

DATE:	February 12, 2025
то:	Chair and Commissioners
FROM:	David Amini, Housing Coordinator
VIA:	Tyler Corey, Deputy Community Development Director
SUBJECT:	ITEM 4A - TITLE 16, 17 AMENDMENTS (CODE-0031-2025)

Question regarding conversion of space for ADUs: Staff received questions regarding the below Section 17.86.020.B.4.c of the Zoning Regulations Update, regarding the conversion of new or existing space into ADUs. The Draft Planning Commission Resolution includes the following language:

Building permit applications involving the construction of new space or the alteration of existing space within an existing residential structure may be designed in such a manner as to facilitate the conversion to an accessory dwelling unit or junior accessory dwelling unit. Said new construction or alterations to the existing structure(s) shall be consistent with the City's objective design standards and any applicable zoning regulations. An accessory dwelling unit or junior accessory dwelling unit created through such a building permit application cannot be combined with the provisions of California Government Code Section 66323.

After further evaluation for consistency with state law requirements and clarity, staff recommends revisions to the proposed language in Section 17.86.020.B.4.c to read as follows:

Building permit applications that propose the expansion or alteration of an existing single-family or multifamily dwelling, or the conversion of existing space within a single-family or multifamily dwelling, for the purpose of creating an accessory dwelling unit or a junior accessory dwelling unit, are permissible under this Chapter. Said expansion or alteration to an existing single-family or multifamily dwelling shall be consistent with the City's objective design standards and any applicable zoning regulations. The number of ADUs within the existing or proposed converted space of a multifamily dwelling shall not exceed 25 percent of the existing number of multifamily dwelling units. The provisions of this section do not apply to new construction multifamily dwellings.

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As written above, this section is now compliant with state law, and with the intent to remove an identified barrier to the provision of certain ADUs by streamlining a two-step building permit process when expanding or altering a single-family or multifamily dwelling that will ultimately be converted to an ADU, as long as the addition/expansion otherwise complies with the zoning regulations of the City (currently, an applicant must propose an addition/expansion, permit and construct the addition/expansion, then receive a subsequent building permit to convert the existing space to an ADU).

Staff has received feedback regarding the applicability of this section to new construction of multifamily dwellings. If this section were expanded to new construction dwellings, it would allow developers to include more housing units than what is allowed in the underlying zone by adding ADU's in an amount of up to 25 percent of the proposed amount of units.

Staff recommends that this section be reserved only for existing multifamily dwellings as there are existing incentives in the City's Zoning Regulations that allow new multifamily projects to secure a higher density than what is allowed, such as a density bonus, which provides additional density in exchange for providing below market rate deed restricted units. This existing incentive has been used on many existing multifamily projects in the City and allows for both increased density and meeting the City's goals of adding critical Below Market Rate housing stock.

Question 2: Miscellaneous Revisions: After agenda publication, some proposed amendments were identified through public comment or by staff that require further clarifications or correction.

Miscellaneous Revision 1: As proposed, Section 17.86.020(C)(5) reads:

"Except as required by state law, the owner of the property shall occupy either the primary residence or the junior accessory dwelling unit."

After further evaluation by staff, it was determined the following revision (emphasis added) is required so that the language may read more clearly. Staff recommends that Section 17.86.020(C)(5) be revised as follows:

"Except as **provided** by state law, the owner of the property shall occupy either the primary residence or the junior accessory dwelling unit."

The reference made to state law in this section is intended to refer to several exceptions to the owner occupancy requirement under state JADU law.

Miscellaneous Revision 2: As proposed, Section 17.86.020(C)(6) reads:

"Except as required by state law, prior to the issuance of building permits for a junior accessory dwelling unit..."

After further evaluation by staff, it was determined the following revision (emphasis added) is required so that the language may read more clearly. Staff recommends that Section 17.86.020(C)(6) be revised as follows:

"Except as **provided** by state law, prior to the issuance of building permits for a junior accessory dwelling unit..."

The reference made to state law in this section is intended to refer to any future changes to state JADU law that may require exceptions to this covenant agreement requirement.

Miscellaneous Revision 3: As proposed, Section 16.15.025(D)(2) reads:

"There is a car share vehicle, as defined in Section 16.26.061, located within one block..."

After further evaluation by staff, it was determined the following revision (emphasis added) is required to reference the correct Section number. Staff recommends that Section 16.26.061 be revised as follows:

"There is a car share vehicle, as defined in Section 16.26.065, located within one block..."