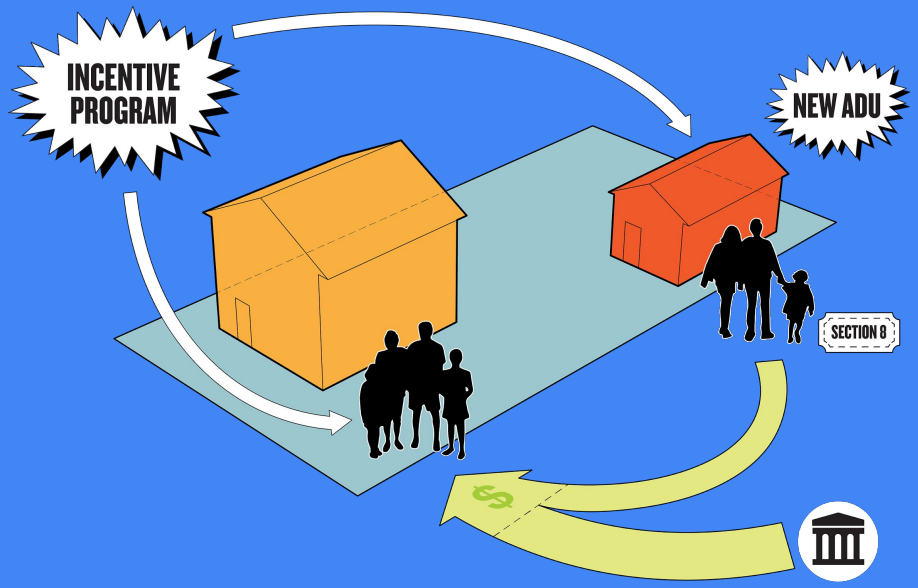


Backyard Homes

Build Home Equity + Increase Affordable Housing

LA-MÁS LISC Los Angeles

We help underserved and lower-income communities shape their future through policy and architecture.

Small Business Support

BEFORE

Small Business Support

AFTER

Public Realm

BEFORE

Public Realm

AFTER

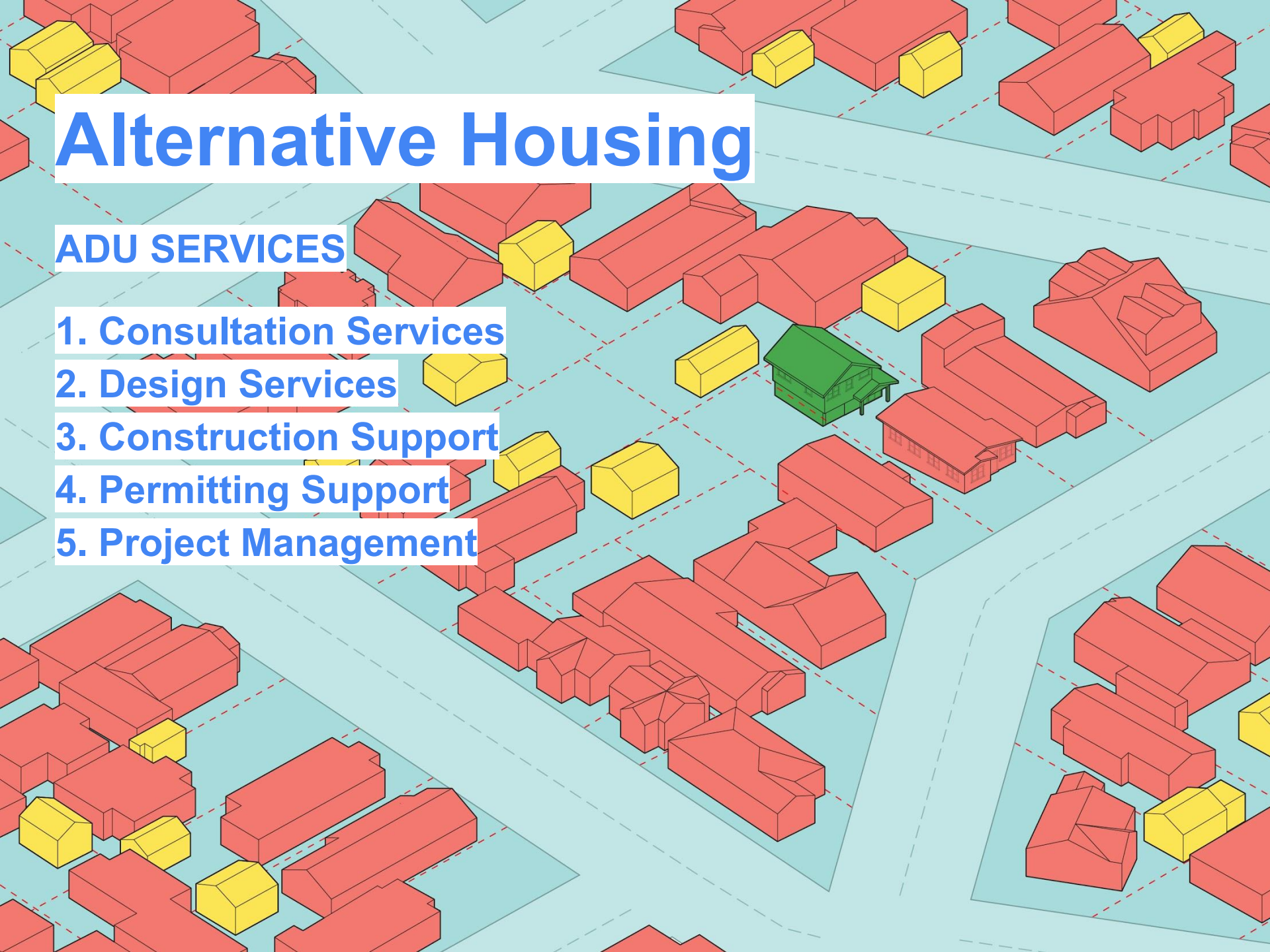
Alternative Housing

ADU SERVICES

Alternative Housing

ADU SERVICES

1. Consultation Services
2. Design Services
3. Construction Support
4. Permitting Support
5. Project Management



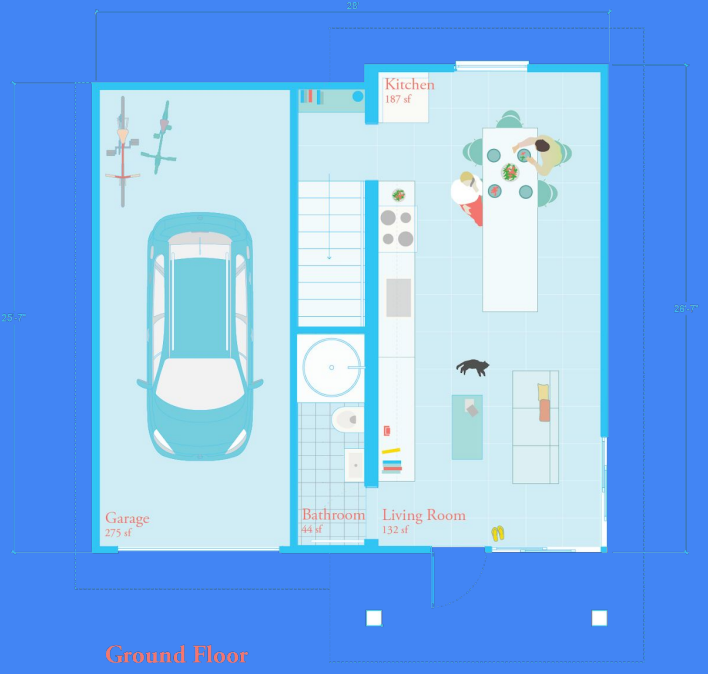
ADU Pilot Project

1. Affordably Built
2. Contextually Designed
3. Tests a New Financial Product
4. Informs Policy

ADU Pilot Project

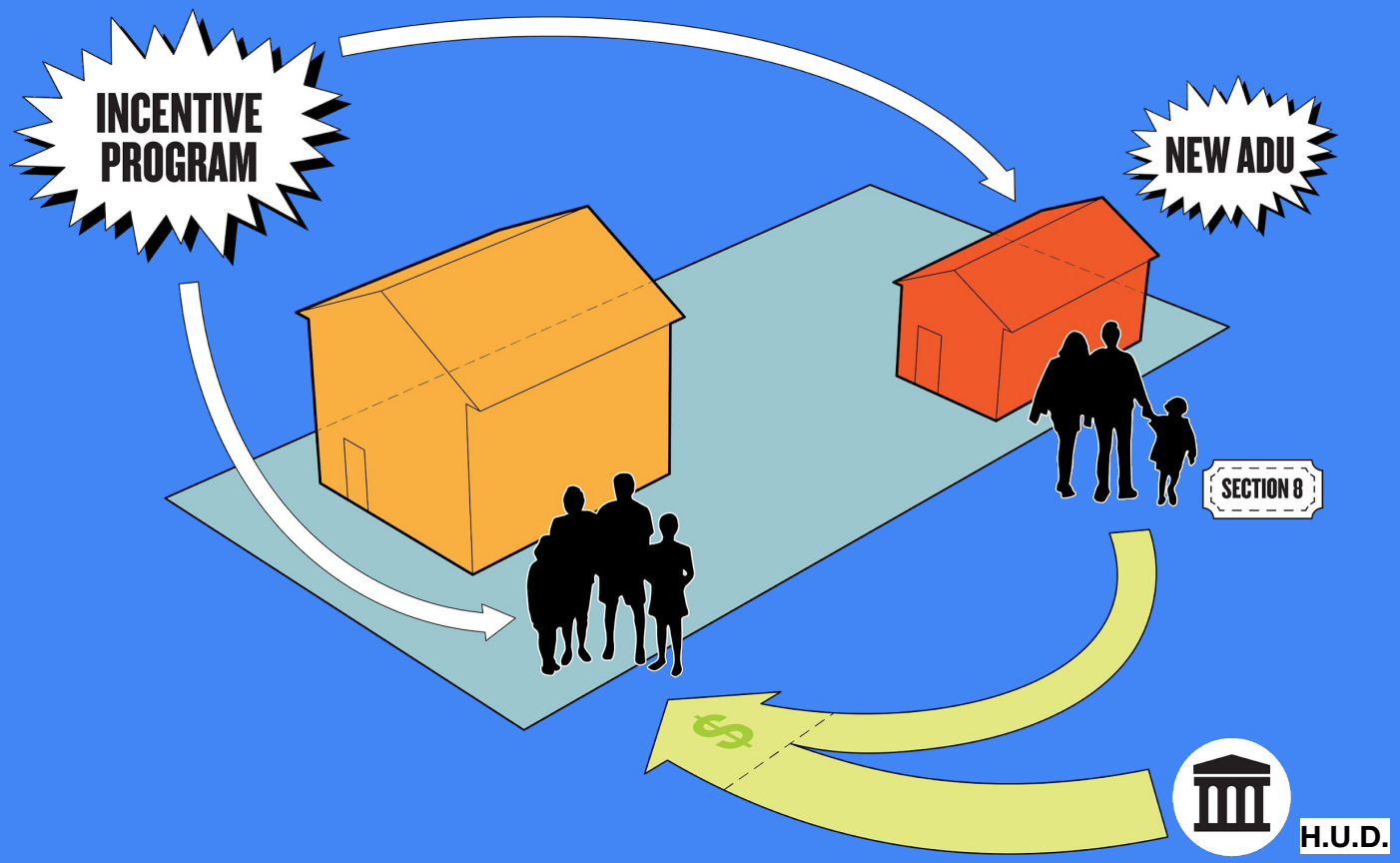
Groundbreaking Ceremony

ADU Pilot Project



- 2 Story, 2 Bedroom, 1000 sqft
- Historic Neighborhood
- Construction Budget: $200K

New Affordable ADU Program



Benefits of ADUs

Benefits of ADUs

- More Housing that Complements Neighborhood Character
- Cheaper + Faster to Build
- Small-Scale + Context-Sensitive

Focus Group

GOAL:
Develop a Win-Win Program for Homeowners + Future Tenants

LEARN:
What support or incentives would you need to…

- Take out a construction loan
- Build an ADU in your backyard
- House a Section 8 voucher holder

Ex: Austin's Alley Flat Initiative

Example Program in Austin, Texas

- **Reduced Fees for Architecture ($4K)**
- **Expediting Permitting + Waived Fees**
- **Access to Low Interest Loans**
- **5-year Commitment to Affordable Rents**

Why Now?

California Department of Housing and Community Development
Where Foundations Begin

Accessory Dwelling Unit Memorandum

December 2016

STATE OF CALIFORNIA
AUTHENTICATED
ELECTRONIC LEGAL MATERIAL

Senate Bill No. 1069

CHAPTER 720

An act to amend Sections 65582.1, 65583.1, 65589.4, 65852.150, 65852.2, and 66412.2 of the Government Code, relating to land use.

[Approved by Governor September 27, 2016. Filed with Secretary of State September 27, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1069, Wieckowski. Land use: zoning.

The Planning and Zoning Law authorizes the legislative body of a city or county to regulate, among other things, the intensity of land use, and also authorizes a local agency to provide by ordinance for the creation of 2nd units in single-family and multifamily residential zones, as specified. That law makes findings and declarations with respect to the value of 2nd units to California's housing supply.

This bill would replace the term "second unit" with "accessory dwelling unit" throughout the law. The bill would additionally find and declare that, among other things, allowing accessory dwelling units in single-family or multifamily residential zones provides additional rental housing stock, and these units are an essential component of housing supply in California.

The Planning and Zoning Law authorizes the ordinance for the creation of 2nd units in single-family and multifamily residential zones to include specified provisions regarding areas where accessory dwelling units may be located, standards, including the imposition of parking standards, and lot density. Existing law, when a local agency has not adopted an ordinance governing 2nd units as so described, requires the local agency to approve or disapprove the application ministerially, as provided.

This bill would instead require the ordinance for the creation of accessory dwelling units to include the provisions described above. The bill would prohibit the imposition of parking standards under specified circumstances. The bill would revise requirements for the approval or disapproval of an accessory dwelling unit application when a local agency has not adopted an ordinance. The bill would also require the ministerial approval of an application for a building permit to create one accessory dwelling unit within the existing space of a single-family residence or accessory structure, as specified. The bill would prohibit a local agency from requiring an applicant for this permit to install a new or separate utility connection directly between the unit and the utility or imposing a related connection fee or capacity charge. The bill would authorize a local agency to impose this requirement for other accessory dwelling units.

This bill would incorporate additional changes in Section 65852.2 of the Government Code proposed by AB 2299 that would become operative only

90

What does this new ADU state law mean?

- No passageway requirements
- No parking if 1/2 mile from transit or in a historic zone
- Uncovered & tandem parking is allowed
- No setbacks for garage conversion to ADU
- Up to 1200 sqft detached ADU
- and more!!!

Why Now?

CURBED LOS ANGELES

CITIES TOPICS NEIGHBORHOODS

LOS ANGELES | LOS ANGELES RENTAL MARKET

Report: LA is the nation's most unaffordable housing market—and prices will keep rising

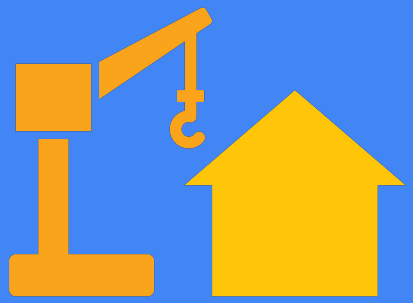
30

The report argues that housing demand is increasing faster than supply

BY ELIJAH CHILAND | JUN 20, 2017, 12:12PM PDT

TWEET SHARE PIN

What's Involved?



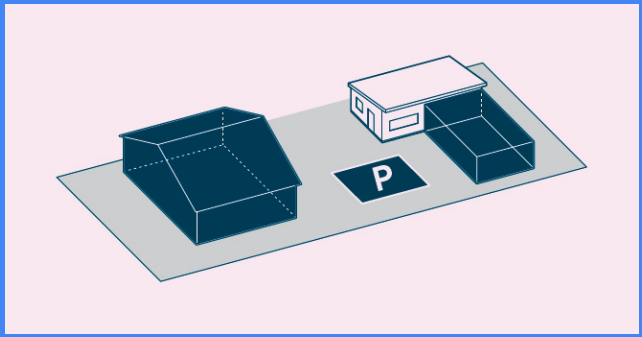
A. Build

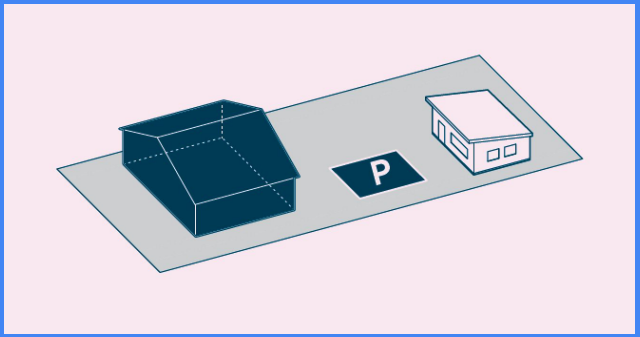
B. Finance

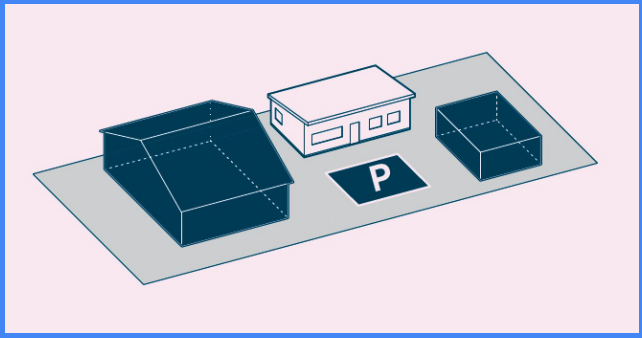
C. Rent

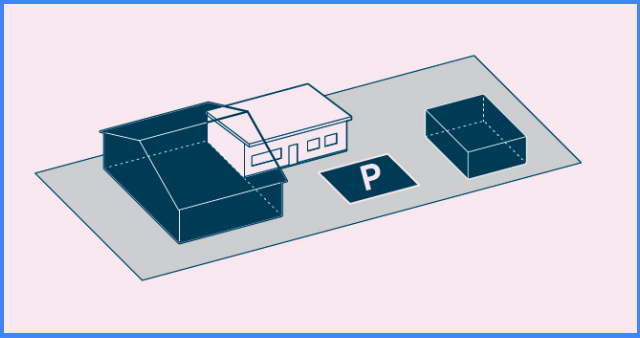
A. Building an ADU

1. Own a single family home
2. Pick your preferred type of ADU to go in your backyard
3. Work with an architect and a builder to design and build









B. Financing an ADU

FINANCING OPTIONS:

Existing:

a. Use your savings

b. Take out a line of credit on your existing home

Proposed:

a. Low-interest construction loan if you're willing to rent affordably

B. Financing an ADU

How much money does it cost for a garage conversion?

400 - 700 sqft

Studio (Garage Conversion)

Est. $25,000 - $100,000

B. Financing an ADU

How much money for a <u>new</u> ADU?

450 - 800 sqft
Studio - 1 Bedroom
Est. $65,000 - $100,000

900 - 1,200 sqft
2 - 3 Bedrooms
Est. $150,000 - $220,000

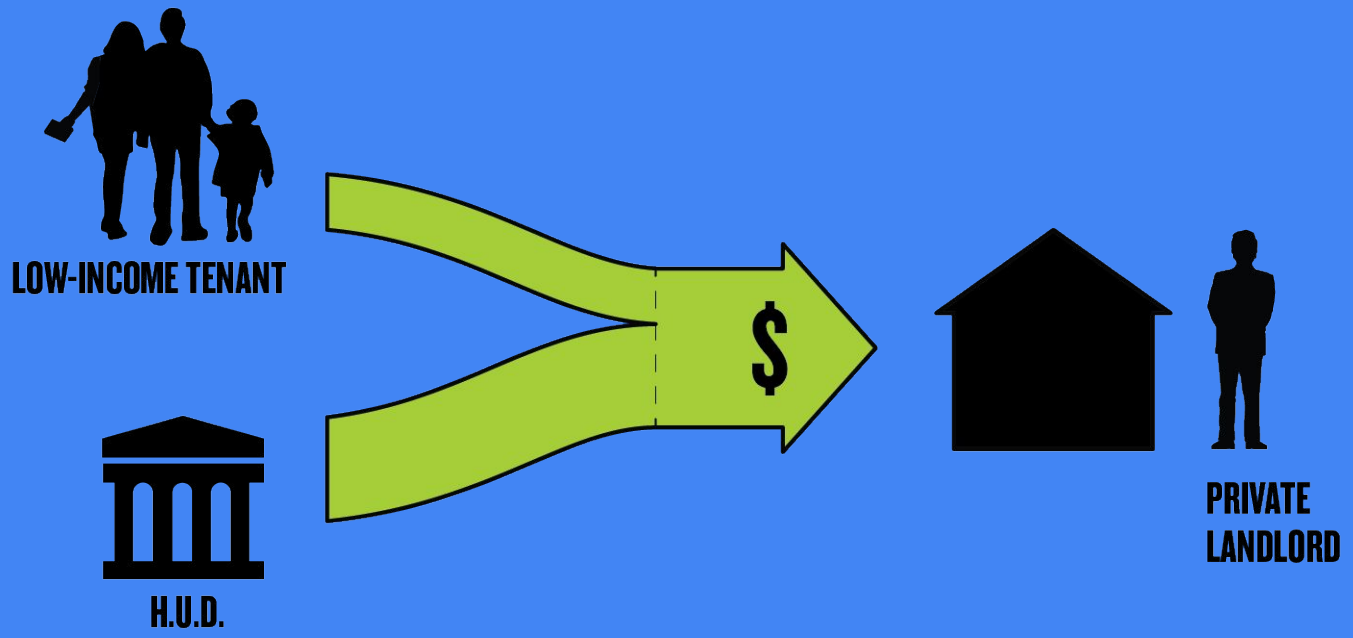
B. Financing an ADU

Paying for the Loan:

Use rental income from your new ADU

C. Renting an ADU

The Section 8 Program



C. Renting an ADU

If you rent to a Section 8 tenant, you will receive...

Studio:
Receive **$1,173/mo**
About **$14,000/yr**

1 Bedroom:
Receive **$1,412/mo**
About **$16,900/yr**

2 Bedroom:
Receive **$1,829/mo**
About **$21,900/yr**

C. Renting an ADU

Landlord Requirements

- Submit Paperwork
- Pass Inspection
- Start Renting

C. Renting an ADU

Tenant Selection Process:

- Landlords have complete control over choosing tenant
- Landlords can seek out a tenant independently
- Landlords can work with housing authority or other housing organizations to match up with a potential tenant

Program Timeline

December - January
Focus Groups

January - February
Develop Program Details

March - April
Secure Partners

May
Launch Program

Questions?

We want to hear from you!

From an organizational perspective…

1. Are you interested in this program? If not, what might make it more appealing?

2. In what way could your organization be involved?

3. What are your concerns? What are we missing?

We want to hear from you!

From a homeowner perspective…

1. Are you interested in this program? If not, what might make it more appealing?

2. During which steps of the process would you like the most support?

3. What are your concerns? What are we missing?

Next Steps

Thank you for coming!

- **Distribute Resources:**
  We will share this presentation with you as a reference.
- **Share Your Feedback:**
  Please fill out the survey!
- **Keep In Touch:**
  You will be the first to learn about the program once it has been developed.
- **Learn More:**
  We are happy to meet with you in person to talk in more detail!
  Contact Alejandro at alejandro@mas.la.