Date of Hearing: April 13, 2016

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT David Chiu, Chair

AB 2299 (Bloom) – As Amended April 5, 2016

SUBJECT: Land use: housing: 2nd units

SUMMARY: Requires rather than permits a local government to adopt an ordinance for the creation of second units in single-family and multifamily residential zones. Specifically, **this bill**:

- 1) Prohibits a local government from imposing parking standards for a second unit located within one-half mile of public transit or shopping or that is within an architecturally and historically significant historic district.
- 2) Allows a local government to eliminate parking requirements for any second unit located in its jurisdiction.
- 3) Prohibits a local government from requiring a passageway or pathway clear to the sky between the second unit and a public street when constructing a second unit.
- 4) Prohibits a local government from requiring a setback more than five feet from the side and rear lot line for a second unit constructed above a garage located on an alley.
- 5) Provides that when a garage, carport, or covered parking structure is demolished in conjunction with the construction of a second unit, and the local government requires that those off-street parking spaces be replaced, the replacement spaces may be located in any configuration on the same lot as the second unit including but not limited to covered spaces, uncovered spaces, or tandem spaces or by the use of mechanical automobile parking lifts.

EXISTING LAW:

- 1) After July 1, 2003, applications for a second unit shall be considered by local governments ministerially, without discretionary review or hearing, regardless of any local ordinance regulating the issuance of special use permits.
- 2) Provides that a local government may by ordinance provide for the creation of second units in single-family and multi-family zones.
- 6) Provides that a local ordinance for second units may do all of the following:
 - a) Designate areas where second units may be permitted based on criteria that may include consider the adequacy of water and sewer services and the impact on traffic flow.
 - b) Impose parking standards, height, setback, lot coverage, architectural review, maximum size of a unit and standards that prevent adverse impacts on any property listed in the California Register of Historic Places.
 - c) Provide that second units do not exceed the allowable density for the lot on which it is located and that second units are a residential use that is consistent with the existing general plan and zoning designation on a lot.

FISCAL EFFECT: Unknown.

COMMENTS:

Local governments are authorized to adopt ordinances for the creation of second units in single family and multifamily zones; however they are not required to do so. State law allows local governments to limit the areas that second units may be permitted based on availability of adequate water and sewer services as well as the impact on traffic flow. They can also impose parking standards. In 2003, AB 1866 (Wright) Chapter 1062, Statutes of 2002, required that local governments approve a second unit ministerially without discretionary review or hearing or require a special use permit.

This bill would require rather than allow a local government to adopt a second unit ordinance and to limit the local government's ability to apply certain standards. Within one-half mile of public transit or shopping, or within in an architecturally or historically significant district, an ordinance could not impose any parking requirement on the second unit. Parking requirements imposed by local jurisdictions on second units can be a barrier to the creation of these units because the parking may not be feasible in an existing neighborhood.

Purpose of this bill: According to the author, "California's implementation of SB 375, the Sustainable Communities and Climate Protection Act of 2008, is putting new pressure on communities to support infill and affordable housing development. As the San Francisco Bay Area adds over two million new residents by 2040, infilling the core (in targeted Priority Development Areas, or PDAs) could accommodate over half of the new population, according to the Association of Bay Area Governments (ABAG). But at the same time, infill could increase housing costs and exacerbate the region's affordability crisis. One potential solution is secondary units (also called in-law units or accessory dwelling units). Self-contained, smaller living units on the lot of a single-family home, secondary units can be either attached to the primary house, such as an above-the-garage unit or a basement unit, or detached (an independent cottage). Secondary units are particularly well-suited as an infill strategy for low-density residential areas because they offer hidden density, housing units not readily apparent from the street - and relatively less objectionable to the neighbors. Recognizing the potential of secondary units as a housing strategy, California has passed several laws to lower local regulatory barriers to construction, most recently Assembly Bill 1866 of 2002, which requires that each city in the state have a ministerial process for approving secondary units. AB 2299 will ease and streamline current statewide regulations as well as encourage the building of accessory dwelling unit (ADU) as a way to create more housing options. Currently several cities are looking at local ordinances to improve or incentivize the creation of ADUs as way to create more rental properties and incomes for families to stay in their current homes. Simply reducing parking requirements in transit rich areas where most tenants don't have a car will encourage more building of ADUs."

Arguments in support: According to the sponsor of this bill, the California Apartment Association, California is struggling to meet the needs of its citizens when it comes to housing, especially housing that is affordable near jobs centers and public transportation. By promoting the development of second units, AB 2299 will help alleviate our housing shortage, while capitalizing on limited resources. While second units can serve as much needed rental housing, they can also provide homes for college students, elderly parents, or individual with disabilities, who need to leave close to their families or teachers who can provide them support. By providing

for the efficient approval of second units, you will bring units to the housing market sooner and will make them more affordable.

Arguments in opposition: The League of California Cities is opposed to this bill in part because, "it prohibits cities from imposing parking standards on second units located within one-half mile of public transit or shopping or in an architectural and historical significant area. This does not take into account any local realities or preferences. AB 2299 mandates that cities pass an ordinance. This is a costly requirement for cities, as well as for the state. Current law which provides an option or cities to adopt an ordinance when needed is sufficient."

<u>Double referred:</u> If AB 2299 passes this committee, the bill will be referred to the Committee on Local Government

REGISTERED SUPPORT / OPPOSITION:

Support

California Apartment Association (sponsor)
American Planning Association, California Chapter (support if amended)
Apartment Association of Greater Los Angeles
California Association of Realtors
California Rural Legal Assistance Foundation
Santa Barbara Rental Property Association
Western Center on Law & Poverty

Opposition

California State Association of Counties League of California Cities

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