

From: [John Kelley](#)
To: [Planning Commission](#)
Subject: April 25, 2018, Agenda Item 4, "PUBLIC HEARING: Recommendation of an Ordinance to the City Council Amending Palo Alto Municipal Code Section 18.42.040 Pertaining to Accessory and Junior Dwelling Units. "
Date: Wednesday, April 25, 2018 5:40:29 PM
Attachments: [Screen Shot 2018-04-25 at 2.23.47 PM.png](#)
[Screen Shot 2018-04-25 at 5.31.50 PM.png](#)
[Screen Shot 2018-04-25 at 5.32.03 PM.png](#)

Via Email: Planning.Commission@CityofPaloAlto.org

Honorable Ed Lauing, Chair

Honorable Susan Monk, Vice Chair

Honorable Planning and Transportation Commissioners

City of Palo Alto

250 Hamilton Avenue

Palo Alto CA 94301

Re: April 25, 2018, Agenda Item 4, "PUBLIC HEARING: Recommendation of an Ordinance to the City Council Amending Palo Alto Municipal Code Section 18.42.040 Pertaining to Accessory and Junior Dwelling Units. "

Dear Chair Lauing, Vice Chair Monk, and Planning and Transportation Commissioners,

Due to prior business and personal commitments, I may not be able to attend tonight's Planning and Transportation Commission meeting, but I am writing regarding April 25, 2018, Agenda Item 4, "PUBLIC HEARING: Recommendation of an Ordinance to the City Council Amending Palo Alto Municipal Code Section 18.42.040 Pertaining to Accessory and Junior Dwelling Units...." and the [associated Staff Report \(ID #9129\)](#).

1. The Staff Report recommends a recommendation to the City Council, including, among other things, the following: "b. For detached ADUs, no projections shall be allowed to encroach into a required setback (maintain six feet clear from rear property line);..." (SR: 1) I may be mistaken, but the proposed ordinance, Attachment A to the Staff Report, does not appear to include the actual language that would implement such a recommendation. (I believe this for two reasons: (a) the City Staff recommends that the Commission "Recommend to the City Council adoption of an Ordinance (Attachment A) with the amendments listed below...."; and (b) Attachment A to the Staff Report has a footer dated "March 2018.")

If my belief is correct, I strongly urge you not to amend the current ADU Ordinance in any way that would change the current exception for garage conversions. For example, proposed Palo Alto Municipal Code Section 18.42.040(a)(4)(B) as set forth in Attachment A to the Staff Report (SR:5) states:

- B. Notwithstanding subsection (iA) above, no setback shall be required for an existing garage that is converted to an accessory dwelling unit, except as provided in subsection (a)(~~56~~) below.

My sense from the Commission's deliberations on March 28, 2018 was that the "no projections" amendment was intended to apply to new detached ADUs, not to conversions of existing garages. In addition, garage conversions should be facilitated, not discouraged. Consequently, care should be taken in implementing any actual amendments to the proposed ordinance so as not to disturb the protections granted to garage conversions in the existing ordinance.

2. Commissioner Michael Alcheck has proposed, among other things, that current Palo Alto Municipal Code Section 18.42.040(a)(10)(E), concerning owner occupancy requirements, be deleted. ("ADU ORDINANCE REVISIONS," dated April 18, 2018, at p. 2, packet p. 26.) I support this proposal for two additional reasons. First, a substantial number of the single family homes in Palo Alto are rented, so an owner occupancy requirement will considerably decrease the number of ADUs that can be built in Palo Alto. Second, I believe (although I do not know, and the exact numbers should be determined by a census of existing ADUs undertaken by City Staff) that many of the existing non-conforming ADUs in Palo Alto are on properties that are currently rented. Thus, in addition to all of the other considerations relating to treatment of non-conforming ADUs, an owner occupancy requirement, in and of itself, may operate to reduce the number of dwellings in Palo Alto.
3. If you are interested in understanding some of the novel ways in which ADUs can be constructed, I recommend that you read, and watch the video contained in, "Bay Area family's arduous quest to create a backyard container home," available on the website of *San Francisco Chronicle* at <https://www.sfchronicle.com/business/networth/article/Bay-Area-family-s-arduous-quest-to-create-a-12532333.php#photo-14948665>, which also includes the following images:



Thank you for your kind consideration of these concerns.

Respectfully submitted,

John Kelley

From: [Vija Lusebrink](#)
To: [Planning Commission](#)
Subject: ADU building requirements
Date: Wednesday, April 25, 2018 4:48:44 PM

I strongly support decisions to make it easier to build ADU units in Palo Alto in order to provide some affordable housing here.

Sincerely,

Vija Lusebrink

[REDACTED]

Palo Alto, CA 94301

From: [John Kelley](#)
To: [Planning Commission](#)
Subject: FYI re April 25, 2018 Meeting, Agenda Item 4 - "ADU Ordinance Revisions" --- Bay Area family's arduous quest to create a backyard container home - San Francisco Chronicle
Date: Wednesday, April 25, 2018 1:34:05 PM

<https://www.sfchronicle.com/business/networth/article/Bay-Area-family-s-arduous-quest-to-create-a-12532333.php#photo-14948665>

From: slevy@ccsce.com
To: [Planning Commission](#); [Gitelman, Hillary](#); [Lait, Jonathan](#)
Cc: [Jean Eisberg](#)
Subject: state ADU activity related to our ordinance
Date: Wednesday, April 25, 2018 12:36:16 PM
Attachments: [AB 2890 Draft Fact Sheet.pdf](#)
[SB 1469 Fact Sheet ADU.doc](#)
[SB 1469- TH Committee Analysis.pdf](#)

I am passing along state legislation related to ADUs and easing restrictions. As you can see easing parking and reducing fees are among the priority items.

AB 831 language can be found here.

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB831

The materials are from Denise Pinkston who is also co chair of the CASA (Committee to House the Bay Area housing production committee.

"Thought you might be interested to see that many CASA members have supported the pending Ting/Skinner ADU bill that I helped draft and am the principal technical advisor for. "

I hope the PTC asks staff to make council aware of these attempts to reduce barriers to ADU construction as they are emerging as one key in addressing housing affordability,

I also urge the PTC to recommend that staff connect with Denise and with the new staff member at the SV Housing Trust who is working on reducing barriers to ADU construction and ways to make them affordable to lower income residents.

Steve

AB 2890

Accessory Dwelling Units

Assemblymember
Phil Ting
19TH DISTRICT



SUMMARY

Accessory dwelling units (ADUs) have surged in popularity as a way to address California’s housing crisis as demand outpaces supply. AB 2890 will remove remaining barriers to the widespread adoption of ADUs as low-cost, energy efficient, affordable housing that can go from policy to permit in 12 months.

BACKGROUND

Accessory dwelling units (ADUs), also referred to as secondary units, in-law suites, or granny flats, are smaller, independent units on the same lot as a single or multi family home. Junior accessory dwelling units (JADUs) are units that are no more than 500 square feet and are contained entirely within an existing room, with an efficiency kitchen and a private or shared bathroom.

California is in a housing crisis. Currently, the ability to create additional small housing on a home-owner’s property can be delayed for months, or stopped all together, due to zoning requirements that are not directly related to the health and safety of the occupiers of the unit.

ADUs and JADUs are a form of housing production that can be significantly and rapidly increased with minimal changes to state laws. These dwellings provide affordable housing options by maximizing existing space on lots. Many home-owners struggle to afford the excessive costs and fees involved in creating a permitted ADU and end up building illegal units that may be unsafe.

A University of California, Berkeley Turner Center for Housing Innovation report (ADU Update: Early Lessons and Impacts of California’s State and Local Policy Changes) documented that despite numerous ADU laws enacted in California in the past few years, many cities and counties continue to unevenly impose barriers that prevent ADU development.

By removing remaining barriers to building, while keeping health and safety in mind, we can allow for the non-discriminatory building of ADU’s and JADU’s throughout the State of California.

THIS BILL

AB 2890 will create more housing in California by:

- Allowing 2 ADUs on existing single family lots, including rear yard cottages and JADUs
- Allowing multiple ADUs on the properties of Multi-Family buildings
- Allowing limits and requirements of ADUs for clear fire, life and public safety purposes at the discretion of local building and fire officials
- Allowing parking to be required on an existing driveway only for more than one ADU and not at all in certain high transit locations, or for single ADUs
- Reducing building costs by removing mitigation, capacity, and connection charges
- Requiring that property taxes be assessed only on the new construction, without changes the tax basis of the land or other improvements
- Requiring that permits for building be approved in 120 days
- Requiring Owner-Occupancy of the primary unit, but exempts trusts and non-profits providing for lower income, senior, or disabled residents
- Disallowing rentals for less than 30 days
- Requiring the creation of a small home building code, but in the meantime applying the 2007 building code with any changes for fire and life safety

SUPPORT

- Bay Area Council
- Bridge Housing
- California Realtors
- City LAB-UCLA Director, Dr. Dana Cuff
- LA-Más Co-Executive Director Helen Leung
- Habitat for Humanity East Bay/Silicon Valley
- NPH
- North Bay Leadership Council
- SPUR
- The 200
- UC Berkeley Turner Center for Housing Innovation
- UC Berkeley Planning Professor Dr. Karen Chapple
- Tennis Wick, AICP, Director, Sonoma County Planning Department
- California YIMBY

STAFF CONTACT

Allison Lim, (916) 319-2019

Senate Bill 1469
 Accessory Dwelling Barrier Removal
 Senator Nancy Skinner (SD-9)
 As amended April 2018

THIS BILL

SB 1469 will allow for the accelerated construction of Accessory Dwelling Units (ADU's) and Junior Accessory Dwelling Units (JADU's) by removing persistent zoning and code barriers at the state and local level.

ISSUE

California is in a housing crisis. Currently, the ability to create additional small housing on a home-owners own property can be delayed for months, or stopped all together, solely due to overly burdensome zoning requirements which are not directly related to the safety.

ADU's and JADU's are the only form of housing production that can be significantly and rapidly increased with minimal changes to state laws and delivered in under a year. These dwellings provide needed housing for public servants and teachers, victims of fires and natural disasters, and help stabilize gentrifying neighborhoods by supporting lower income owners who often own smaller lots and cannot afford excessive costs or fees to create a permitted ADU.

A University of California, Berkeley Turner Center for Housing Innovation report¹ documented that despite numerous ADU laws enacted in California in the past few years, many cities and counties continue to unevenly impose barriers that prevent ADU development.

By removing these oppressive zoning laws, with health and safety in mind, we can allow for the non-discriminatory building of ADU's and JADU's throughout the State of California.

SOLUTION

¹http://turnercenter.berkeley.edu/uploads/ADU_Update_Brief_December_2017_.pdf

SB 1469 will create more housing in California by doing the following:

- Allows one ADU and one JADU on existing single family lots
- Allows multiple ADU's on the properties of Multi-Family buildings
- Allows limits and requirements of ADU's for clear fire, life and public safety purposes at the discretion of local building and fire officials.
- Allows parking to be required on an existing driveway in tandem only for more than one ADU and not at all in certain high transit locations.
- Reduces the cost to build ADU's by removing mitigation, capacity, and connection charges and requirements unrelated to safety and directs the State to develop a small homes building code to reduce cost of this green GHG efficient housing type.
- Requires that property taxes be assessed on single family ADU's without changes the tax basis of the land

SUPPORT

- Bay Area Council
- Bridge Housing
- California Realtors
- City LAB-UCLA Director, Dr. Dana Cuff
- Greenbelt Alliance
- LA-Más Co-Executive Director Helen Leung
- Enterprise Community Partners
- Habitat for Humanity East Bay/Silicon Valley
- NPH
- North Bay Leadership Council
- SPUR
- The 200
- UCB Turner Center for Housing Innovation
- UCB Planning Professor Dr. Karen Chapple
- Tennis Wick, AICP, Director, Sonoma County Planning Department

- SV@Home
- California YIMBY

CONTACT

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Office of Senator Nancy Skinner

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

Bill No:	SB 1469	Hearing Date:	4/24/2018
Author:	Skinner		
Version:	4/16/2018 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Alison Hughes		

SUBJECT: Land use: accessory dwelling units

DIGEST: This bill makes several changes to the law governing accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs).

ANALYSIS:

Existing law:

- 1) States that a local government may, by ordinance, provide for the creation of ADUs. State law provides that the ordinance shall contain specified provisions, including, but not limited to, the following:
 - a) The ADU shall not exceed the allowable density for the lot upon which the ADU is located and that ADUs are a residential use that is consistent with the existing general plan and zoning designation for the lot.
 - b) No set-back shall be required for an existing garage that is converted to an ADU.
 - c) When a garage or carport is converted to an ADU and a local government requires that off-street parking spaces be replaced, the replacement spaces may be in any configuration on the same lot as the ADU.
 - d) When a local agency receives its first application for an ADU permit, the application shall be considered ministerially, without discretionary review or a hearing within 120 days after receiving the application.
 - e) A city may require owner occupancy for either the primary or the ADU.
 - f) An ADU shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer fees.
 - g) For an ADU contained within the existing space of a single-family residence or accessory structure with an independent exterior access, a local agency, special district, or water corporation shall not require the applicant to install

- a new or separate utility connection directly between the ADU and the utility or impose a related connection fee or capacity charge.
- h) Requires a local agency to submit a copy of the ADU ordinance to the Department of Housing and Community Development (HCD) after 60 days of adoption. HCD may review and comment on the submitted ordinance.
 - i) Prohibits a local agency from imposing parking requirements in any of the following circumstances:
 - i) The ADU is located within a half-mile of public transit.
 - ii) The ADU is located within an architecturally and historically significant historic district.
 - iii) The ADU is part of the proposed or existing primary residence or an accessor structure.
 - iv) When on-street parking permits are required but not offered to the occupant of the ADU.
 - v) When there is a car share vehicle located within one block of the ADU.
 - j) Provides that HCD shall notify a local government and the office of the Attorney General (AG) that the local government is in violation of state law if HCD finds that the housing element, an amendment to the housing element, does not substantially comply with this article, or if the local government has taken an action in violation of specified state housing and land use laws.
 - k) Permits local agencies, by ordinance, to provide for the creation of JADUs in single-family residential zones.

This bill:

- 1) Provides that a local ADU ordinance shall not impose more than those standards specified by the statute and makes the following changes to existing standards:
 - a) Prohibits parking requirements if one or two ADUs are proposed on a lot in any of the circumstances as specified under existing law (see (1)(i) under the "Existing Law" section). This parking may be reduced or eliminated by the local agency.
 - b) Authorizes required parking spaces to be provided as tandem parking, nonconforming parking configurations, within a driveway, or within setback locations without a requirement that any parking space be covered or within a structure. This may be limited by specific findings by the local agency that

tandem parking or other nonconforming parking configurations or parking in setback locations is not feasible based upon specific site or regional topographical or fire and life safety conditions.

- c) Requires the lot where the ADU is located to have a proposed or existing single-family or multifamily primary dwelling structure.
 - d) Requires the ADU to be attached or located within the living area of, attached to or located within, or detached from the proposed or existing single-family or multifamily dwelling structure.
 - e) Limits the total area of floorspace of an ADU and if also on the same lot, a JADU, to not exceed 50% of the proposed or existing living area of the primary dwelling structure or 1,200 square feet, whichever is greater.
 - f) Provides that minimum lot size, total floor area ratio, and lot coverage standards shall not be applied to an ADU in an existing structure or a new construction, single story rear yard ADU, unless the unit exceeds 16 feet or exceeds 4-foot side and rear yard setbacks.
 - g) Provides that no setback shall be required for an existing living area or accessory structure converted to an ADU, and a setback of no more than five feet from the side and rear lot lines shall be required for an ADU that is constructed above or attached to a garage or that is constructed in a rear or side yard area.
- 2) Provides that a local ADU ordinance may do the following:
- a) Designate areas within the jurisdiction of the local agency where ADUs may be excluded only for the purposes of fire and life safety, based on clear findings that are supported by a preponderance of the evidence.
 - b) Require an applicant for an ADU permit to be an owner-occupant. If an owner occupancy restriction exists, it shall not be monitored more frequently than annually, as specified. An owner-occupant includes the following:
 - i) An owner of the lot who occupies either the primary dwelling or the ADU, regardless of whether ownership of the lot is held in trust on behalf of the owner.
 - ii) A trust in which ownership of the lot is evidenced if at least one beneficiary of the trust is an occupant of either the primary dwelling or the ADU.
 - iii) An organization or person that owns the lot and leases the primary dwelling or ADU at a below market rent pursuant to a regulatory agreement with the local agency.
 - c) Require any rental of the property to be for a term longer than 30 days and be subject to additional short-term rental standards.

- d) Limit the height of an ADU only if the ADU is greater than 16 feet.
 - e) Require approval by the local health officer where a private sewage system is being used.
- 3) Requires a local agency to ministerially approve an application for a building permit to create any of the following:
- a) One ADU and one JADU per lot with a single family dwelling if all of the following apply:
 - i) The ADU or JADU is within the existing space of a single-family dwelling or accessory structure.
 - ii) The space has exterior access from the existing single-family dwelling.
 - iii) The side and rear setbacks are sufficient for fire and life safety.
 - b) One new construction single-story ADU of not more than 800 square feet and has a minimum four-foot side and rear yard setback and is no taller than 16 feet.
 - c) Multiple ADUs within the portions of existing multifamily dwelling structures that are not used as a livable space, including but not limited to, a storage room, boiler room, passageway, attic, or garage.
 - d) No more than two ADUs that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limit of 16 feet and four-foot rear yard and side setbacks.
- 4) Reduces the application approval timeframe from 120 days to 60 days and provides that if a local agency has not acted upon the submitted application within 60 days; the application shall be deemed approved.
- 5) States that this bill establishes the maximum standards that local agencies shall use to evaluate a proposed ADU where a residential dwelling is authorized. No additional standards, other than those provided in this bill shall be utilized or imposed.
- 6) Provides that an ADU, when assessed as new construction, shall not trigger a reassessment of the value of the underlying land or other structures on the property.
- 7) Prohibits an ADU from being considered by a local agency, school district, or water corporation to be a new residential use for the purpose of calculating fees.

SB 1469 (Skinner)

An ADU shall not be subject to impact fees, connection fees, capacity charges, or any other fees levied by a local agency, school district, or water corporation.

- 8) Prohibits a local agency from implementing standards for minimum lot size requirements for ADUs and shall allow for the construction of an ADU on any lot that allows for construction of a single-family or multi-family dwelling structure, unless specific findings are made by the local agency that the construction of the unit would adversely impact public safety.
- 9) Provides that HCD may notify the AG if a local government has taken an action in violation of ADU law.
- 10) Permits HCD, after the adoption of an ADU ordinance, to submit findings to the local agency as to whether the ordinance complies with ADU law. If HCD finds that the local agency's ordinance does not substantially comply with ADU law, HCD shall notify the local agency and may notify the AG. The local agency shall consider findings made by HCD and may change the ordinance to comply with ADU law or adopt the ordinance without changes. The local agency shall include findings in its resolution adopting the ordinance that explain the reasons the local agency believes that the ordinance complies with this section despite HCD's findings.
- 11) Permits HCD to review, adopt, amend, or repeal guidelines to implement uniform standards and criteria that supplement or clarify the terms, references, and standards in ADU law.
- 12) Requires HCD to create small home building standards to apply to ADUs, which shall be drafted to achieve the most cost-efficient construction standards possible, similar or more cost-effective than standards in the 2007 edition of the California Building Standards Code. These small building standards shall be submitted to the Building Standards Commission for consideration on or before January 1, 2020.
- 13) Provides that if a local agency has not adopted a local ordinance governing JADUs, the local agency shall apply the state standards under existing law for the approval of a permit for a JADU.
- 14) Provides that a JADU, when assessed as new construction, shall not trigger a reassessment of the value of the underlying land or other structures on that property.

COMMENTS:

- 1) *Purpose.* According to the author, as California's housing crisis continues to worsen, it is essential for the state to create solutions to construction for all incomes. While reducing the cost of large scale housing is crucial to alleviate the demand for more development, few have considered using the existing space in areas zone specifically for single-family homes. This bill will allow for the accelerated construction of Accessory Dwelling Units (ADU's) and Junior Accessory Dwelling Units (JADU's) by removing persistent zoning and code barriers at the state and local level.
- 2) *What are ADUs and JADUs?* ADUs, also known as accessory apartments, accessory dwellings, mother-in-law units, or granny flats, are additional living spaces on single-family lots that have a separate kitchen, bathroom, and exterior access independent of the primary residence. These spaces can either be attached to or detached from the primary residence.

Local governments may also adopt ordinances for JADUs, which are no more than 500 square feet and are bedrooms in a single-family home that have an entrance into the unit from the main home and an entrance to the outside from the JADU. The JADU must have cooking facilities, including a sink and stove, but is not required to have a bathroom.

- 3) *Relaxing ADU requirements.* According to a UC Berkeley study, *Yes in My Backyard: Mobilizing the Market for Secondary Units*, second units are a means to accommodate future growth and encourage infill development in developed neighborhoods. Despite existing state law, which requires each city in the state to have a ministerial process for approving second units, the study found that local regulations often impede development. Easing these burdens to permit more ADUs could permit a family to rent out the unit (about 49% of the units) or provide housing for a family member (about 51% of the units). In fact, the study found that the average second unit was advertised at a rental rate that makes it affordable to a household earning 62% of the area median income. About 30% were affordable to households in the very low-income category, and that 49% were in the low-income category.

The study, which evaluated five adjacent cities in the East Bay, concluded that there is a substantial market of interested homeowners; cities could reduce parking requirements without contributing to parking issues; second units could accommodate future growth and affordable housing; and that scaling up a second unit strategy could mean economic and fiscal benefits for cities.

This bill eases barriers to the construction and permitting of ADUs by making the following changes:

- a) Provides the local agency shall not impose parking requirements if one or two ADUs are proposed on a lot, in specified circumstances, but permits tandem parking and other nonconforming parking configurations within a driveway or within setback locations.
 - b) Eliminates the ability for a locality to impose lot coverage requirements.
 - c) Eliminates setback requirements for a living area or accessory structure converted to an ADU, and reduces the setback requirement to four feet from five feet for a new ADU.
 - d) Permits an ADU on a site with a multi-family residence.
 - e) Eliminates parking replacement requirements for garages, carports, or covered parking structures that are converted into ADUs.
 - f) Reduces the local approval timeframe from 120 days to 60 days. A failure to act within 60 days would result in the approval of the application.
 - g) Prohibits a local agency from implementing standards for minimum lot size requirements for ADUs and allows for the construction of an ADU on any lot that allows for construction of a single-family or multifamily, unless specific findings are made by the local agency.
 - h) Provides that minimum lot size, total floor area ratio, and lot coverage standards shall not be applied to an ADU in an existing structure or a new construction, single story rear yard ADU, unless the unit exceeds 16 feet or exceeds 4-foot side and rear yard setbacks.
- 4) *Housing Costs.* While much has been done legislatively in recent years to reduce barriers to permitting and approving ADUs, the cost of ADUs can still be a barrier to a homeowner. In a recent survey, ADU owners reported spending an average of \$156,000 to build their units, according to the UC Berkeley Turner Center for Housing Innovation. That's much less expensive than building traditional housing, particularly in the Bay Area, where it costs an average of \$591,000 to build one unit of affordable housing in San Francisco.

This bill requires HCD to create small home building standards to apply to ADUs crafted to achieve the most cost-effective construction standards possible and to submit them to the Building Standards Commission by January 1, 2020.

- 5) *ADUs on Multifamily Lots.* According to the author, in San Francisco, in unoccupied parts of multifamily buildings, many ADUs are being added to basements, parking, boiler rooms, etc. As much as 50% of ADUs in San Francisco are now these types of conversions. For example, in a district zoned for no more than two residential units, an owner could not convert the basement

of a two-unit project to an ADU without hitting the density unit maximum of two units.

Under this bill, an ADU homeowner can convert that basement into an ADU bringing unit total to three units legally with a building permit. This cuts down on illegal conversions of this type of space and creates a legal permitted safe unit in what had been unused space. A local agency cannot approve more than two ADUs that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling and are subject to height limits and setbacks. These units are subject to the same parking requirements as other ADUs in the bill, and when parking is converted to add a unit, parking does not have to be replaced.

- 6) *HCD oversight.* Current ADU law requires a local agency to submit their ADU ordinances to HCD and permits HCD to review and provide comments on the ordinance. The committee spoke to HCD, who after a brief review, provided examples of calls from constituents:
 - a) Monterey County – No ADU ordinance at this time, but using provisions of the zoning code and general plan that are dated prior to the update of the current ADU statute.
 - b) Downey – Adopted an interim ordinance to create a moratorium for the creation of ADU.
 - c) Artesia – Limited minimum lot size to 10,000 sq. ft., resulting in a potential prohibition of the creation of ADU, as most lot sizes are around 5,000 sq. ft.
 - d) Coronado, La Habra, and Imperial Beach – Require replacement parking structures when an existing garage is converted to an ADU.
 - e) West Covina – Limited minimum lot size to 12,000 sq. ft. and excessive side and rear setbacks.

This bill would strengthen oversight over local ordinances by permitting HCD, after the adoption of an ADU ordinance, to submit findings to the local agency as to whether the ordinance complies with ADU law. If HCD finds that the local agency's ordinance does not substantially comply with ADU law, HCD shall notify the local agency and may notify the AG.

- 7) *Fees.* In 2016, the Legislature again revised the ADU law to reduce duplicative fees and reduce other barriers to the construction and approval of ADUs. As a result, ADU permit applications throughout the state have dramatically increased. A report by UC Berkeley's Turner Center of Housing Innovation recently discovered, however, that development and school fees, as well as lot size requirements and code standards, continue to suppress the construction of

ADUs. ADUs are often charged with the same impact fees that a new home would be subject to. These fees can range anywhere between \$5,000 and \$60,000 and would not be charged to a homeowner for simply building an additional bathroom or bedroom.

The imposition of development fees serves many purposes; cities may charge fees to pay for the services they provide during the development process, as well as to offset the costs of new development incurred by the larger community. These fees, commonly known as impact or mitigation fees, go towards infrastructure development (such as adding lanes to roads or supporting additional traffic) or other public benefits (such as new parks, schools, or affordable housing). Utility impact fees pay for expansions of water, sewer, electricity, and gas infrastructure. In the wake of the passage of Proposition 13 in 1978 and the loss of significant amount of property tax revenue, local governments have also turned to development fees as a means to generate revenue. Given that California cities have tightly restricted funding sources, fees are one of the few ways that cities can pay for the indirect cost of growth.

Last year, as part of the 2017 Housing Package, the Legislature passed AB 879 (Grayson, Chapter 374), which requires HCD to complete a study to evaluate the reasonableness of local fees charged to new developments. The study, which is due to the Legislature by June 30th, 2019, must include findings and recommendations regarding amendments to existing law to substantially reduce fees for residential development.

Current law states that an ADU shall not be considered by a local agency, special district, or water corporation to be a new residential use for the purpose of calculating fees or capacity charges for utilities, including water and sewer fees. An ADU that is contained within an existing structure or living space shall not require an applicant to install a new or separate utility connection and the utility shall not impose a related connection fee or capacity charge. For newly built ADUs, the local agency, special district, or Water Corporation may require a new or separate utility connection. The connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed ADU, either by its size or number of plumbing fixtures upon the water or sewer system. This fee shall not exceed the reasonable costs of providing this service. This bill would exempt an ADU from impact fees, connection fees, capacity charges, or any other fees levied by a local agency, school district, or water corporation. *Moving forward, the author may wish to consider removing provisions that limit or remove the ability for a local government to impose fees until the study has been completed.*

SB 1469 (Skinner)

- 8) *Seeing double.* Last week, this committee heard and approved SB 831 (Wieckowski). These two bills share several similar policy changes, including:
- a) Eliminates setback requirements for a living area or accessory structure converted to an ADU, and reduces the setback requirement for a new ADU.
 - b) Eliminates parking replacement requirements for garages, carports, or covered parking structures that are converted into ADUs.
 - c) Reduces the local approval timeframe from 120 days to 60 days. A failure to act within 60 days would result in the approval of the application.
 - d) Prohibits a local agency from implementing standards for minimum lot size requirements for ADUs and allows for the construction of an ADU on any lot that allows for construction of a single-family or multifamily, unless specific findings are made by the local agency.
 - e) Eliminates fees imposed on ADUs.
 - f) Provides greater oversight authority to HCD over local ordinances.

There are also several differences between them. This bill permits multiple ADUs on a parcel, creates new standards for small home buildings, and makes changes to JADU law, while SB 831 (Wieckowski) creates an amnesty program for unpermitted ADUs and provides that the square footage of an ADU shall not be considered when considering floor-to-area ratios for the existing lot. This bill also re-writes the code section with the intention of making the language more readable. One key conflict between the bills is that SB 831 (Wieckowski) prohibits a local agency from imposing an owner-occupier ordinance, while this bill permits them under specified circumstances. *Moving forward, the two authors may wish to resolve these conflicts and merge the two bills into one.*

- 9) *Opposition.* The opposition is concerned about the elimination of fees associated with local water and utilities companies because these agencies would no longer be able to recover the costs associated making service connections to new ADUs. The California Constitution permits local agencies to impose fees for water and sewer connections and must ensure that fees do not exceed the reasonable costs of providing these services. The development of new ADUs will require additional connections and impose an increased demand on water and utilities systems. Water and utilities companies should be authorized to assess appropriate connection fees to address this demand. The opposition also raises the concern that this is the third year in a row the legislature has contemplated legislation changing ADU law, which provides uncertainty for locals, as well as pressure to continue updating their local ordinances.

SB 1469 (Skinner)

10) *Double-referral*. This bill is double-referred to the Senate Governance and Finance Committee.

RELATED LEGISLATION:

AB 72 (Santiago, Chapter 370, Statutes of 2017) — gave HCD authority to find a city's, county's, or city's and county's housing element out of substantial compliance if it determines that the city, county, or city and county acts or fails to act in compliance with its housing element, and allows HCD to refer violations of law to the AG.

AB 494 (Bloom, Chapter 602, Statutes of 2017) — made technical, clarifying changes to ADU law.

SB 229 (Wieckowski, Chapter 594, Statutes of 2017) — made several changes to ADU law.

AB 2406 (Thurmond, Chapter 755, Statutes of 2016) — allowed a local agency to create an ordinance for junior accessory dwelling units in single-family residential zones.

AB 2299 (Bloom, Chapter 735, Statutes of 2016) — made several changes to the ADU law.

SB 1069 (Wieckowski, chapter 720, Statutes of 2016) — made several changes to ADU law.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, April 18, 2018.)

SUPPORT:

Bay Area Council
Bridge Housing
California Association of Realtors
California Building Industry Association
California Forward Action Fund
Greenbelt Alliance
Non-Profit Housing Association of Northern California
SV@Home

OPPOSITION:

American Planning Association – California Chapter
Association of California Water Agencies
California Municipal Utilities Association
California State Association of Counties
League of California Cities
Rural County Representatives of California
Urban Counties of California

-- END --

From: [Maryjane Marcus](#)
To: [Planning Commission](#)
Subject: ADUs
Date: Tuesday, April 24, 2018 11:49:05 PM

Dear Planning Commission,

I am strongly in support of more small, shared housing in Palo Alto and that includes ADUs.

I would very much like to know..

- how many ADU applications have been submitted since the ordinance passed?
- if it is a low number, it means we need to be much more liberal in the requirements for ADUs. I would like people to make their garages into junior one bedrooms if they aren't already as well.

The changes proposed look reasonable (for April 25) if they are indeed making it even easier. I would suggest you need to go even further unless you see a huge influx of applications.

Warmly
Mary Jane Marcus
College Terrace, Palo Alto

From: [Judith Wasserman](#)
To: [Planning Commission](#)
Subject: ADU Ordinance Update
Date: Tuesday, April 24, 2018 8:44:03 AM

Dear Planning Commission -

In my maiden voyage on the good ship ADU, I ran into some heavy seas.

1. There is confusion about **what constitutes a “garage conversion.”** First, I was not allowed to demolish the building, then I was, if the framing was not code-compliant. It took a ruling by the Assistant Planning Director to determine that adding 1/2” of code-required sheathing to the building would not significantly change the envelope, so it would still be a conversion.
2. First, I was told that an ADU was not subject to the **energy reach code**. Then, after I decided to demolish the building, I was told I had to meet **Tier 2(!) of the Green Building code**, including the reach code.
3. When I was filling out the Tier 2 form, I saw that it says **“For use with buildings over 1000 sf.”** My garage conversion was only 400 sf. By Palo Alto code, an ADU is limited to 900 sf, so no ADU should be held to Tier 2.
4. The **Development Impact fees** for this 400 sf building, that already existed on a developed lot, were **over \$9000**. Any granny who thinks she can make herself some rental income will have years before that unit pays for itself.

This is a great ordinance, but it really needs some cleaning up. Please help!

Thank you,
Judith Wasserman AIA

Bressack and Wasserman Architects
751 Southampton Drive
Palo Alto CA 94303
ph: 650 321-2871
fx: 650 321-1987
www.bressackandwasserman.com

From: [Tali Hardonag](#)
To: [Accessory Dwelling Unit Ordinance Update](#); [Planning Commission](#)
Subject: Re: Upcoming Planning and Transportation Commission Meeting on ADUs
Date: Monday, April 23, 2018 4:45:21 PM
Attachments: [Screen Shot 2018-04-23 at 4.30.39 PM.png](#)

Good afternoon

I'd like to address 18.42.040 (a)9F

- F. There shall be no windows, doors, mechanical equipment, or venting or exhaust systems located within six feet of a property line.

On properties that have 6' setback, it is allowed to have windows, doors etc for the main house. Furthermore, the Building Code allows 5' clearance from property line.

Is it your intent that at 6' it is permitted, but less than that it is not?

It is unclear if that requires the building line to be at 6'0-1/2" in order to meet this requirements?

Thank you

Tali

On Mon, Apr 23, 2018 at 2:08 PM, Accessory Dwelling Unit Ordinance Update <ADUOrd@cityofpaloalto.org> wrote:

Hello Everyone

This email serves to inform you that the Planning and Transportation Commission (PTC) will hold a public hearing on April 25, 2018 to continue review and discussion of proposed revisions to the Accessory Dwelling Unit Ordinance (Ordinance # 5412) from the last hearing held on March 28, 2018.

The PTC meeting is scheduled to begin at 6 pm on Wednesday April 25, and will be held at the Council Chambers, [250 Hamilton Avenue, Palo Alto, CA 94301](#).

This item is # 4 (Action Items) on the agenda

[PTC Meeting Agenda, April 25, 2018](#)

The staff report and the draft ordinance is available at:

[PTC Staff Report April 25, 2018](#)

There are many ways to participate:

- you can either attend the Planning and Transportation Commission meeting on April 25, 2018 or
- email your comments to Planning.Commission@CityofPaloAlto.org

For more information on the Accessory Dwelling Unit Update, including public hearings, staff reports and to sign up for updates, please visit the project website:

[Accessory Dwelling Unit \(ADUs\)](#)

Chitra Moitra

Planner

Planning and Community Environment Department

[250 Hamilton Avenue, Palo Alto, CA 94301](#)

Email: chitra.moitra@cityofpaloalto.org

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Tali Hardonag Architect
LEED AP - CGBP

see my work on Houzz - [Tali Hardonag Architect - Palo Alto, CA, US 94306](#)
C: 650-678-5941

From: [Cervantes, Yolanda](#)
To: [Cervantes, Yolanda](#)
Cc: [Lait, Jonathan](#); [Planning Commission](#)
Subject: FW: Affordable Housing Week 2018 is Four Weeks Away
Date: Tuesday, April 17, 2018 4:20:04 PM
Attachments: [email.png](#)
[phone.png](#)

Forwarding on behalf of Vice chair Monk.

Regards,

Yolanda

BCCPTC

Yolanda M. Cervantes
Planning & Community Environment
City of Palo Alto
Yolanda.cervantes@cityofpaloalto.org
650.329.2404

From: Susan Monk [<mailto:susankmonk@gmail.com>]
Sent: Tuesday, April 17, 2018 4:16 PM
To: Cervantes, Yolanda
Subject: Fwd: Affordable Housing Week 2018 is Four Weeks Away

Hi Yolanda,
Please forward to the Commission.
Thanks.

----- Forwarded message -----

From: Leslye Corsiglia <leslye@siliconvalleyathome.org>
Date: Tue, Apr 17, 2018 at 9:03 AM
Subject: Affordable Housing Week 2018 is Four Weeks Away
To: Susan Monk <susankmonk@gmail.com>

Where will you be on May 11?





[Affordable Housing Week 2018](#) is four weeks away, and Silicon Valley at Home (SV@Home) is looking for volunteers to put up posters, promote affordable housing week events, and staff the policy forum.

Contact mitch@siliconvalleyathome.org or call 408-780-8411.



Take a look at the winning entry in our [Affordable Housing Week 2018](#) poster contest.

Artist Tiffany Lin's poster was selected as the winning entry of the [Affordable Housing Week 2018 poster contest](#).

Lin will receive the first place prize at SV@Home's [May 18 Policy Luncheon](#) alongside second and third place winners Davina Behin Jones and Zoe Zandenbergen.

Many thanks to all our contest participants!

Your contributions help make Affordable Housing Week a success.

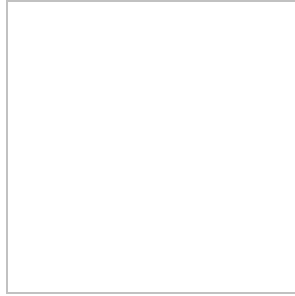
Check out all the winning entries on our [website](#).

Affordable Housing Week 2018 Events



Affordable Housing Week begins on May 11 with SV@Home’s Link Up for Housing mixer. Help us kick off the week by joining elected and business leaders as we explore solutions to our region's greatest challenge—the housing crisis. Together we can keep our economic engine thriving.

[Register to Attend](#)



Co-sponsored by [Silicon Valley at Home](#) (SV@Home) and [Destination: Home](#), the District 4 candidates forum will allow voters to learn what candidates running to succeed Ken Yeager as Santa Clara County supervisor intend to do about the region’s homelessness and housing crises.

[Learn More](#)



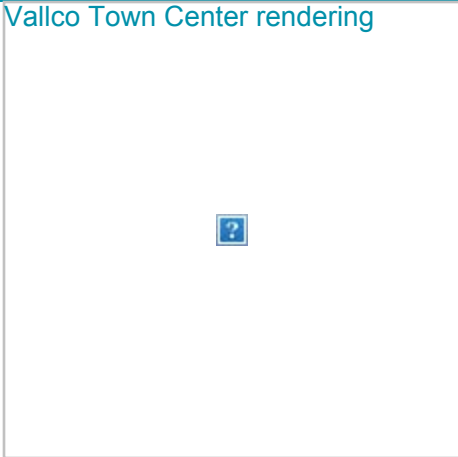
Affordable Housing Week culminates on May 18 with a policy luncheon featuring a distinguished panel of speakers that will explore regional approaches and solutions to the housing crisis that are underway locally and throughout the nine-county Bay Area.

Register early as attendance will be limited.

[Register to Attend](#)

Around the Region

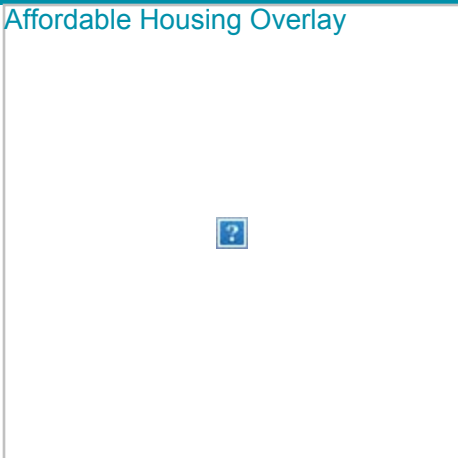
Cupertino



Vallco Affordable Housing Is a Huge Opportunity for Cupertino

On March 28th, Sand Hill Properties became only the second developer in the

Palo Alto



City of Palo Alto Approves Affordable Housing Overlay

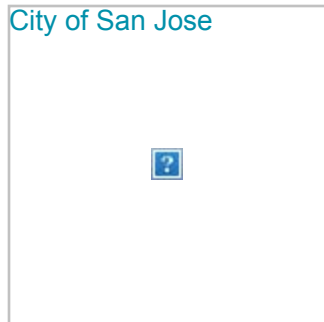
On April 9, the Palo Alto City Council

State to use new Senate Bill 35 streamlining and administrative approval provisions, submitting an application for the Vallco Town Center project.

[Read More](#)

voted to adopt an Affordable Housing Overlay (aka Affordable Housing Combining District) ordinance which will unlock new opportunities for much-needed affordable housing development in Palo Alto.

[Read More](#)



The City of San José is currently accepting applications for a [deputy director](#) in the [Housing Department](#).

The deadline to [submit an application](#) is May 13, 2018 at 11:59 PM.

Public Meetings

[San Jose City Hall](#)



[San Jose Affordable Housing Investment Plan](#)

Monday, April 23 @ 1:30 PM

San Jose City Hall

Wing Rooms 118-120

[200 East Santa Clara Street](#)

[San Jose, CA](#)



Study Session on the
Cost of Development

Thursday, April 26
@ 6:00 PM

San Jose City Hall

[200 East Santa](#)

[Clara Street](#)

[San Jose, CA](#)



Diridon Station Area
Advisory Group

Monday, April 30
@ 6:00 PM

San Jose City Hall
Committee Rooms

118-120

[200 East Santa](#)



Urban Village
Implementation

Tuesday, May 1 @
6:00 PM

San Jose City Hall

[200 East Santa](#)



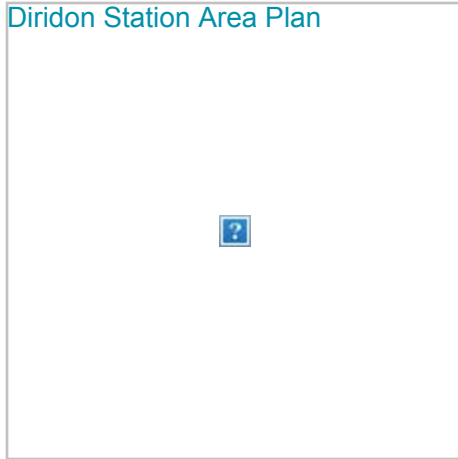
Affordable Housing
Investment & Mayoral
Housing Plan

Tuesday, May 8 @
6:00 PM

[Clara Street](#)
[San Jose, CA](#)

[Clara Street](#)
[San Jose, CA](#)

San Jose City Hall
[200 East Santa Clara Street](#)
[San Jose, CA](#)



Updating Downtown & Diridon Station Area Design Guidelines

Thursday, April 19 @ 6:00 PM
Martin Luther King Library
[150 East San Fernando St.](#)
[San Jose, CA](#)



El Camino Real Corridor Specific Plan:

Preliminary Development Standards/Design Guidelines

Tuesday, April 24 @ 6:00 PM
Sunnyvale City Hall, West Conference Room
[456 West Olive Avenue](#)
[Sunnyvale, CA](#)



CASHA Technical Committee

April 18, 2018, from 11:00 AM to 2:00 PM

Metropolitan Transportation Commission
[375 Beale](#), First Floor, Yerba Buena Room
San Francisco, CA

Look for meeting agendas on the [MTC CASA website](#).

Upcoming Events

April 19, 2018

Groundbreaking for The Veranda: Low-Income Senior Housing Development
[19160 Stevens Creek Blvd.](#)
[Cupertino, CA](#)

Charities Housing



April 23, 2018, 2018

[VIP Premiere of “Los Altos: A Place to Call Home in Silicon Valley?”](#)

RSVP to losaltoswomenscaucus@gmail.com by April 12.

SPUR



April 25, 2018

[Tiny Homes: Creating Bridges From Streets to Housing](#)

[76 South First Street](#)
[San Jose, CA](#)



April 30-May 5, 2018

[Livable Communities Charrette](#)

Tech Museum of Innovation

[201 South Market Street](#)

[San Jose, CA](#)

Contact Us

SV@Home

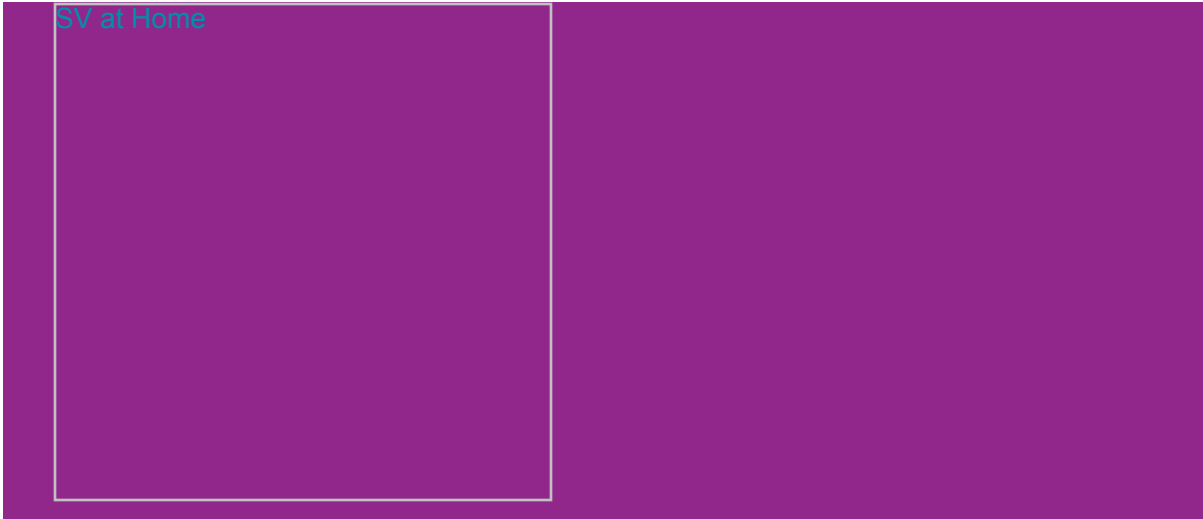
[350 W Julian St. #5](#)

[San Jose, California 95110](#)

408-780-8411

info@siliconvalleyathome.org

SV at Home



[Manage Subscription](#)



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Susan K. Monk, JD

☎ 619.804.4141

✉ susankmonk@gmail.com

Let's Connect!

