San Diego may add new incentive to spur more low-income ADUs

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A finished flat in North Park.

(Jarrod Valliere/The San Diego Union-Tribune)

Planning Commission OKs another change in city rules, which are already believed to be loosest in California.

SAN DIEGO -

San Diego may soon add a new incentive aimed at spurring construction of more accessory dwelling units, which city officials call the fastest and cheapest way to address the local housing crisis.

City officials are proposing to make it easier for developers and homeowners to take advantage of the city's bonus program for accessory dwelling units, which are sometimes called granny flats, casitas or backyard units.

The program now allows the construction of one bonus ADU by any property owner willing to build an ADU and agreeing to rent it at a reduced rate to low-income or moderate-income residents for 15 years.

The proposal would shrink the duration of the rent restrictions from 15 years to 10 years for low-income residents, but the city would maintain the 15-year requirement for moderate-income residents. The bonus ADU can be rented at market rates.

The goal of the proposal, which was spearheaded by City Council President Sean Elo-Rivera, is to encourage more property owners to create ADUs for low-income residents.

Under the city's ADU <u>ordinance</u>, moderate income is defined as anything less than 110 percent of the <u>area's median income</u>, which is \$66,550 for a family of one, \$76,100 for a family of two, \$85,600 for a family of three and \$95,100 for a family of four.

Low income is defined in the ordinance as anything less than 60 percent of the area's median income.

City officials are hoping developers are willing to give up thousands in rent during the first 10 years after an ADU is built in exchange for having the rent restrictions lifted after 10 years instead of 15 years.

"Ten years will go by fairly quickly, but I do like the idea of allowing an incentive to do more and create more housing," Planning Commission Doug Austin said. "Let's face it, the housing just isn't happening fast enough in San Diego."

Commission James Whalen said the change is worth a try.

"It'll be an interesting experiment," he said. "Maybe it'll work."