



Streamlining ADU Production and Supporting Affordable Outcomes

Housing Acceleration Program - Technical Assistance

June 4, 2025

Agenda



Welcome and Introductions



Setting the Stage: ADUs in the SANDAG region



Recent and Pending Legislation



From Streamlining to Incentivization



Roundtable Discussion



Conclusion

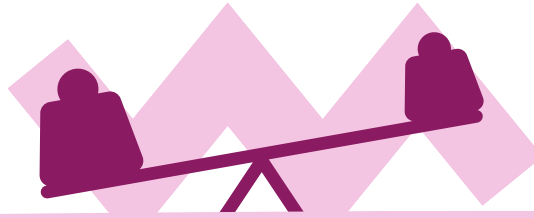
Setting the Stage: ADUs in the SANDAG Region

Why ADUs?

- Increase supply
- Diversify housing types
- Lower construction costs
- Rental income potential
- Facilitate flexible and multigenerational living arrangements
- Address fair housing



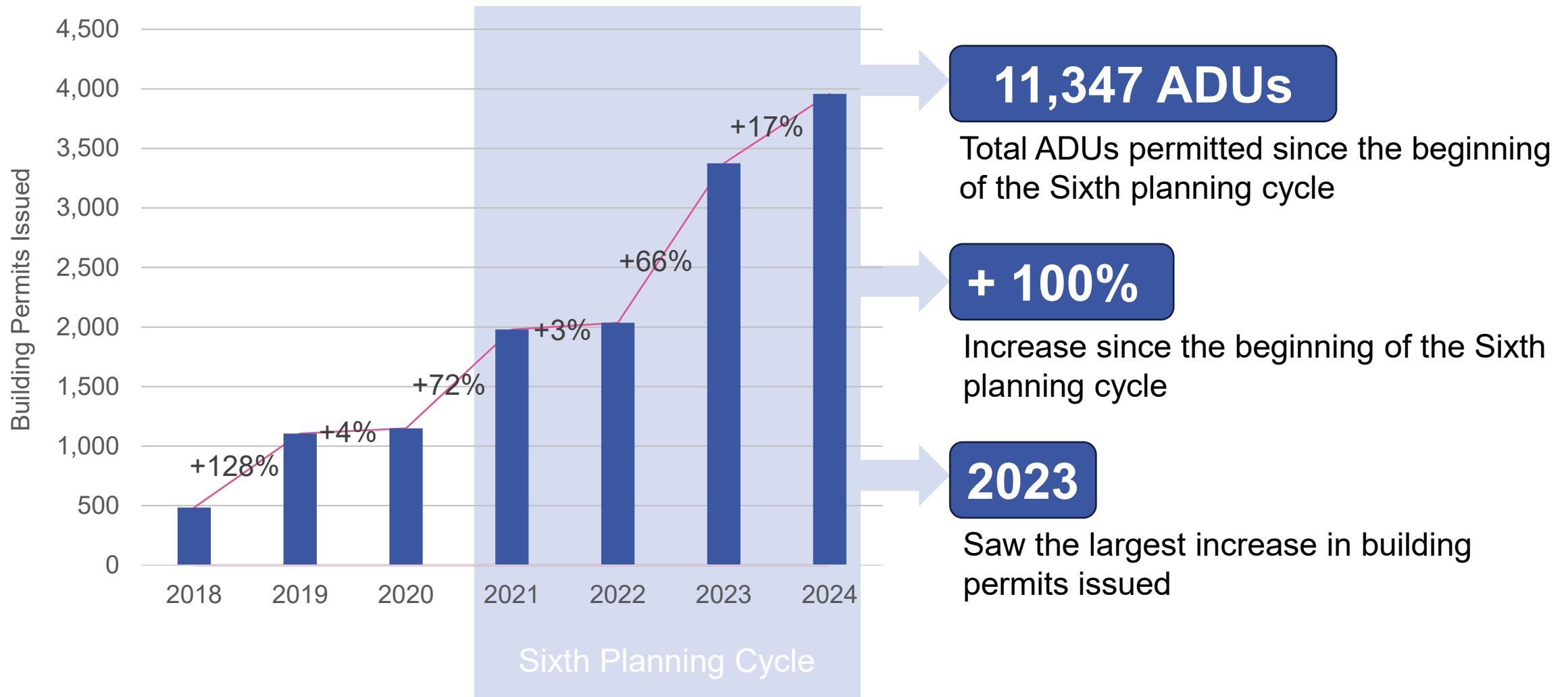
Looking at the Data: Regional ADU Trends



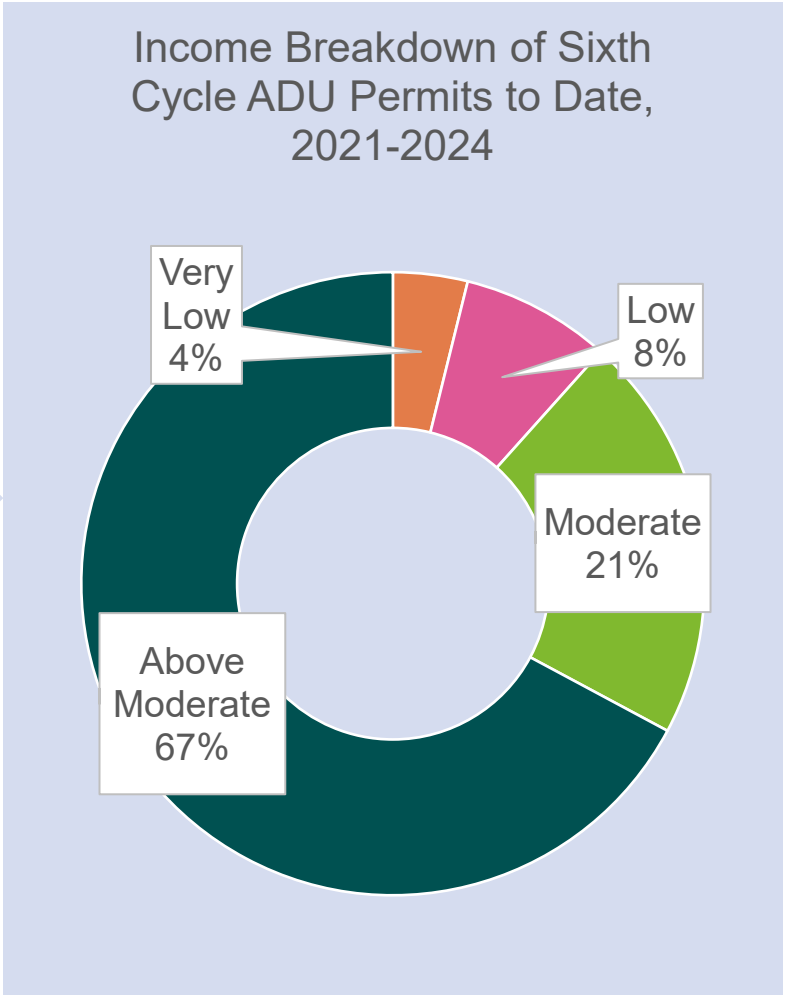
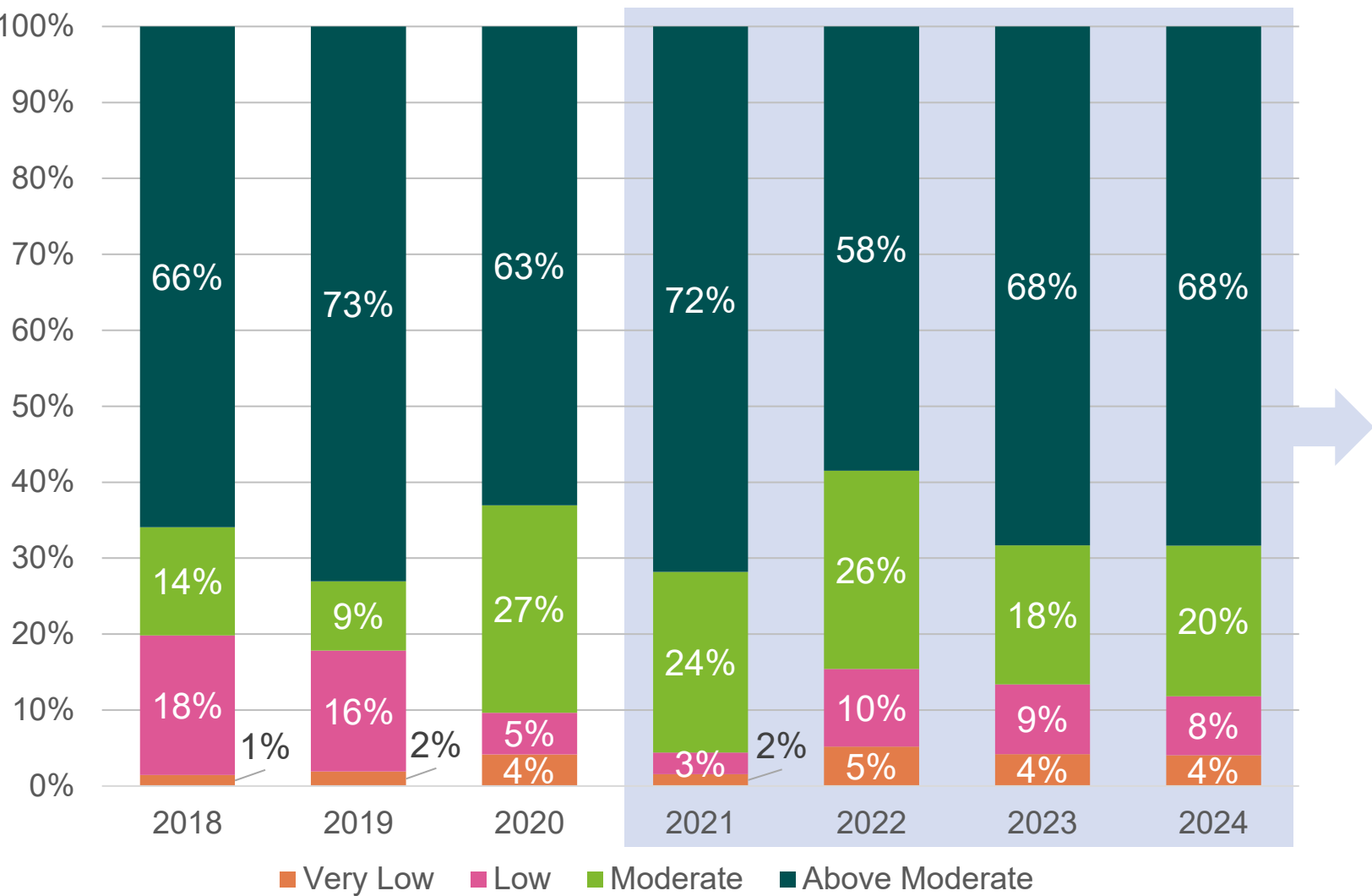
ADU permitting has increased,
but distribution across affordability levels is unbalanced.

- Trends based on APR data provided by HCD.
- May be discrepancies, errors, or omitted data.

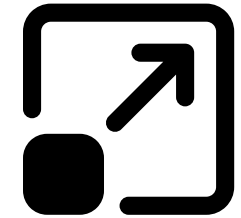
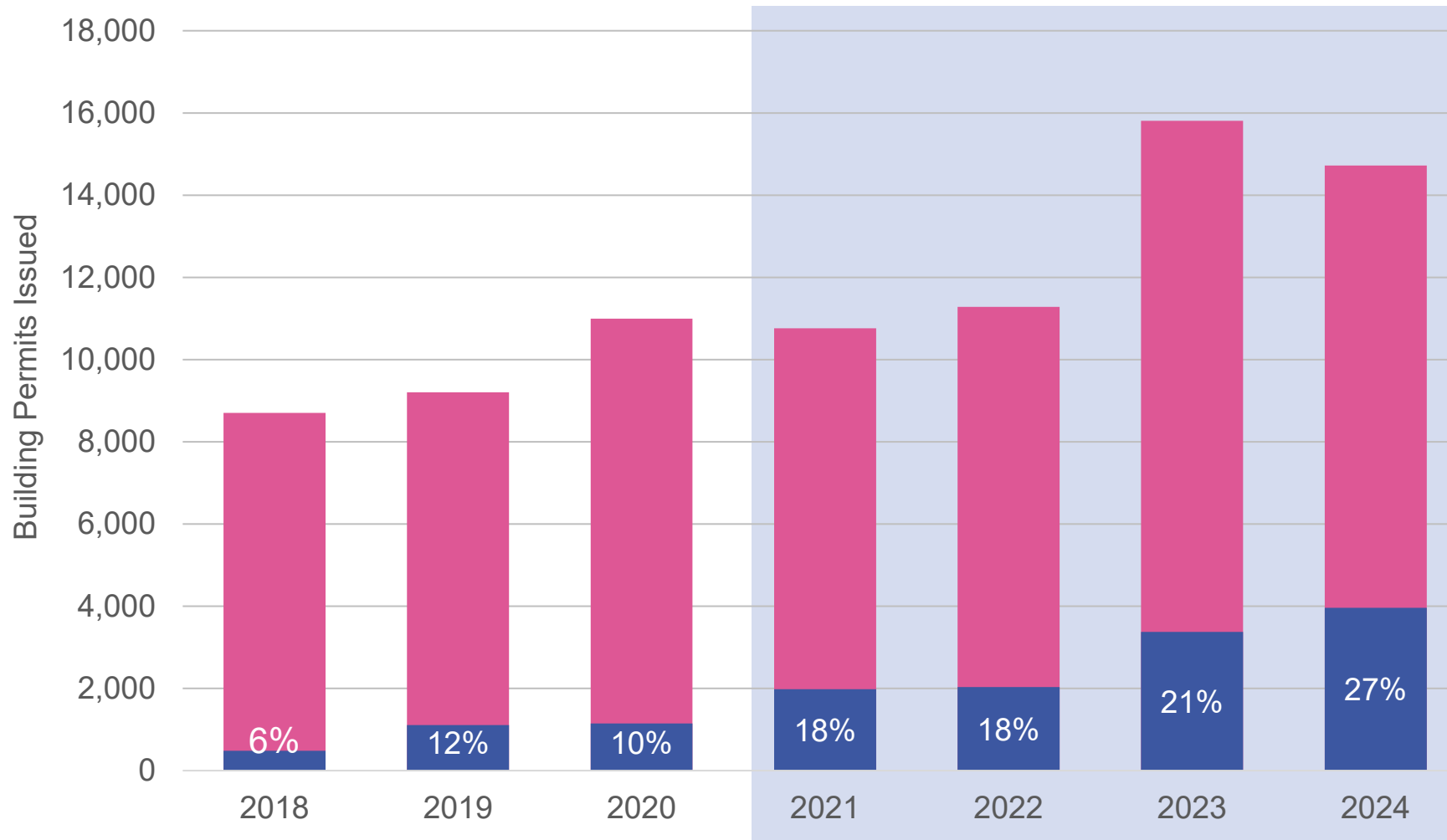
Total ADUs Permitted in the Region, 2018-2024



ADUs Permitted by Income, 2018-2024

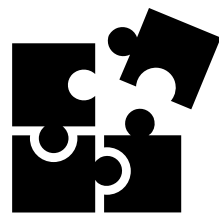
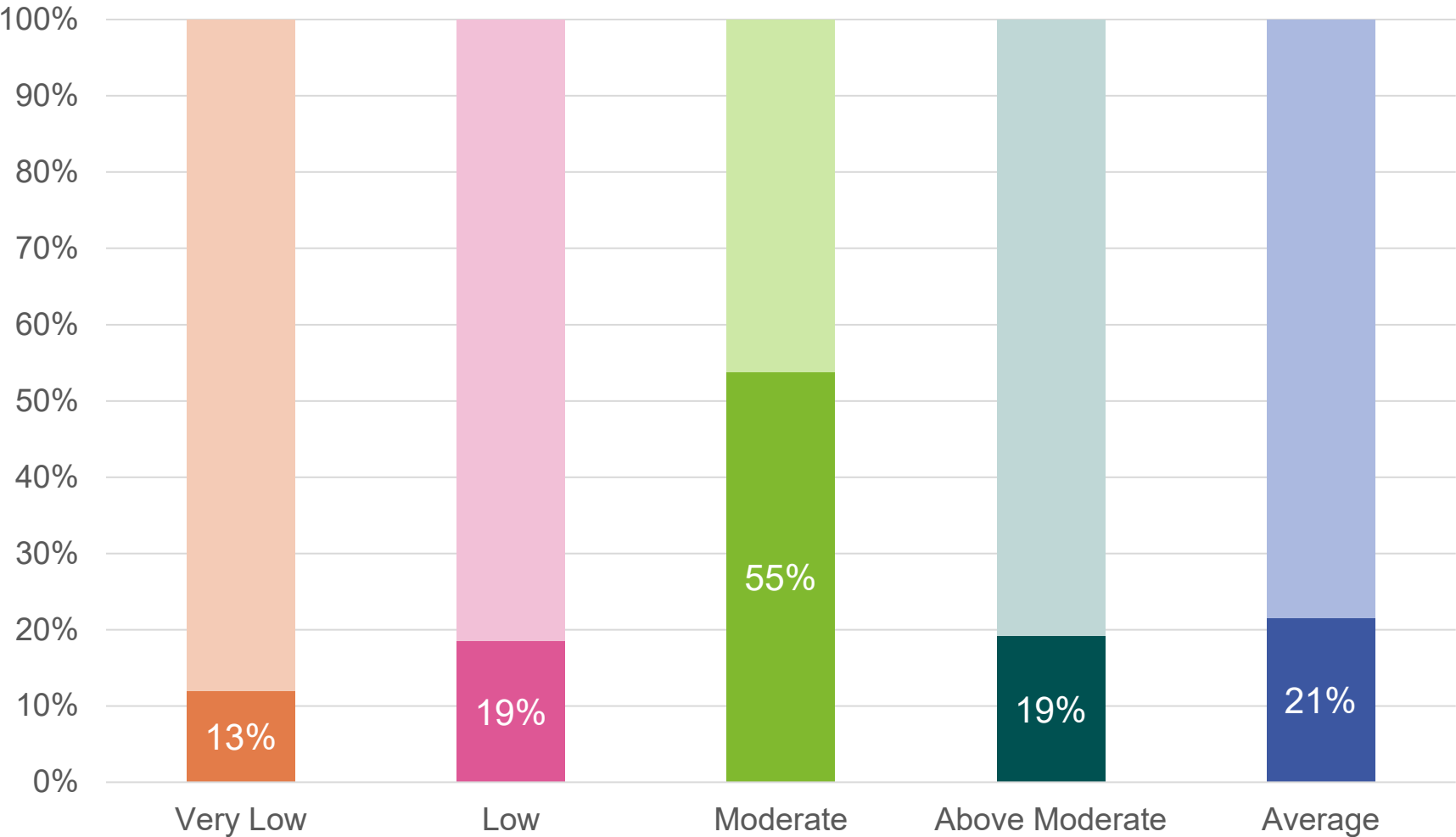


Permitted ADUs vs. Total Housing Permitted, 2018-2024



ADUs in the region have increased in share from 2018 to now

Permitted ADUs vs. Total Housing Permitted by Income, 2021-2024



ADUs make up **55%** of all moderate-income housing permitted regionally since 2021.

Recent and Pending Legislation

Recent State Legislation (2023)

AB 976

Prohibits owner-occupancy requirements for ADUs.

AB 1033

Creates option to allow separate sales of ADUs as condos.

AB 1332

Mandatory pre-approved plans for streamlined permitting.

AB 1033 – Separate Sale of ADUs

POTENTIAL BENEFITS

- Entry-level ownership opportunities for lower- and middle-income households
- Housing diversity without changing neighborhood form
- Expanded mortgage access through eligibility for conventional financing

TRADEOFFS & CONSIDERATIONS

- Affordability not guaranteed
 - Moderate-income, not low-income, pricing likely
- Potential neighborhood pushback (e.g., density, parking, design)
- Risk of speculation by for-profit developers

AB 1033 – Separate Sale of ADUs

Within SANDAG Region

- County of San Diego – Staff is currently drafting ordinance.
- City of San Diego – Part of Mayor's ADU reform package for review.

Outside of SANDAG Region

- San Jose – Adopted in 2024. Two map filings as of May 2025.
- Berkeley – In the process of developing implementation. On hold.
- Santa Cruz – In the process of developing implementation.

AB 1332 – Program for ADU Preapprovals

How to Comply with AB 1332

- 1. Post an Overview Webpage** - Include application instructions for submitting city-specific preapproved ADU plans.
- 2. Publish Local Preapproved Plans** - Upload plans developed by your agency, if any.
- 3. Allow External Plan Submittal** - Include third-party plans with applicant contact information.

SANDAG

AB 1332: Preapproval of ADU Plans (Government Code Section 65852.27)

June 2025

Overview

Assembly Bill (AB) 1332 (Government Code Section 65852.27), which went into effect on January 1, 2025, requires local agencies to establish a process for the preapproval of architectural and design plans for accessory dwelling units (ADUs). The key provisions of AB 1332 include:

- Requiring jurisdictions to create a process for reviewing and preapproving ADU plans submitted by applicants.
- Requiring jurisdictions to ministerially approve applications using preapproved plans within 30 days of a complete application submittal.

What is an Accessory Dwelling Unit?

An accessory dwelling unit (ADU), defined in Government Code Section 66313 refers to an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence.

For more information and resources on ADUs, visit the Department of Housing and Community Development's website: <https://www.hcd.ca.gov/policy-and-research/accessory-dwelling-units>.

Purpose

This document is intended solely as a technical overview of new legislation. It is not intended to serve as legal advice regarding any jurisdiction's specific policies or any proposed housing development project. Local staff should consult with their city attorney or county counsel before taking any action to implement these changes.

AB 1332 – Program for ADU Preapprovals

- Copyright permission from plan authors
- Indemnification from applicants using the plans
- Consult legal counsel to determine best approach

Sample language available in SANDAG AB 1332 summary
(Updated June 2025)



AB 1332: Preapproval of ADU Plans (Government Code Section 65852.27)

June 2025

Overview

Assembly Bill (AB) 1332 (Government Code Section 65852.27), which went into effect on January 1, 2025, requires local agencies to establish a process for the preapproval of architectural and design plans for accessory dwelling units (ADUs). The key provisions of AB 1332 include:

- Requiring jurisdictions to create a process for reviewing and preapproving ADU plans submitted by applicants.
- Requiring jurisdictions to ministerially approve applications using preapproved plans within 30 days of a complete application submittal.

What is an Accessory Dwelling Unit?

An accessory dwelling unit (ADU), defined in Government Code Section 66313 refers to an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence.

For more information and resources on ADUs, visit the Department of Housing and Community Development's website: <https://www.hcd.ca.gov/policy-and-research/accessory-dwelling-units>.

Purpose

This document is intended solely as a technical overview of new legislation. It is not intended to serve as legal advice regarding any jurisdiction's specific policies or any proposed housing development project. Local staff should consult with their city attorney or county counsel before taking any action to implement these changes.

Recent State Legislation (2024)

AB 2533

Expanded requirement to legalize unpermitted ADU/JADUs

SB 1211

Increased detached ADUs for existing multifamily sites

SB 1077

Coastal zone streamlining guidance

SB 477

Relocated ADU/JADU law into a new Government Code Chapter 13 (commencing with Section 66310)

Pending Legislation (May 2025)

SB 9

Invalidates local ADU ordinances not submitted to HCD within 60 days or not corrected within 30 days of HCD findings.

AB 956

Requires ministerial approval of 2 detached ADUs on single-family lots (up from 1).

AB 1154

- No parking requirements for ADUs ≤500 sq ft
- JADU owner-occupancy of primary residence if sanitation is shared
- Short-term rentals banned for JADUs

From Streamlining to Incentivization

Spectrum of ADU Implementation



Streamlining

- Ministerial Approval
- Reduced Timelines
- Preapproved Plans



Promotion

- Public Education
- Community Engagement
- ADU Guidebooks



Incentivization

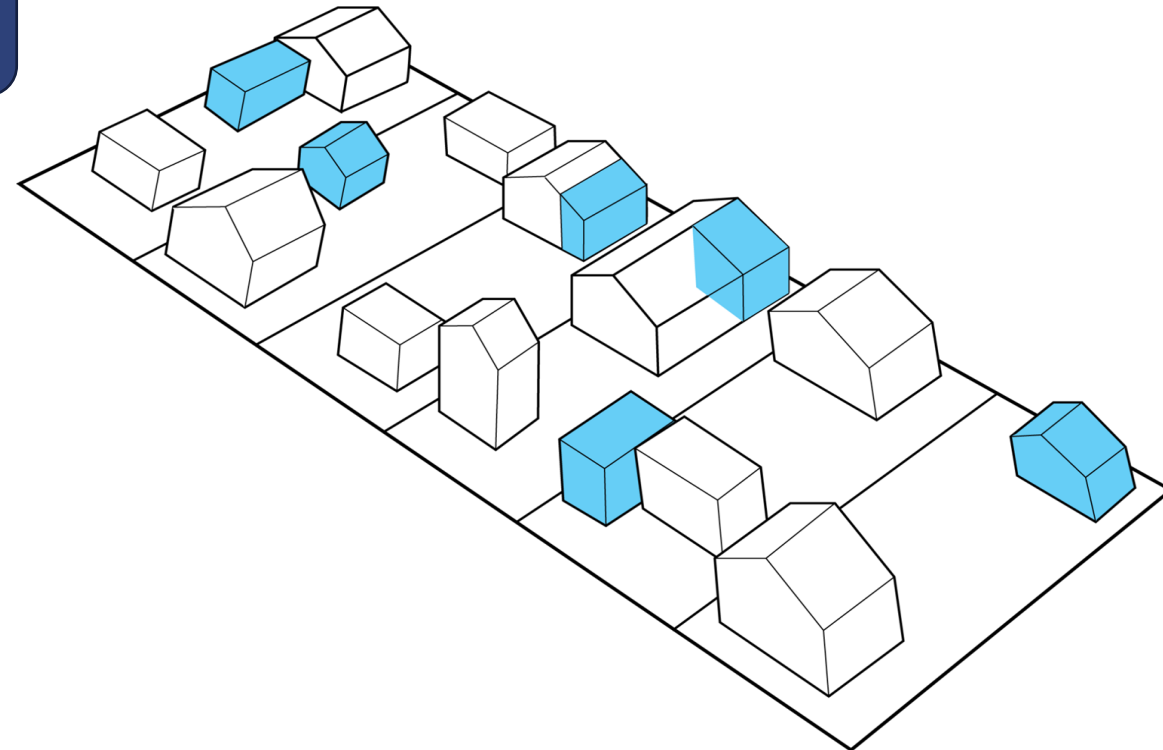
- Technical Support
- Regulatory Relief
- Financial Support

Mix and Match to Achieve Better Results in Your Jurisdiction

Starting with State ADU Mandates

WHAT STATE LAW REQUIRES

- Ministerial approval for ADUs
- Streamlined timelines for application review
- Process for preapproval of ADU plans
- Pathway to legalize unpermitted ADUs



Additional Streamlining

State Law = Baseline

Local programs can go beyond these requirements through added incentives or support.

Expedited Approval

- Same day permitting
- Concurrent department review
- *Case studies: City of San Diego, San Jose, and Napa*

Preapproved ADU Plans

- Flexible customization options

Amnesty for Unpermitted Units

- Fee waivers or fee reductions tied to deed restriction
- *Case study: Del Mar*

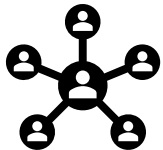
Promotion & Outreach



Community Education



Marketing Materials



Targeted Outreach

Steps to Build

There are many steps involved when building an ADU. The following two pages details steps to take in four phases:

Pre-Application Phase

Confirm Eligibility and Allowed Size of ADU

- Determine the eligibility of your property and the maximum size ADU you can build. Refer to [Chapter 18.30.380](#) of the National City Municipal Code.
- Utilize ADU finance tools (see Resources section) to estimate your costs.
- Call or e-mail the Planning Division (see Contacts section) to discuss options as well as any zoning constraints or site-specific factors. This step will help to avoid surprises after investing time and money into a building design. The Planning Division may refer you additional City Departments to further discuss your proposal.
- If applicable, submit an application at the Sweetwater Authority. The submittal process takes approximately 6 weeks. Please see their "[Application Guide for Concurrent Review with Land Use Agency](#)" for more information.

Design Phase

Design and Preparation

- Decide if you will build a new ADU or convert an existing structure to an ADU. Refer to Resources section for guidance and examples.
 - Consider your options for drafting plans such as hiring a designer or architect, drawing your own plans, purchasing plans, or purchasing a prefabricated unit.
 - Consider your options for construction. You can hire a General Contractor to manage and complete the construction or obtain an owner/builder permit to allow you to manage and complete the project yourself or through sub-contractors. Note that your designer and/or contractor must obtain a National City Business License.
- Once you select an ADU design option, you can get an estimate of City fees by looking up the [Development fees](#). You can also see the ADU Application Checklist for a list of submittal requirements.

Technical & Program Support

One-on-One ADU Consultations

Homeowner Assistance Programs

Public-Private Partnerships



- City of San Jose designated ADU ally
- City of San Francisco has ADU Coordinator

Technical & Program Support

One-on-One ADU Consultations

Homeowner Assistance Programs

Public-Private Partnerships



The LA ADU Accelerator Program is a one-stop-shop for homeowners interested in renting their ADUs to older adults as affordable rentals.

[Learn More](#)



Technical & Program Support

One-on-One ADU Consultations

Homeowner Assistance Programs

Public-Private Partnerships



HABITAT FOR
HUMANITY ADUs

Zoning & Development Flexibility

Increased FAR/ Height

Bonus Unit(s)

Town of Ross Floor Area Bonus

Allows ADUs up to 1,200 sq ft with Council approval and an affordability contract

Zoning & Development Flexibility

Increased FAR/ Height

Bonus Unit(s)

City of San Diego ADU Bonus Program

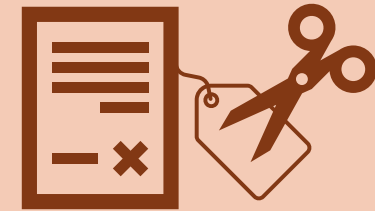
*Bonus ADUs Allowed with On-Site
Affordable Units*

Unlimited bonus ADUs allowed in Sustainable Development Areas (1 market-rate per affordable unit). Outside these areas, max 1 bonus ADU. Affordability must be deed-restricted for 10–15 years.

Financial Support

Permit & Impact Fee Waivers

Grants & Loan Programs



City of San Diego waives development impact fees for ADUs with existing single-family dwellings.

Financial Support

Increased FAR/ Height

Grants & Loan Programs

San Diego Housing Commission's (SDHC) ADU Finance Program

Offers up to \$250K in loans and free technical support to help moderate-income homeowners build ADUs. In return, ADUs must remain affordable for 7 years, helping create rental housing and build homeowner wealth.

Measuring ADU Affordability

- **What's affordable?**

- Housing is considered affordable if rent + utilities \leq **30% of income**.
- These examples are based on the County's income limits for low-income households (80% AMI).
- Helps jurisdictions evaluate whether ADUs are serving low-income renters or if incentives are needed to reach this level of affordability.

**Maximum Affordable Rent by Household Size
(80% AMI – San Diego County, 2024)**

Household Size	Income	Max. Rent
1	\$84,900	\$2,123
2	\$97,000	\$2,425
3	\$109,150	\$2,729
4	\$121,250	\$3,031

Coming Up

- **ADU Affordability Survey**
- Resources include:
 - Draft survey
 - Mailing postcard
- Optional tool for your jurisdiction to use to verify ADU rents



**SHARE YOUR
EXPERIENCE
WITH ADUs**

CITY
LOGO

SANDAG

Questions and Discussion

Upcoming TA

- Optional ADU Survey for your jurisdiction
- 2024 APR Data and HPPT updates
- Ongoing Legislation Tracking

Legislative Webinar:

Wed. June 25

11am-12pm

Register here →



Submit TA Requests to:

Housing@SANDAG.org

Conclusion

Sign Up for Email Updates

Stay in the loop with upcoming events and new resources



<https://forms.office.com/g/AKNR2TzbfD>

SANDAG

Connect with SANDAG's HAP TA Team

➤ **Project website:** sandag.org/housing

✉ **Local Staffing Assistance Requests**
Email: Housing@SANDAG.org

👤 **Contact SANDAG**
Email: carrie.simmons@sandag.org
Phone: (619) 837-6503

SANDAG