

# 2021 Housing Element Update: Inclusionary Housing and Accessory Dwelling Unit Policies

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Planning Commission

August 11, 2020

# Items for Discussion on August 11, 2020

Height Limit (continued from July 21, 2020)

Inclusionary Housing Ordinance

Accessory Dwelling Unit (ADU) Ordinance

# Inclusionary Housing

Promotes the inclusion of housing units that are affordable for moderate and low income households in new residential projects by providing incentives and cost offsets to developers



# Inclusionary Housing - What are Other Cities are Doing?

	Applicable Residential Projects
Pasadena	<ul style="list-style-type: none"> <li>• 10 units or more</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• All non-single family residential projects</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• All non-single family residential projects</li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• 10 units or more</li> </ul>

# Inclusionary Housing - What are Other Cities are Doing?

	Percentage of Affordable Housing Units
Pasadena	<ul style="list-style-type: none"> <li>• Units for Rent: 10% of total number of units to low income and 5% to low or moderate income</li> <li>• Units for Sale: 15% of total number of units to low or moderate income</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• 2 – 10 Units: 1 unit for low or moderate income</li> <li>• 11-20 Units: 20% of total number of units to low or moderate income</li> <li>• 21-40 Units: 20% of total number of units to low or moderate income; 30% of total number of units if the units are smaller</li> <li>• 41+ Units: 20% of total number of units to low or moderate income; 20% of total floor area if the units are smaller</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• 4-15 Units:                             <ul style="list-style-type: none"> <li>• Rent: 20% low, 10% very low, or 5% extremely low income</li> <li>• Sale: 20% moderate income</li> </ul> </li> <li>• 16+ Units:                             <ul style="list-style-type: none"> <li>• Rent: 25% low, 15% very low, or 10% extremely low income</li> <li>• Sale: 25% moderate income</li> </ul> </li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• 15% of the total number of units to low and moderate income                             <ul style="list-style-type: none"> <li>• 9% for low income</li> <li>• 6% for moderate income</li> </ul> </li> </ul>

# Inclusionary Housing - What are Other Cities are Doing?

	Alternatives/In-Lieu Fee
Pasadena	<ul style="list-style-type: none"> <li>• Rent: \$1.19 - \$33.76/square foot</li> <li>• Sale: \$16.86 - \$63.89/square foot</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• \$13.63 – \$29.23/square foot (depends on the number of units)</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• Rent: \$35.70/square foot</li> <li>• Sale: \$41.70/square foot</li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• Projects with 20 units or less, an in-lieu fee, as established by the City Council can be paid by the developer</li> <li>• Land donation and building units off-site is also allowed.</li> </ul>

# Inclusionary Housing - What are Other Cities are Doing?

	Incentives/Bonuses
Pasadena	<ul style="list-style-type: none"> <li>• Density bonus (cannot be combined with in-lieu fee)</li> <li>• Reduced fees</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• Density bonus</li> <li>• Parking reductions</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• Administrative approval</li> <li>• Density, Floor Area Ratio, and Height Bonus</li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• TBD</li> </ul>

## Inclusionary Housing - What are Other Cities are Doing?

	Affordable Unit Covenants
Pasadena	<ul style="list-style-type: none"> <li>• 45 year minimum (includes units for sale)</li> <li>• Runs with the land (include units for rent)</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• For the life of the project (includes units for rent and sale)</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• 55 year minimum (includes units for rent)</li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• Runs with the land (does not specify for rent or for sale units)</li> </ul>



# Inclusionary Housing - What are Other Cities are Doing?

	Affordable Unit Dispersal/Size/Materials/Finishes
Pasadena	<ul style="list-style-type: none"> <li>• Dispersed throughout the project</li> <li>• Proportional, in number, bedroom size and location to market-rate units</li> <li>• Comparable in terms of design, appearance, materials, finished quality and interior amenities</li> </ul>
West Hollywood	<ul style="list-style-type: none"> <li>• Dispersed throughout the project (can be clustered if results in more affordable units plus a community benefit)</li> <li>• Contain on average the same number of bedrooms as market-rate units</li> <li>• Comparable in terms of appearance, finished quality, and materials</li> </ul>
Santa Monica	<ul style="list-style-type: none"> <li>• Reasonably consistent with the market rate units in the project</li> </ul>
Alhambra (draft)	<ul style="list-style-type: none"> <li>• Dispersed throughout the project</li> <li>• Proportional, in number, bedroom size and location to market-rate units</li> <li>• Comparable in terms of design, appearance, materials, finished quality and interior amenities</li> </ul>

# For Discussion: Inclusionary Housing in South Pasadena

Program Element	Discussion
Applicable Residential Projects	<ul style="list-style-type: none"> <li>• Consider multi-family projects of 5 units or more</li> </ul>
Percentage of Affordable Housing Units	<ul style="list-style-type: none"> <li>• 5 – 10 Units: Consider 10% of total number of units to low income</li> <li>• 11-25 Units: Consider 10% of total number of units to low income and 5% to very-low income</li> <li>• 26+ Units: Consider 15% of total number of units to low income, 10% to very-low income, and 5% to extremely low income</li> </ul>
Alternatives/In-Lieu Fees	<ul style="list-style-type: none"> <li>• Consider allowing off-site development of affordable units</li> <li>• Consider establishing an in-lieu fee that is high enough to incentivize developing affordable units</li> </ul>
Benefits/Incentives	<ul style="list-style-type: none"> <li>• Consider density bonuses, variable height, and parking reductions</li> </ul>

# For Discussion: Inclusionary Housing in South Pasadena

Program Element	Discussion
Affordable Unit Covenant	<ul style="list-style-type: none"> <li>• Consider a minimum of 55 years to run with the land</li> </ul>
Affordable Unit Dispersal/Size/Materials/Finishes	<ul style="list-style-type: none"> <li>• Consider affordable housing units to be dispersed throughout the project and compatible with the market-rate units</li> </ul>

# Accessory Dwelling Units

- ADUs are smaller, independent residential units located on the same lot as an existing housing unit



- Junior ADUs (JADUs) are ADUs that are 500 square feet or smaller and can only be attached to a single-family dwelling unit



## State Legislation prohibits:

- Minimum lot size
- Owner-occupancy requirements
- Cities from denying ADUs with 16-foot heights or 4-foot side and rear yard setbacks

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Eligible Zones	Properties containing single-family or multi-family residences within the RE, RS, RM and RH zoning districts.	Only properties with single-family or multi-family residences within residential or mixed use zones	<p>Consider allowing ADUS in the Mission Street Specific Plan, specifically for:</p> <ul style="list-style-type: none"> <li>• Properties with existing single-family residence</li> <li>• Properties with existing multi-family residences</li> <li>• Properties with mixed-use</li> </ul>

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Maximum Size	Detached ADUs shall not exceed 1,200 square feet.	Maximum of 850–1,200 square feet or 50% of the existing living area*	

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Location on Site	Attached to or detached from the primary dwelling on the same lot. Shall not be located above a garage, unless it is a conversion or a JADU (attached to the main house).	No state requirement	Consider allowing ADUs over detached garage if they meet objective design standards

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Height/Setback	<ul style="list-style-type: none"> <li>Maximum height of a detached new accessory dwelling unit shall not exceed 16 feet and shall not be greater than one story.</li> <li>Shall comply with the setback requirements of the applicable zoning district.</li> <li>No setback shall be required for conversion of an existing structure.</li> <li>A setback of no more than 4 feet from the side and rear lot lines shall be required for new construction or replacement structures.</li> </ul>	Prohibits cities from denying ADUs with 16-foot heights or 4-foot side and rear yard setbacks	<p>Consider allowing ADUs over detached garage if meet objective design standards</p> <p>Consider setback aligned with primary structure or 4', whichever is less.</p>



# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Interior Facility	Include living, sleeping, cooking and bathroom facilities. Limited to one bedroom.	Must include permanent provisions for living, sleeping eating, cooking, and sanitation*	Consider 2 bedroom maximum to encourage affordability of unit
Entrance and Visibility	Separate entrance from the primary dwelling unit, entrance shall not be visible from the public right-of-way	Required to have a separate entrance from the primary dwelling unit.	Consider removing requirement that entrance not be visible from the public right-of-way.

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Utilities	Shall not have separate utility service	Allows local agencies to require a new or separate utility connection.	Consider allowing or requiring for separate utilities to encourage rental units.
Exterior Design	Consistent with the primary dwelling unit	Allows local agencies to impose standards including design, development, and historic standards	<p>Consider adopting objective design standards to preserve character and expedite design and review of compliant ADUs.</p> <p>Consider providing standards plans to expedite design and review of ADUs.</p>

# Accessory Dwelling Units

Program Element	Existing Requirements	State Requirements	Discussion
Parking	Minimum of one off-street parking space for each second dwelling unit. ADUs located within historic districts or ½ mile of transit are exempt	Prohibits cities from requiring replacement of off-street parking for the primary dwelling*	Note: Parking is not required for most ADUs since most of the City is within ½-mile from a transit stops.
Rental	Cannot be rented for a period less than 30-days	ADUs may be rented separate from the primary residence but may not be sold separate from the primary residence.	Maintain prohibition of short-term rentals of ADUs.

# Next Steps

**August/September 2020** – Modeling of selected sites for right-sized heights, density, setbacks, and stepbacks

**Mid-September** – Community Meetings: Housing Element, Height, Inclusionary Housing, and ADUs

**October 2020** – Planning Commission Meeting: Draft Inclusionary Housing Ordinance and ADU Ordinance for Commission Discussion and Public Comment

**November 2020** – City Council Meeting: First Reading and Introduction of the Inclusionary Housing Ordinance and ADU Ordinance