



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo

SUBJECT: SEE BELOW

DATE: June 19, 2018

Approved

Date

6-19-18

SUBJECT: AMENDMENTS TO TITLE 20 OF THE ZONING CODE TO MODIFY REQUIREMENTS FOR SECONDARY DWELLING UNITS

RECOMMENDATIONS

Accept the Planning Commission and staff recommendations to approve an ordinance amending Title 20 (the Zoning Code) to modify provisions for Secondary Dwelling Units (also known as ADUs), with the following modifications:

1. Allow two-bedroom secondary dwelling units on lots that are 9000 square feet or greater (i.e. in 800 and 900 square foot secondary units);
2. Allow a second story for all new ADUs—regardless of whether ADU is constructed above an accessory structure—as long as the second story does not have windows that allow for sight lines that might impede on privacy of neighbors.
3. Add language—perhaps in the section outlining exemptions for the parking space requirement—referring to the development variance process (Section 20.100.1300(A)(1)) whereby applicants could seek a waiver of the parking space requirement (e.g., in neighborhoods that have plentiful parking).

Direct the City Manager to:

1. Simplify the secondary unit application process and put as much of the application process online as possible;
2. Direct the Housing Department and PBCE to collaboratively launch an educational and promotional campaign by the end of the calendar year—including either online or in-person homeowner workshops, a simple online checklist, instruction manual, video, a list of reputed modular builders, the availability of development variances, and pre-approved design templates—and to coordinate as appropriate with the Housing Trust of Silicon Valley for homeowners who need downpayment or technical assistance;
3. Return to Council with a proposal regarding an easy-to-use program that would encourage homeowners to bring illegal ADUs up to the building code for health and safety purposes, perhaps by providing amnesty (i.e. not penalizing homeowners who make inquiries about legalizing their unpermitted units) or by allowing as legal nonconforming uses non-essential planning and permitting requirements, such as the amnesty ordinance recently adopted by San Mateo County.

4. Return to CED in one year to report on a) the effectiveness of the new Ordinance in encouraging homeowners to build ADUs; b) the number of applications denied or abandoned and the reasons why, as well as feedback from applicants on the process as solicited by a simple online form; and c) neighborhood impacts, informed by anecdotal feedback from neighbors and other data.

DISCUSSION

PBCE has done a tremendous job of reaching out to the community and responding to homeowner demand for more flexibility in the City's secondary unit law and a more streamlined process, as well as updating our Municipal Code to comply with State legislation.

According to the Housing Trust of Silicon Valley, "there are currently 103,000 eligible single family lots in San José . . . and the proposed changes will add an additional 18,000 sites. . . ." A 2017 Bay Area Council poll found that 23 percent of Santa Clara County residents would consider building a secondary unit on their property. And, as SPUR pointed out in its 2006 report, secondary units:

- Are less expensive to rent than other market-rate units.
- Are less expensive to build than other new construction units.
- Meet the needs of many kinds of households and families at different phases of life.
- Appropriately add density in many kinds of neighborhoods with little impact on neighborhood aesthetics or character.

We can look to our neighbors for great examples of ADU marketing and homeowner education—to the North with San Mateo County's Second Unit Resource Center <http://secondunitcentersmc.org/>, and to the South with Santa Cruz's Accessory Dwelling Unit Development Program <http://www.cityofsantacruz.com/government/city-departments/planning-and-community-development/programs/accessory-dwelling-unit-development-program> (which also waives fees for affordable, deed-restricted ADUs). With the help of our willing neighbors who own single-family homes, we can put some small dent in the obstacles faced by our underhoused community.