

- 4) Establishes the California Building Standards Commission (CBSC) within the Department of General Services (DGS) and sets forth its powers and duties, including approval and adoption of building standards and codification of those standards into the California Building Standards Code.
- 5) Requires a state agency to adopt specific building standards and to publish editions of the California Building Standards Code in its entirety once every 3 years.
- 6) Requires any building standard adopted or proposed by state agencies to be submitted to, and approved or adopted by, the CBSC prior to codification.

This bill:

- 1) Requires local agencies to create a program for the pre-approval of ADUs. The program must comply with all of the following:
 - a) The local agency must accept ADU plan submissions for pre-approval.
 - b) The local agency must approve or deny the application for pre-approval pursuant to existing ADU law. In reviewing and approving a submission for pre-approval, the local agency may charge the applicant the same permitting fees that the local agency would charge an applicant seeking approval of an ADU of the same size; and
 - c) The local agency must post pre-approved ADU plans to their internet website. The posting must include the contact information provided by the applicant.
- 2) Requires local agencies to approve or disapprove an application for a detached ADU within 30 days from the date the local agency receives a completed application, if the application utilizes either of the following:
 - a) A plan for an ADU that has been pre-approved by the local agency pursuant to (1), above; or
 - b) A plan that is identical to a plan used in an application for a detached ADU approved by the local agency within the current triennial California Building Standards Code rulemaking cycle.

COMMENTS:

- 1) *Author's statement.* "Throughout the past decade California has built less than half of the housing units required to keep up with population growth. Our

failure to keep pace is exacerbating the housing crisis and driving housing prices to increasingly unaffordable levels. In addition to providing important infill and often affordable housing, ADUs can be an important asset for middle and low-income homeowners to build generational resources and for multigenerational families to care for each other.

Despite significant progress made in recent years, making ADUs easier to build in many communities throughout California, the simple fact remains that building an ADU is an expensive process for most families. The first, and often most daunting step in this process is planning and designing the unit itself. This requires the homeowner to spend thousands of dollars to higher an architect or engineer just to get an estimate of how much building the unit will cost, for many low and middle income that is a prohibitive requirement. AB 1332 will save residents thousands of dollars each and will increase access for low and middle income property owners.”

- 2) *California’s housing crisis.* According to the most recent point in time (PIT) count, 171,521 people were experiencing homelessness in California—representing 30% of the nation’s homeless population. Two-thirds of the homeless population in California is unsheltered. Over half (51%) of all unsheltered people in the US were in California. California has the largest concentration of severely unaffordable housing markets in the nation and the statewide average home value reached a new record in June 2022 at \$793,300. Over three quarters (78%) of extremely low-income households in California are paying more than half of their income on housing costs compared to just 6% of moderate-income households.

A lack of affordable housing is the biggest contributor to homelessness. As housing costs continue to rise, rent becomes less affordable for lower-income households, who are forced to live beyond their means (paying more than 30% of income on housing costs) or are pushed out of their homes, leading to rapid increases in homelessness. Variation in rates of homelessness cannot be explained by variation in rates of individual factors such as poverty or mental illness, however, cities with higher rents and lower rental vacancy rates (*i.e.*, tighter housing markets) are directly linked to higher per capita rates of homelessness.

- 3) *ADUs.* According to HCD, “ADUs are an innovative, affordable, effective option for adding much needed housing in California.” ADUs, also known as accessory apartments, accessory dwellings, mother-in-law units, or granny flats, are additional living spaces on single-family or multifamily 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 ADU ordinances must meet specified parameters outlined in existing state law.

- 4) *ADU Law*. 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 state law requirements for each city in the state to have a ministerial process for approving second units, local regulations often impede development. In response, several bills, including SB 1069 (Wieckowski, 2016), SB 13 (Wieckowski, 2019) and AB 68 (Ting, 2019), have relaxed multiple requirements for the construction and permitting of ADUs.

According to a 2020 UCLA Working Paper, “state ADU legislation has created the market-feasible potential for nearly 1.5 million new units.” Since 2013, the number of permitted ADUs increased from 799 to 12,813 in 2020, for a total of almost 44,000 ADUs permitted statewide. With localities across the state facing large regional housing needs allocations for the sixth housing element cycle, ADUs represent a key tool in the housing production toolbox. Only one state program provides funding for ADU construction. Given the high demand for more housing, more state funding opportunities for ADUs are necessary.

- 5) *Reducing financial barriers*. The cost of designing, planning, and permitting of an ADU create a financial barrier to development. To address this issue, some local governments have started to provide pre-approved plans for ADUs including Los Angeles and San Jose, as well as a shared program across 16 cities in Napa and Sonoma counties.¹

This bill would require all cities and counties to develop a program for pre-approval of ADUs by January 1, 2025. This bill requires local agencies to review the plans for applicants for pre-approval just as they would for an ADU proposed for a specific site, except that the pre-approved plans would not be specific to a particular site. The local agency could charge the same permitting fees to review these pre-approved plans as they would a site-specific ADU. Once the plans were pre-approved, the local agency would be required to post the plans on their website, along with the contact information as provided by the applicant. This bill also requires local agencies to expedite the review, from 60 days to 30, of their pre-approved plans.

¹ Los Angeles: <https://www.ladbs.org/adu/standard-plan-program/approved-standard-plans>, San Jose: <https://www.sanjoseca.gov/business/development-services/permit-center/accessory-dwelling-units-adus/preapproved-adus>, Napa and Sonoma Counties: <https://plans.napasonomaadu.org>

6) *Double-referral*. This bill has also been referred to the Senate Governance & Finance Committee.

RELATED LEGISLATION:

AB 976 (Ting, 2023) — makes permanent the existing prohibition on local government's ability to require owner-occupancy on a parcel containing an ADU. *This bill is pending referral in the Senate.*

AB 1033 (Ting, 2023) — would allow ADUs to be sold separately from the primary property. *This bill is pending referral in the Senate.*

SB 13 (Wieckowski, Chapter 653, Statutes of 2019) — made a number of changes to law governing ADUs, including, among other things: limiting impact fees for ADUs, as specified; providing a five-year amnesty period for owners to correct building code violations on existing ADUs; reducing the approval period for ADUs from 120 days to 60 days; requiring local governments to allow ADUs of at least 850 square feet (1,000 square feet if more than one bedroom); and prohibiting owner occupancy requirements on either the ADU or the primary dwelling.

AB 68 (Ting, Chapter 655, Statutes of 2019) — made a number of changes to law governing ADUs, including, among other things: requiring ministerial approval of multiple ADUs or JADUs on a lot, or both, as specified; requiring a 30-day minimum on ADU rentals; revising allowable setback requirements; and reducing the approval period for ADUs from 120 days to 60 days.

AB 587 (Friedman, Chapter 657, Statutes of 2019) – allowed for an ADU to be sold or conveyed separately from the primary residence to a qualified buyer under specified circumstances.

AB 881 (Bloom, Chapter 659, Statutes of 2019) — made several changes to ADU law.

SB 1069 (Wieckowski, Chapter 720, Statutes of 2016) — required an ordinance for the creation of ADUs to include specified provisions regarding areas where ADUs may be located, standards, and lot density. Also revises requirements for the approval or disapproval of an ADU application when a local agency has not adopted an ordinance.

AB 2299 (Bloom, Chapter 735, Statutes of 2016) — required a local agency to provide by ordinance for the creation of second units in single-family and multifamily residential zones.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, May 31, 2023.)

SUPPORT:

Bay Area Council
California Apartment Association
Casita Coalition

OPPOSITION:

None received.

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