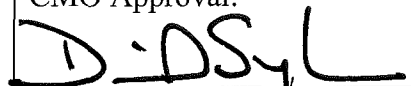




**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> PRNS	<b>Date:</b> 6/13/18	<b>Coordination:</b> CMO, CAO, Planning, ESD, and Housing	Dept. Approval: /s/ Angel Rios, Jr.
			CMO Approval: 

**SUBJECT:** SB 831 (Wieckowski): Land use: accessory dwelling units

**RECOMMENDED POSITION:** Support, if amended

**RECOMMENDED ACTION:**

1. Adopt support if amended position for SB 831 (Wieckowski).
2. Recommend this item be agendized to the June 26, 2018 City Council meeting so that the City's legislative representative can advocate the City's support if amended position for SB 831.

**BILL SYNOPSIS:**

SB 831 revises state law governing accessory dwelling units (ADUs) for the purpose of encouraging their development and streamlining their approval. SB 831 would place additional restrictions on the conditions that local governments may impose on ADUs, including limiting the ability to charge developer fees, prohibiting the imposition of owner occupancy requirements, and reducing the timeframe for ministerial approval of ADU permits to 60 days.

SB 831 would prohibit an ADU from being considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating fees charged for new development, except in certain circumstances when a new or separate utility connection between the accessory dwelling unit and the utility may be required. School districts are also allowed to charge a maximum of \$3,000 per ADU for school fees.

**IMPACTS TO CITY OF SAN JOSE:**

The City has a strong commitment to increasing the affordability of homes in San José. The Mayor's 15-point Housing Plan includes encouraging homeowners to build ADUs on their lots. The City has streamlined the ADU permitting process to make it easier to build ADUs. The zoning provisions and the ministerial review process and timeline in SB 831 align with the existing City ordinance and process in all areas except lot coverage. The City's Secondary Dwelling Ordinance still maintains a lot coverage provision.

City staff does have a concern with SB 831's provisions that limit the City's ability to collect fees. Staff appreciates the author's amendment to allow the City to continue charging reasonable connection or capacity charge increases when an ADU triggers the need for those fees. However, the bill does not allow the City to charge park impact fees.

The City's Parkland Dedication and Park Impact ordinances (San José Municipal Code 19.38 and 14.25, respectively) mitigate the impact that new residents have on existing recreational facilities consistent with state laws including the Quimby Act and the Mitigation Fee Act. As such, these ordinances require the assessment of park impact fees for new ADUs to fund the acquisition, development, and rehabilitation of

parks, trails, and recreation centers within a nexus of the ADU constructions for which the fees are paid. These fees are crucial in mitigating the strain that increased population density places on parks and other recreation facilities within and adjacent to the nexus radius of new ADU developments. With increased population comes increased demand for new parks and recreation facilities, as well as increased maintenance requirements for existing facilities. Consequently, the Parkland Dedication and Park Impact ordinance fees help the City meet the Envision San José 2040 General Plan recreational service level goals.

Currently, the City's park impact fees for ADUs are approximately 15 percent of the fees charged for a Single-Family Dwelling unit. The City's park impact fee structure accounts for the impact that new residential development—especially development in existing backyards—has on existing recreational facilities, while balancing the goal to minimize development costs where possible to support housing development.

From March 2016 to March 2018, the City of San José collected \$584,700 in park impact fees for 196 ADUs. The loss of future park impact fees from ADUs would make it more challenging to deliver park and recreational amenities to serve residents of those ADUs.

City staff is very supportive of SB 831 and its goals of encouraging ADU development. City staff would like to request that Senator Wieckowski amend the bill to allow cities to charge ADUs a proportion of single-family home park fees. This would allow cities to generate resources needed to provide new parks or improve existing parks that serve the new ADU residents, while generally recognizing that fewer people live in an ADU versus a single family home. For these reasons, staff is requesting a support if amended position.

**POLICY ALIGNMENT:**

A support if amended position on SB 831 aligns with 2018 Legislative Guiding Principle #1: Protect Local Control.

**SUPPORTERS/OPPONENTS:**

**Supporters**

Bay Area Council (sponsor), AARP, Abundant Housing LA, ADU Builder, Inc., Basis Studio, Bay Area Rapid Transit, Bridge Housing, Build, California Apartment Association, California Association of Realtors, California Building Industry Association, California Chamber of Commerce, California Community Builders, California Forward Action Fund, California Renters Legal Advocacy and Education Fund, California YIMBY, Coalition for Supportive Housing, Cover, Crest Backyard Homes, Corporation for Supportive Housing, Half Moon Bay Brewing Co., Heller Manus Architects, HKS Architects, Inn at Mavericks, LA Más, Los Angeles Business Council, Mavericks Event Center, McKinsey and Company, North Bay Leadership Council, Non-profit Housing Association of Northern California, Pacific Standard, Postmates, Resources for Community Development, ReVisions Resources, Rise Together, San Diego County Apartment Association, San Francisco Bay Area Planning and Urban Research Association, San Francisco Housing Action Coalition, San Mateo County Economic Development Association, Shorenstein Properties, SV Angel, SV@Home, The Fairmont San Francisco, Tim Lewis Communities, TMG Partners, Wareham Development, Webcor, One individual.

**Opposition**

American Planning Association – California Chapter, Association of California School Administrators, Association of California Water Agencies, California Association of Sanitation Agencies, California Association of School Business Officials, California Coalition for Adequate School Housing, California Contract Cities Association, California Municipal Utilities Association, California School Boards Association, California Special Districts Association, Cities of Camarillo, Coronado, Fullerton, Glendora, Hawthorne, Huntington Beach, Lake Forest, Lakewood, and San Marcos, County of Del Norte, Desert Water Agency, East Orange County Water District, El Dorado Irrigation District, Marin County Council of Mayors and Councilmembers, Orange County Sanitation District.

**STATUS OF BILL:**

SB 831 is in the Assembly Housing and Community Development Committee.

**FOR QUESTIONS CONTACT:** Avi Yotam, PRNS; (408) 535-3573