CONFERENCE ROOM F 10:45AM TO 11:45AM

ACCESSORY DWELLING UNITS
LEGAL AND INFRASTRUCTURE OVERVIEW

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DEFINITION

An accessory or second unit is an additional residential unit on the same lot as a primary single-family dwelling that provides complete, independent living facilities for one or more persons. An accessory unit includes permanent facilities for living, sleeping, eating, cooking and sanitation.

Today’s Legislation & Paradigm

The Planning Report
Insider’s Guide to Planning & Infrastructure

Senator, you are again carrying legislation to incent the development of more accessory dwelling units (ADUs) in California. Share your motivation for taking state leadership on a matter traditionally left to local government.

Bob Wieckowski: First and foremost, California cities have underperformed or outright failed in crafting local ordinances and regulations that would spur the development of ADUs. Going back 18 years, this is not the first time that the state has urged cities to create ordinances to increase secondary units. Of the 489 cities with ADU ordinances on the books, I can think of only Santa Cruz that has been consistently supportive of constructing secondary units on residential property.

In the Housing Element of some of these cities, you see that typically they have no secondary units at all. That is the starting point. To combat this housing crisis, I introduced a bill two years ago to redefine ADUs’ relationships to the “mother house.” That allowed us to remove certain requirements that we found were barriers to construction. That is how we started our ADU work.

Now, we want to take a look at how to empower existing homeowners to decide whether to construct an accessory unit. The goal of my bill is to empower the homeowner.

In 2018, Governor Brown signed into law SB 1088, ADU legislation you carried. How does your new bill, SB 831, advance efforts to incent more ADUs throughout the state?

First, SB 831 removes all impact fees. Cities have introduced impact fees as a way to pay for parks or schools—saying that new construction will impact the existing neighborhood. Impact fees are different than service fees. SB 831 eliminates these impact fees for accessory units.

Second, we set up an amnesty program that gives homeowners 10 years to become compliant. I believe that there are now 200,000 unpermitted ADUs in California, and more than 50,000 in Los Angeles alone. We have given the Housing and Community Development Department some authority to review local ADU ordinances, because after SB 1088, we found that there was some confusion between state and local rules. We also proposed exceptions for an ADU counting against a property’s FAR, and changing setback requirements to be no greater than three feet as opposed to five feet.

Going back to the speed of approving applications, SB 831 will accelerate an ADU permit application to within 60 days. This will give more assurance to homeowners and the industry that is developing. This will benefit the financial community and the affordable housing advocates.

"Without inclusiveness policies, the more density you create—especially linked to transit—the more displacement you’ll get." - Professor Michael Storper, UCLA

"It’s frankly shocking that the planning establishment of a city like Los Angeles, which prides itself on being forward-looking and on top of things, has for more than a year done nothing to take back local control over ADU buildout." - Carlyle Hall

"What SB 831 would do, for the first time, is make it actually feasible for ADUs to be permitted. It would provide a pathway to permitting that is not completely overbearing or very costly." - Helen Leung, LA-Más
VERDEXCHANGE & SMART CITIES
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ACCESSORY DWELLING UNITS, LEGAL AND INFRASTRUCTURE OVERVIEW

HOUSING AFFORDABILITY IS AN INCREASING PROBLEM. CALIFORNIA LEGISLATORS ARE STRUGGLING WITH WAYS TO ADDRESS THE PROBLEM INCLUDING:

- Multi family big block residential developments.
- Mixed use retail/commercial with residential housing on upper floors above shared parking.
- Accessory Dwelling Units.
ADUs, are a way to repair / repurpose the urban fabric. In the 1950’s California Car Centric culture drove planning that made automobiles happy! Today architects and urban designers are taking a human centric approach.

Today new disruptive transportation alternatives provide alternatives to owning an automobile. (Uber/ Lyft, Bird, Bike Rentals, Public transit, Zimride and BEV/AVs.)
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- People per household has decreased over the past 4 decades.
- The percentage of single-person households has been on the rise since 1970 and made up the second largest proportion of households in the U.S. in 2016, at 28 percent.
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- Average Square Feet of Floor Area in new Single Family Houses increased from 1,660 in 1973 to 2,392 in 2010
ACCESSORY DWELLING UNITS, LEGAL AND INFRASTRUCTURE OVERVIEW

- Trend for New Single Family Residential Construction is Increasing SF?
- City of Los Angeles ordinance allows new ADUs up to 1,200 sf (Green)
- City of Santa Monica ordinance allows new ADUs up to 650 sf (Blue)
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TYPICAL SINGLE FAMILY RESIDENTIAL LOT of 6,500sf with
400sf Garage
1,500sf Residence
Sustainability Goals

- SMART Systems Controls (Nest, Gridpower, etc.)
- NZE Operation for both Residence & ADU
- BEV Charging station
- Battery Storage for Off Grid Operation / Resilience
- Solar Hot water generation for space heating
- Radiant Space Heating water source
- Rainwater capture / percolation
- Graywater for irrigation

Lessons Learned

- Photo Voltaic Panels – Locate at 2nd floor roof
- Minimize increase of hardscape and ADU footprint
- Side yard setback of 5’ = 120sf x $200/sf ($24,000)
- Alley for Vehicle Circulation / ADU Entry
- Living Building Challenge - Scale Jumping
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Sustainable Site Design 101

- Reuse the existing structure.
- Reduce materials sent to landfill.
- Minimize Haz. Mat. disposal (Original Stucco).
- Preserve 120sf of open space ($24,000)

UP TO 50% DEMOLITION ALLOWED         EXISTING GARAGE
ACCESSORY DWELLING UNITS, LEGAL AND INFRASTRUCTURE OVERVIEW

PROPOSED SITE PLAN 650 SF ADU

ADU
Car Park
Shared Open Space
Residence
NZE Design Coordination

STRUCTURAL ENGINEERING FOR NEW 2 STORY STRUCTURE WITH ROOF TO SUPPORT PV PANELS AND COLUMNS AND FOUNDATIONS TO SUPPORT 2ND FLOOR

STRUCTURAL DESIGN FOR PHOTO VOLTAIC PANELS
NZE Design Coordination

19 PV Panels on roof of ADU will provide power for both the existing residence, new ADU and EV charging. On an annual basis both buildings will then be Net Zero Energy (NZE) Battery Storage will power 12 circuits which will remain active even if SCE grid goes down.

ELECTRICAL DESIGN FOR PHOTO VOLTAIC PANELS
ACCESSORY DWELLING UNITS,
LEGAL AND INFRASTRUCTURE OVERVIEW

INTEGRATED STRUCTURAL, MEP & ARCHITECTURAL

SECOND FLOOR

FIRST FLOOR
Impediments to Construction of Sustainable ADUs

- Design is more complicated. Structural and MEP consultants are needed.
- Multiple Concurrent Approvals, City, Utility, Fire Marshal, etc.
- Civil and Soils reports may be required.
- Vetting of PV panels and providers
- Utility approvals for Battery Storage
- Qualified contractors for Solar Hot water/ radiant.
- Rainwater capture / percolation and soils reports
- Graywater for irrigation – LA County Health approval and City may or may not approve.
- Life Cycle Cost Analysis – Comparison of higher first cost with future energy savings.
- Uncertainty regarding incentives, rebates and tax savings.
AMANDA DAFLOS

Director, Innovation Team, City of Los Angeles, Mayor’s Office of Budget and Innovation IA, AICP, CEP
What is an ADU?

A complete second home on a lot with an existing primary dwelling already in existence

Can be:

• Detached and separate
• Conversion of existing space
• Added to main home or other structure
State Intent

ADUs are a valuable form and an essential supply of housing:

- Lower construction costs
- Serves diverse housing needs
- Can extend homeownership
- Low environmental impact

Local ordinances should have the effect of providing for ADUs

Local ordinance should not unreasonably restrict the ability of homeowners to create ADUs
New State Laws

AB 2299 (2016) requires cities to have an ADU ordinance that:

- Provides a by-right “ministerial” process
- Complies with certain State standards

City’s 1985 second unit law (§12.24 W.43-44) has neither

As a result:

- All local ADU laws became “null and void” on 1/1/17
- State’s ADU standards effective until a new ADU ordinance
- New City ordinance must include most State standards
## State’s Main ADU Standards

### Size
- 1,200 SF for detached
- No more than 50% of structure for attached

### Parking
- 1 space per ADU, or 0 if ½ mile from transit, in historic district, etc.
- Garage doesn't need replacement (uncovered & tandem ok)

### Setbacks
- Not required for garage conversions
- 5 ft if built in top of a garage (or otherwise per LAMC)

### Passageways n/a (except still need 10 ft. b/w buildings)

Allows **conversions** within existing buildings, with independent access and fire-safety setbacks.
December 2016 DCP-DBS Memo

- State’s Development Standards
- Implementation and Timing
- Building Permits
- Reasonable Accommodation
- ADU Checklist

Available at planning.lacity.org under ‘What’s New’
ADUs in LA (1/1/17 - 10/12/17)

- 2,100 ADU permit applications (210/mo.)
- 650 permits issued
- Many represented pent up demand
ADUs Now Significant Part of Single-Family Construction in LA

Source: data.lacity.org, as analyzed by Jason Neville, CEO, www.buildinblocks.net
Most ADUs are Conversions of Existing Space

Source: data.lacity.org, as analyzed by Jason Neville, CEO, www.buildinblocks.net
Most ADUs Built by Owner-Builders

Source: data.lacity.org, as analyzed by Jason Neville, CEO, www.buildinblocks.net
Proposed Ordinance (CPC-2016-4345-CA)

Key Differences from State Law:

Movable Tiny Homes

Restricts ADUs in hillside districts*

Prevents parking in front setback

Equine (Horsekeeping) Zones

State’s size limits?
Hillside Restriction

Hillside defined in LAMC §12.03

136,000 single-family lots (28%)

About 11% of these lots are exempt from restrictions because ½ mile from transit and standard streets
Other (e) Regulations

ADU is an “Accessory Building” Per LAMC §12.21 A.5
• 2 story height limit
• Must be located in rear (up to 55 ft)
• 5 ft. rear and side setbacks

Baseline Mansionization/Baseline Hillside R1 Variation Zones
• Mass envelope
• Encroachment Planes
• Floor Area Limits
• Max Height
• Lot Coverage
Other Relevant Considerations

- Assessment of Property
- Rent Stabilization Ordinance (RSO)
- Utility Connections
- Building Codes Still Apply
- Power Line Easements
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**Active Projects**

- **ADU Pilot Project**
- [https://mayorschallenge.bloomberg.org/competition-overview/](https://mayorschallenge.bloomberg.org/competition-overview/)

![ADU Pilot Project Image](image-url)
Additional Resources

https://citylab.ucla.edu/projects/
http://www.hcd.ca.gov/policy-research/AccessoryDwellingUnits.shtml
ROBERT L. SCOTT

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P-3 ON A MICRO LEVEL
PUBLIC, PRIVATE PARTNERSHIP

- Housing & Homelessness Crisis
- Effect of Concentrating Poverty
- “Containing” Growth
- Sound Public Policy
- SFR Owners Can Participate
- Leverage Primary Asset – Economic Driver
- Self Interest – Financial Security – Supplemental Income
NUMEROUS SUITABLE PROPERTIES

- Many Properties on the Edge
- Improved Mix in Large Lot Communities
- Retrofit Affordable in Unaffordable Areas
- Additional Housing with Minimal Impact
- Avoid Concentration of Poverty
- Effect on RHNA Allocations
TYPICAL ADU USES
MARKETING TO THE HOMEOWNER

- Aging Parents – Ailing Family
- Independent but Nearby
- Multi-Generational Family Solutions
- Extended Families
- Baby Boomers Downsizing
- Option to Rent ADU or SFR
- Parent Child Switch-up ADU/SFR
- Nursing and Domestic Accommodation
- Accessory Unit for Office, Studios, etc.
- Defray Mortgage for First-time Buyers
- Pool House or Guest House
- Man/Woman “Cave”
FINANCIAL ISSUES

- No Land Acquisition Cost
- By-Right Entitlements/Permitting
- Second Mortgages & HELOCs
- Equity from Seasoned Mortgages
- Lack of Retirement
- Generate Revenue to Keep SFR
- Future Supplement to Reverse Mortgage
BUILDING A SUSTAINABLE LA: AN OPEN FORUM 10:45AM TO 11:45AM

QUESTION & ANSWER

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Accessory Dwelling Units - City Benefits

- Permitted construction.
- Permit fees and city inspection fees.
- Contractor Business licenses.
- Economic Multiplier effect construction goods / services
- Improves local jobs housing balance. (SCAG issue).
- Way to address existing illegal garage conversion.
- Way to discourage future bootleg garage conversions.
- Way to encourage sustainable design to meet 2020 residential energy requirements
- Does not require new road construction
- Does not require new sewer construction.
- Young families in ADUs more stable school population.
Accessory Dwelling Units- Community Benefits

- Provides housing where people want to live, exiting residential neighborhoods.
- Improves local jobs housing balance.
- Converts a garage into a residence.
- Makes neighborhood more pedestrian friendly.
- Promotes other modes of transportation.
- Uses Alleys for Entry / Exit
- Different market and delivery than large scale development.
- Opportunity for very Sustainable design solutions.
- Opportunity for off the grid energy generation / storage.
- Successful local designs solutions will be emulated for similar projects (local sustainable vernacular)
Accessory Dwelling Owner Benefits

- Opportunity to make upgrades to the existing dwelling.
- Allows owner to remain in location as family grows and ages.
- Financial – Way to finance upgrades to existing home.
- Financial – Provides future rental income (Home or ADU).
- Opportunity for very Sustainable design solutions that will reduce future utility and operating costs.
- Financial – Tax credits and rebates for sustainable options
- Permitted construction increases value at resale.