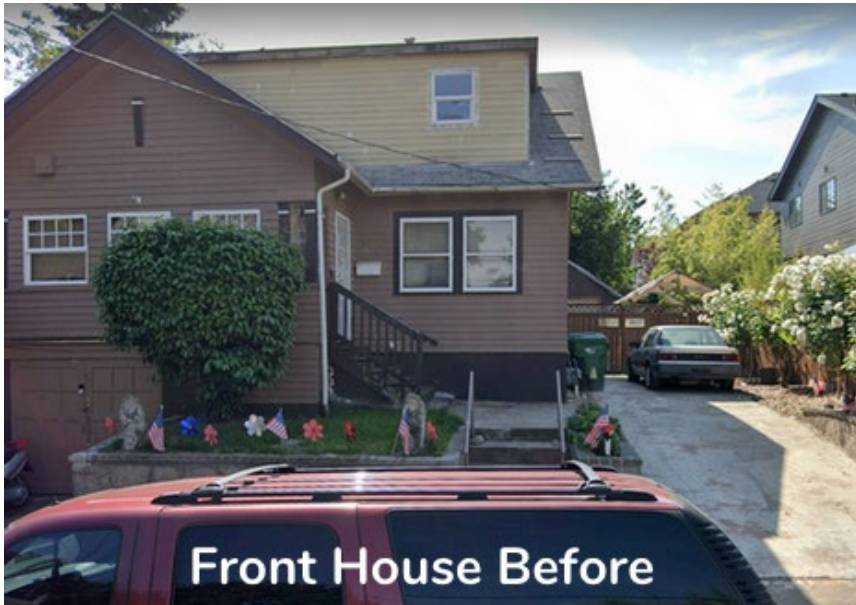
<https://www.portland.gov/bps/planning/rip/news/2023/7/5/new-study-shows-promising-housing-production-results-residential>



AB 1033 ADU Condos

Next Steps

ADU Condos: What's Next for AB 1033



Encourage cities and counties to opt in to AB 1033 ADU Condo Conversions

Steps to Adoption by Cities/Counties:

1. Governing body votes to draft and approve changes to local ADU ordinance, remove ban on separate sale and add process steps from state law
2. Staff updates website, applications, informational materials
3. Awareness campaigns

Why convert an ADU to condo?

Homeowner

- Separating ownership & debt
- Selling to pay off debt

Developer

- Redeveloping and selling for profit



**ADU Condos for
Affordable
Homeownership:
Portland Example**

Built as two ADUs
behind a 2,000 sf
primary home then
converted to a three-
unit condo

#B 2bd/2ba 878 sf
\$499,000, Offer
accepted in 5 days

#C 2bd/2ba 752 sf
\$449,000 For Sale

New homes in this
neighborhood
typically sell for
\$800,000+



Portland OR homeowner testimonial



“Building an ADU and condominium-izing it was a great investment and well worth the effort.

I have a much more comfortable retirement. I’m mortgage free, with a small HOA monthly, and a perfect home, garden and patio for my older years.”

-Alex Stewart

How are ADU Condos Helping in Texas?

- Provides 1000s of lower cost, middle housing ADU homes for ownership rather than for rent. I have created over 4000 ADU and duplex units in Austin
- Huge buyer demand for ADU condos - ADU usually sells before main house when both are for sale
- Sale of main house or ADU allows owner to stay in home and live mortgage free or with a smaller mortgage
- Allows families to live together on a lot, but with separate ownership, financing and ability to sell
- ADUs in Texas look like small homes, no attachment to main house, attractive to owners
- Austin recently allowed 3 units per lot by right, which will increase housing supply while keeping neighborhood feel

Lower Cost Backyard Homes



629 Amesbury Ln #2
Austin TX, 78752



2 Bed



Skylit Shower



2.5 Bath



Vaulted Ceilings

Courtesy of [TexasCondoLaw.com](https://www.texascondolaw.com)

REQUIRED STEPS TO IMPLEMENT SALE OF ADUS

1. **Eliminate Sale Restrictions.** Remove all provisions in your municipal code that prohibits the sale or other conveyance of an ADU. These restrictions are typically included in local Condominium Codes and Zoning Codes.
2. **Adopt Legislation Expressly Allowing ADU Sales.** To align local rules with State law, adopt changes to the municipal code that allow conversion of a home and its ADU into condominiums subject to the requirements of the Davis-Stirling Common Interest Development Act.
3. **Include required Consumer Notice** on pre-application checklist and other materials.

RECOMMENDED

1. **Publish ADU Checklists.** Provide a comprehensive checklist for any ADU building permit and for ADU condominium/subdivision projects.
2. **First Right of Offer to Owner Occupants.** To further encourage new homeownership, consider including a condition of approval for establishing ADU condos, giving a first right of offer for a period of 45 days to owners intending to occupy the home themselves (or immediate family).
3. **Incentivize ADU Condo Conversions with Expedited Processing, Waived or Reduced Fees**



Why Opt-in to ADU Condos?

- Today in California lots of buildings are divided and sold as condos— existing duplexes, triplexes and apartments are sold as condos very commonly. ADUS would fit into this established ecosystem. Opting in just means that single family properties are added to the list of building types that can be separately sold as condos.
- Nonprofits can already sell ADUs separately in CA. AB 1033 provides that opportunity for private home owners.
- It's based on well-established existing structures such as condominium law and the Subdivision Map Act.

Why Opt-in to ADU Condos?

- Thousands of ADU condo conversion projects have been successfully completed in Texas, Oregon, Washington, New Jersey and elsewhere. There are more than 400 in the Seattle area alone.
- California urgently needs home purchase opportunities affordable to middle-income homebuyers. ADU condos can sell for 20-40% less than traditional standalone homes.



ADDITIONAL CASITA COALITION RESOURCES

1. ADU Condo guidance memo & model local ordinance
casitacoalition.org/guidebooks-and-resources
1. ADU Condo webinar resources: casitacoalition.org/webinar-library 2024 Build the Middle Webinar Series

Implementing AB 1033: Lessons from OR & TX on ADU Condos

ACCESS SLIDES

WATCH ON YOUTUBE

TOP TAKEAWAYS



Pre-Approved ADU Plans Programs Considerations for Program Designers

**Example 1: Napa Sonoma ADU Center
Standard Plans Private Vendor Library**

Advantages

- Reduced cost for plans
- More variety of designs
- More designers in library
- Liability stays with designer
- Reduces planning staff hours

Not so helpful

- Homeowners need to do own vetting of companies

Example 1: Napa Sonoma ADU Center Standard Plans Private Vendor Library

ADU Plans Gallery

FIND YOUR PLAN

SEARCH... SEE FAVORITES SORT

OPTION A
"PRE-REVIEWED" PLANS
What does "pre-reviewed" mean?
If you're looking for "pre-reviewed" plans, start by choosing a jurisdiction, then continue filtering below. Skip to the filters below to search all plans.

American Canyon (13)
Calistoga (11)
Cloverdale (13)
Cotati (11)
Healdsburg (13)
Napa City (13)
Napa County (13)
Petaluma (11)

OPTION B
ALL PLANS
Use the options below to filter for plans that fit your goals and preferences. Note: Not all plans in this gallery will necessarily work for your property or jurisdiction.

Accessible Maywood Cottage
NORTH COAST PACKAGED HOMES A LICENSED REP OF PACIFIC MODERN HOMES, INC.
600 SF (MEDIUM)
1 1
LICENSE FEE: \$0 See listing details
VIEW LISTING ADD FAVORITE

The Mews
MAYBERRY WORKSHOP
532 SF (MEDIUM)
1 1
LICENSE FEE: \$500
VIEW LISTING ADD FAVORITE

Modern Gable 800 SF ADU
URBAN BUILDING WORKSHOP
800 SF (LARGE)
2 1
LICENSE FEE: \$850
VIEW LISTING ADD FAVORITE

Abodu Two
PREFABRICATED

Portola
SITE-BUILT

Villa 550
PREFABRICATED

**Example 2: Danville City-
Owned “Garden Cottage” ADU
Plans**

Advantages

- Low/no cost plans
- Expedited review
- Helpful for smaller cities with fewer architects

Not so helpful

- Original architect is the only legal option to make changes
- Limited choices
- Need regular updating
- City takes on liability

STUDIO (640SF)

Images
Downloadable Plans



Garden Cottage Program		
Steps to build an ADU with the Garden Cottage Program:	Provided by the Garden Cottage Program	Responsibility of the Homeowner
Finding and hiring a Designer/Architect to provide: <ul style="list-style-type: none"> • plot plan • grading plan • location of the ADU 	No	✓
Obtain Architectural Plans	✓ Downloadable pre-designed plans	Choose and print/download appropriate plans
Obtain Structural Plans		
Obtain Title 24 Energy Forms		
Finding and hiring a Contractor to build the ADU & purchasing of materials	No	✓
Submitting all required documents to apply for a permit	Expedited Review over the Counter*	✓
Payment of Permit Fees	Reduced Fees*	✓
Payment of Plan Check Fees	Reduced Fees*	✓
Obtaining Approval from Outside Agencies	No	✓
Payment of Outside Agencies Fee(s)	No	✓
Payment for and submitting Deferred Submittal for: <ul style="list-style-type: none"> • Solar Panels (PV System) • Utilities • Fire Sprinklers (if required) 	No	✓
Scheduling and Coordinating Inspections with outside agencies	No	✓

* If plans are modified application are subject to additional plan review and fees. If there are site specific conditions on your property, please consult a design professional to see if the Town's pre-designed plans can meet the parameters of your site conditions.



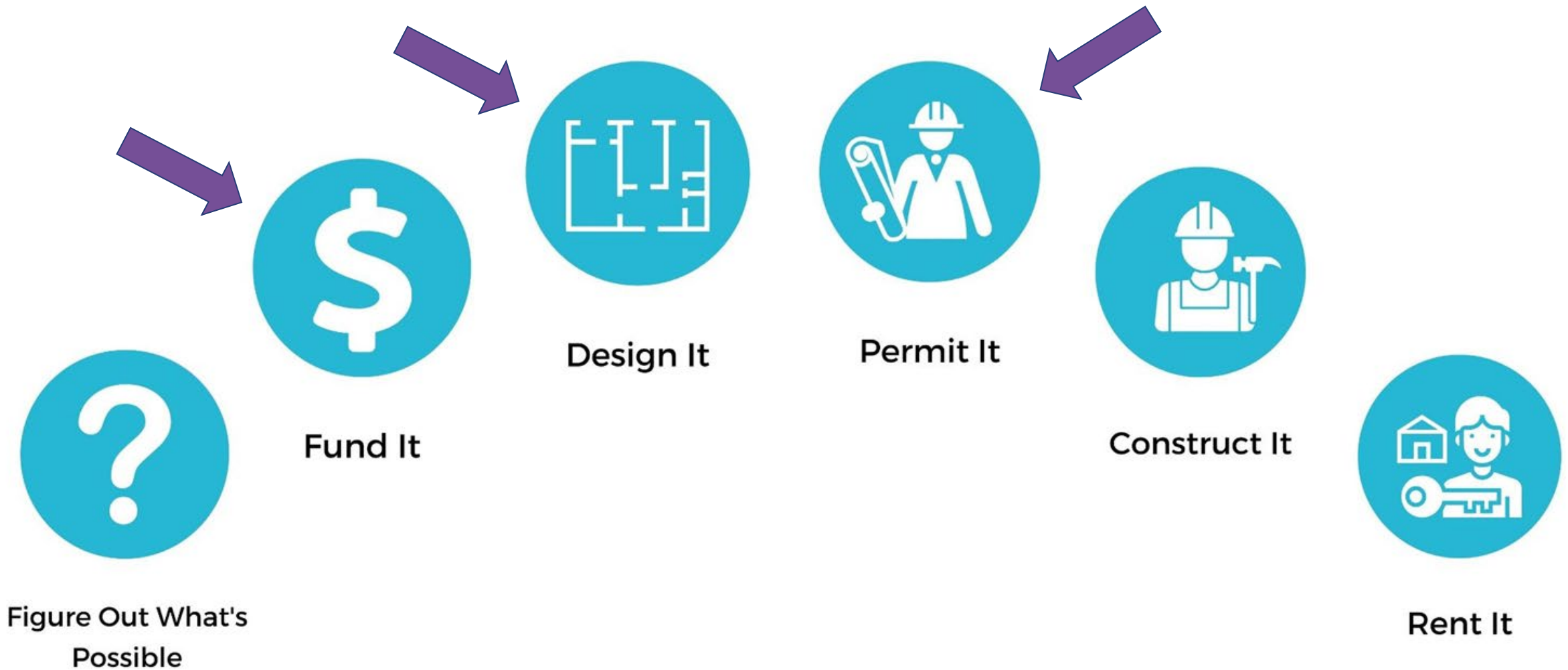
A local agency **shall** host a pre-approved ADU plans vendor-owned library open to all on their website. A local agency **may** also admit the following ADU plans into the program:

- Plans that have been developed and preapproved by the local agency
- Plans that have been pre-approved by other agencies within the state

City of Clovis

Expediting of **previously approved** ADU plans lowers barriers for smaller ADU businesses who don't have resources to submit plans for pre-approval without a client.

- A plan that is identical to one used in an application for a detached accessory dwelling unit approved by the local agency within the current code cycle



THE ADU PROCESS

Where can pre-reviewed plans save homeowners time or money?
Which steps will they likely need help with?

Homeowner Barriers to ADU Development

- Limited financing options
- Awareness, misconceptions
- Process uncertainties and long timelines
- Cost of development

Finance Barriers: Programs to Address

- Second-position low interest loans
- Forgivable loans
- Grants
- Fee waivers
- FHA 203k renovation loans
- ADU Condos–partial sale
- Resource-pooling & co-ownership
- Bridge and gap financing

Awareness & Messaging

- Community outreach
- Workshops & tours
- Share human stories of success
- Renting at low or no cost to family is a WIN for everyone
- A few will build ADUs to help their community with housing—find and encourage them—share stories
- Announce your culture of YES
- ADU Ally staffer

Process improvements

- Expedited roundtable review by all departments
- Dedicated staffer and open ADU counter hours weekly
- Universal checklists
- Video tour of applications
- Regional collaborations and templates for public-facing assets
- Partner with nonprofits
- Conduct third-party permit process audit
- Survey previous applicants

Cost of Development: Lower cost options

- Homesharing
- JADUs
- Garage conversion innovations
- Manufactured and other factory built ADUs
- Middle housing—more homes on lot to reduce land costs
- Community land trusts
- Houseplexes
- Co-living

Casita Resources:

Guidebooks & Webinars
Industry Pro Roundtables
Legislative Updates
Peer-to-Peer Platforms

JOIN THE COALITION

**FOLLOW OUR SOCIAL MEDIA AND SIGN
UP FOR THE NEWSLETTER**

Visit www.casitacoalition.org

Contact us: info@casitacoalition.org



CASITA
COALITION



Roundtable Discussion: Increasing Supply of ADUs

Panelists

- **Dennis Howe** - *County of San Diego*
- **Melinda Dacey & Katie Innes** - *City of Encinitas*
- **Martin Reeder** – *City of National City*
- **Jeff Ryan** - *City of San Diego*
- **Chris Stanley & Stacey Kurz** – *City of Chula Vista*

Accessory Dwelling Unit Programs

Jeffrey Ryan, AICP
Project Manager
City Planning Department

<https://www.sandiego.gov/planning/work/homes-jobs-planning>



@CityofSanDiego

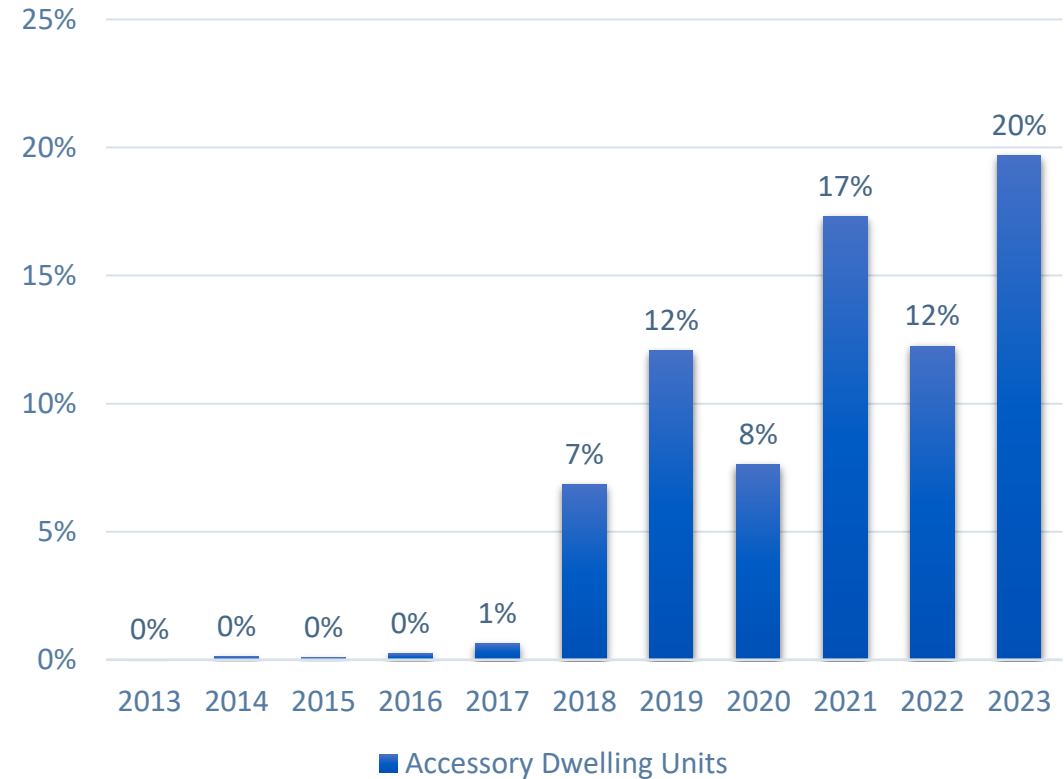
Accessory Dwelling Units

1,908

*new ADU homes permitted for construction in 2023.
This represents about 20% of all new homes.*

***Of these 1,908 new homes, 89 were deed-restricted
as affordable.***

ADU Share of Total Issued Units



Bonus Accessory Dwelling Units

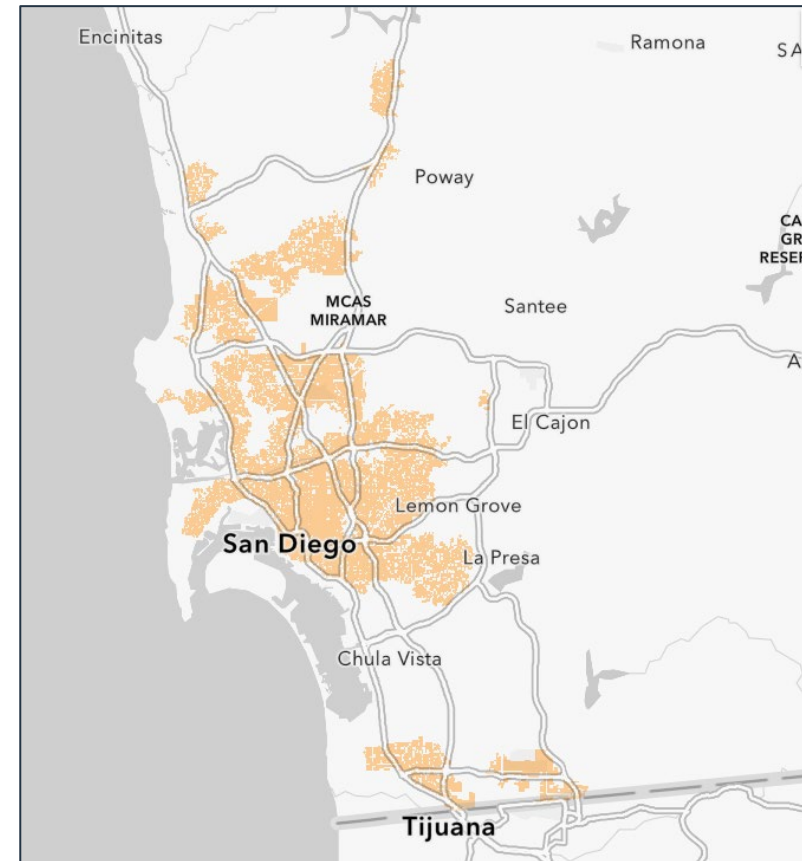
Within Sustainable Development Area

- In addition to allowed ADUs, one additional market ADU is allowed for every on-site deed-restricted ADU
 - Deed Restriction: 15 years for moderate income households
 - Deed Restriction: 10 years for low and very low-income households
- Bonus ADUs are unlimited*

*Must comply with Floor Area Ratio and lot coverage of base zone

Outside Sustainable Development Area

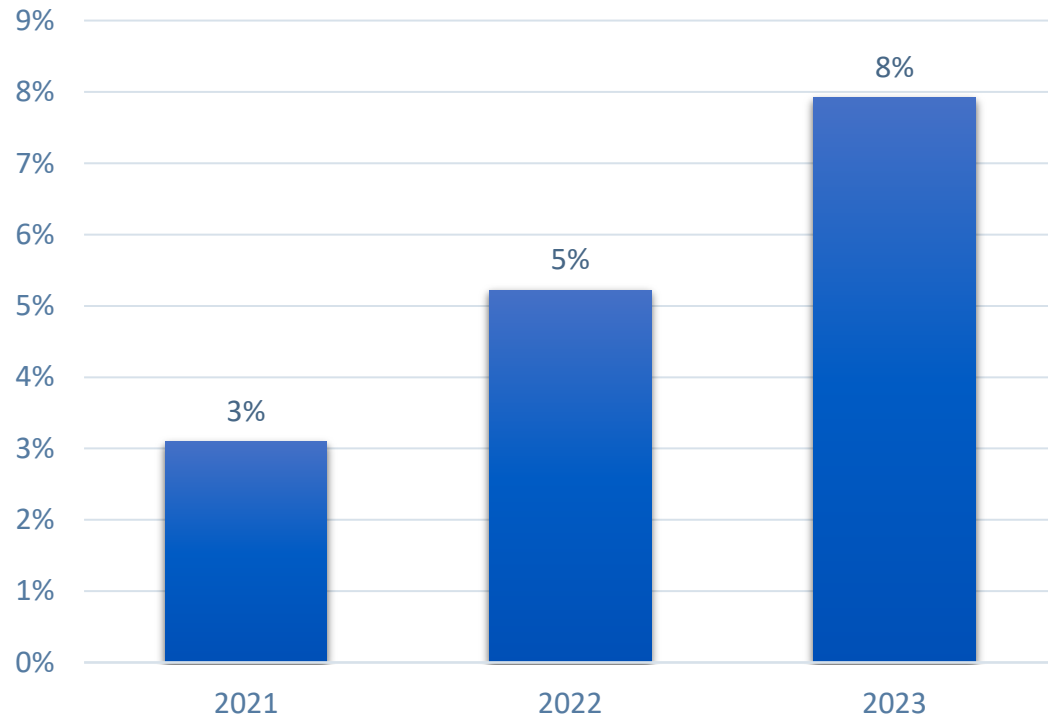
- Maximum of one bonus ADU for project with on-site deed-restricted ADUs



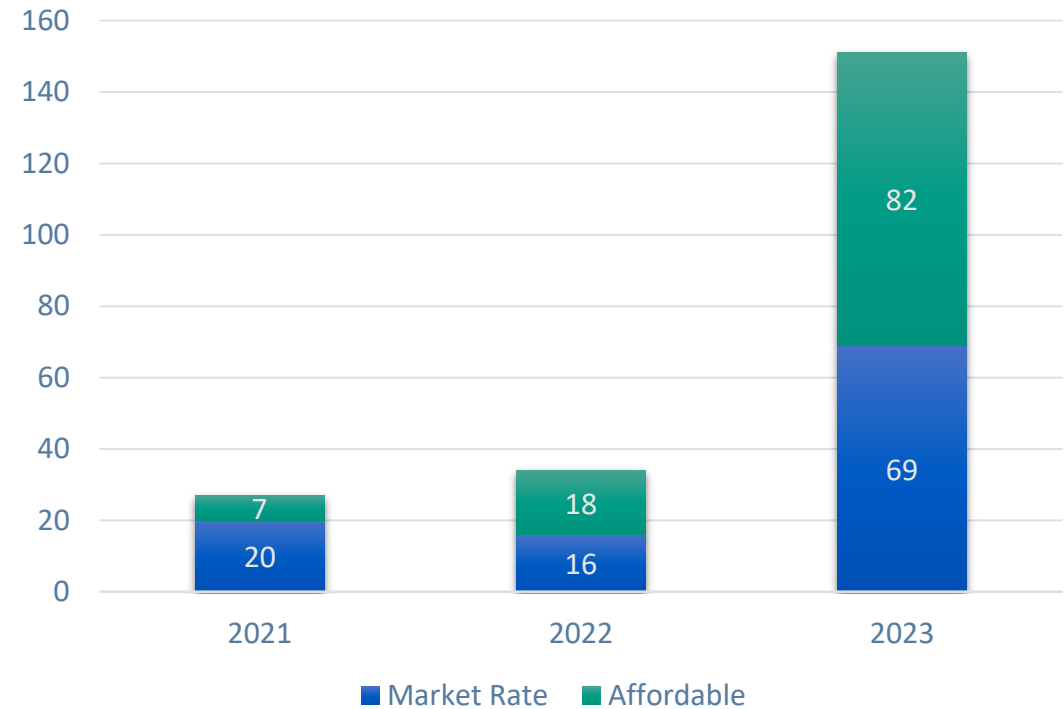
Sustainable Development Area

Accessory Dwelling Unit Density Bonus Usage

Percent of ADUs Issued Through ADUDB



Accessory Dwelling Unit Density Bonus Usage



Questions and Discussion

Conclusion

Next Steps

- Upcoming Land Value Capture training that will occur late April/early May
- Release of materials developed throughout the HAP TA program in mid-April on the SANDAG website, including recorded trainings and presentations, templates, toolkits, etc.
- Anti-displacement strategy webpage recently released!
<https://opendata.sandag.org/stories/s/sexv-r4jx>

HAP Technical Assistance Feedback Survey

- SANDAG is seeking feedback on various components of the Housing Acceleration Program (HAP) technical assistance program that were provided during 2023.
- Your comments, ideas, and suggestions will help SANDAG plan future technical assistance related to housing policy, planning, and implementation.

www.surveymonkey.com/r/SANDAG_HAPTA_Feedback

Connect with SANDAG's HAP-TA Team

➤ **Project website:**

sandag.org/projects-and-programs/regional-initiatives/housing-and-land-use/housing-acceleration-program

Contact SANDAG

✉ **Email:** carrie.simmons@sandag.org

Phone: (619) 837-6503

SANDAG