

# ADU Accelerator Program - Senate District 7

## Senator Steve Glazer

### **Program Overview**

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Cities across California are ramping up efforts to encourage the production of accessory dwelling units (ADUs) to help address the housing crisis. Some cities are taking steps to encourage and facilitate the construction of ADUs through the development of permit-ready plans, including architectural design work. Other cities are waiving processing fees to bring down the cost of housing.

This new program will be piloted by Senator Glazer's District 7, composed of 15 cities in the East Bay of the San Francisco Bay Area. The program funding will come from the California Department of Housing and Community Development for the purpose of advancing or "accelerating" the production of 350 ADUs through a series of programs. The Town of Danville will be the program's fiduciary agent.

### **Program Funding**

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Section 19.564 of the Budget Act of 2023 provides \$2,500,000 to be allocated by the California Department of Housing and Community Development for implementation of the ADU Accelerator Program to grant funds to cities for the creation of pre-approved permit ready accessory dwelling unit plans and an incentive program.

### **Program Eligibility**

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- 15 cities located in Senate District 7: including Antioch, Brentwood, Clayton, Concord, Danville, Dublin, Lafayette, Livermore, Moraga, Oakley, Orinda, Pittsburg, Pleasanton, San Ramon, and Walnut Creek
- Must have a Certified Housing Element that meets the substantial compliance requirements of Housing and Community Development.

### **Program Details**

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#### **1. Incentive and/or Lending Program – Available Funding \$1,750,000**

##### *A. Low-Income Restricted ADUs*

Provide individual incentives of up to \$15,000 to property owners that obtain building permits for an ADU and receive a certificate of occupancy within 18 months of issuance. Incentives will be provided for units that are deed restricted to low-income households for a minimum of 20 years; based upon the following sliding scale:

- \$15,000 for units under 500 sf
- \$10,000 for units under 750 sf

- \$5,000 for units under 1000 sf

**B. Non-restricted ADUs**

Provide individual incentives of up to \$7,500 to property owners that obtain building permits for an ADU and receive a certificate of occupancy within 18 months of issuance. Incentives are provided for units based upon the following sliding scale:

- \$7,500 for units under 500 sf
- \$5,000 for units under 750 sf
- \$2,500 for units under 1000 sf

*Example:*

*City of Dublin has a population of 72,917 (as of January 1, 2024)*

*Per Capita - \$1.87*

*Eligible for Award of \$136,352*

*Divided by average of \$5,000 per unit (unrestricted)*

*Potential ADUs Added: 27 ADUs*

**C. Lending Program**

Cities partner with local lending institutions to pay points to lower the burden of financing ADUs. Maximum limits and restrictions are consistent with the Incentive Program.

**2. Permit Ready Prototype ADU Plans – Available funding \$750,000**

Cities receive funding toward preparing prototypical permit ready ADU plans, including design elevations and construction drawings. Permit ready plans are intended to streamline the ADU development process and facilitate additional ADU development in their community. Cities may partner with other cities on applications in this category to leverage investment. The maximum grant per city will be \$50,000.

**Application Process**

Participating cities must complete the attached application form to receive funds.

*Incentive/Lending Programs*

The application must include the anticipated number of units proposed to be produced and the amount requested based on the per capita amount identified in the Funding Eligibility. Funding will be distributed to cities upon receipt of the application. Any unused funding must be returned at the end of the 18-month

period and may be reallocated to cities that meet their targets and have additional need.

#### *Permit-Ready Prototype ADU Plans*

Application must include a brief description of the plans to be developed including the number of floor plans and ADU sizes, and the requested funding amount. Maximum funding per agency is \$50,000 per city. Cities may partner with other eligible cities on applications in this category to leverage investment. Permit ready plans must be completed and available to prospective permittees within 12 months of grant award and include a city resolution adopting the Plans.

### **Application Deadlines**

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#### Incentive/Lending Program

- September 1 - December 31, 2024 (can be extended if additional funds are available to be rolled over from Permit-Ready program)

#### Permit-Ready Prototype ADU Plans

- September 1 - December 31, 2024

### **Funding Eligibility**

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There are 15 cities of varying size within Senate District 7. Funding eligibility for the Incentive and Lending Programs will be based on a per capita amount of \$1.87 per resident. This number will be based on the Department of Finance Population Estimate on January 1, 2024.

Eligible recipients shall be cities in Contra Costa and Alameda Counties, specifically Dublin, Livermore, Pleasanton, Antioch, Brentwood, Clayton, Concord, Danville, Lafayette, Moraga, Oakley, Orinda, Pittsburg, San Ramon and Walnut Creek.

The Town of Danville will act as the fiscal agent to receive fund applications and distribute Program funds.

