

The information below focuses on ADUs created on lots with single-family homes. ADUs are also allowed on multi-family properties.

WHAT IS AN ADU?

ADU stands for Accessory Dwelling Unit (ADU). An ADU is a small, self-contained residential dwelling on the same lot as an existing or proposed single-family home or multi-family property. ADUs must have a kitchen, bathroom, place to sleep, and a separate entrance from the main property.

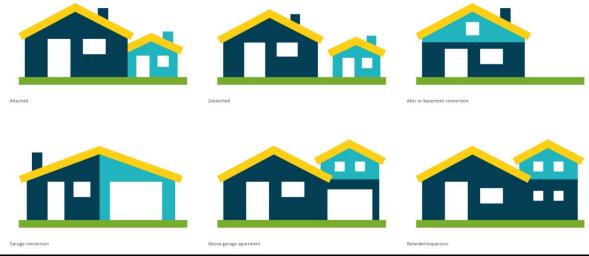


Image Courtesy of Casita Coalition

WHAT ARE THE TYPES OF ADUS?

ADUs are regulated depending on their size and whether they are created through the conversion of existing space or the creation of new space. The ADU types are briefly described below and the regulations pertaining to each type can be found in the <u>ADU</u> <u>Summary Table</u>.

- Junior ADU (JADU). Small ADU (500 square feet or less) that is entirely contained within a single-family residence (including an attached garage). A JADU must have an efficiency kitchen and separate entrance, but it may share a bathroom with the main house.
- **Conversion ADU.** Created by converting existing space on the property, including space within a single-family home (e.g., basement, spare bedroom) or a legally built, detached accessory structure (e.g., detached garage). Conversion ADUs can also be built by tearing down an accessory structure, like a detached garage or shed, and rebuilding in the same location to the same dimensions as the demolished structure.
- **Small Detached or Attached ADU.** New construction ADU that is 800 square feet or less. This type of ADU may be a separate structure from the main home or attached to the main home.
- Large ADU or ADU Permit ADU. New construction ADU that is over 800 square feet. This type of ADU, which may be attached or detached from the main home, must match the appearance of the main house and requires an ADU permit.



WHAT ARE THE BENEFITS OF BUILDLING AN ADU?

ADUs can benefit homeowners, renters, and the larger community:

- Renting an ADU can provide homeowners with **additional income** and increase the value of homes, enabling homeowners **build wealth**.
- **Neighborhoods can be stabilized** through ADUs by offering affordable rental options, supporting aging in place, and allowing homeowners to house family or friends at risk of displacement.
- ADUs provide **flexible housing** solutions to accommodate changing family dynamics, such as housing adult children, aging parents, or caregivers at various life stages.
- ADUs increase the supply of **affordable housing**. They can be built more quickly and cost-effectively than traditional housing projects and often rent below market rates.
- Adding more affordable housing options in single-family neighborhoods enhances **community diversity and inclusion** and can enable a more diverse range of households to reside in areas with higher access to opportunity.
- Because they utilize existing infrastructure and have a smaller environmental footprint, ADUs have **less environmental impact** compared to other types of homes.

WHAT ARE THE RISKS?

Building an ADU means building an entirely new home with a kitchen and bathroom on your property and has inherent risks. Know it can take longer and cost more than anticipated and understand that there are laws that provide certain rights to tenants.

CAN I BUILD AN ADU ON MY PROPERTY?

JADUs and ADUs are allowed in all zones that allow residential use. You should double check with a planner, but in almost all cases, you can build at least one if you own a lot with a residence on it.

HOW MUCH DOES IT COST TO BUILD AN ADU?

Costs vary widely depending on your site, ADU size and type, finishes, and construction type. Where practical, the lowest cost option is a JADU or conversion of finished space in an existing home, such as an existing bedroom.

Using pre-fabricated ADUs built in a factory and transported to the site can decrease your construction costs. However, there will be costs related to the transportation of these units and they may not be feasible on all sites. Do your due diligence when looking at factory-built products just like you should when working with any construction professional.

WHAT FINANCING OPTIONS ARE AVAILABLE?

Your ability to secure financing for an ADU will depend on many factors, including your credit score, income, existing debt, home equity, and the amount of value the ADU adds to

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your property. Some popular finance options include a home equity line of credit, home equity loan, cash-out financing, renovation loan, or cash savings.

No matter how you finance your ADU, you will need to consider the level of debt you are comfortable incurring and how soon you'll see a return on investment.

HOW WILL AN ADU IMPACT MY PROPERTY TAXES?

Adding an ADU does increase a homeowner's property taxes. Please check with the <u>Contra</u> <u>Costa County Tax Assessor's Office</u> for information on property taxes and how they are calculated.

HOW LONG DOES IT TAKE TO GO THROUGH THE PERMITTING PROCESS?

Preparing a complete ADU application with all the <u>necessary submittal requirements</u> is the first and most important step to a smooth approval process. City staff will deny or approve a complete ADU application within 60 days of submittal. If your application is denied, the process will then depend on how quickly you and your project team can respond to City comments.

Alternatively, you can use <u>plans that have already been pre-approved by City staff</u>. Using the pre-approved ADU plan program is the quickest and most cost-effective way to move through permitting. If using a pre-approved plan, City staff will only need to check the specifics of your site and will deny or approve your application within 30 days.

HOW MUCH DO CITY FEES COST?

There are two categories of fees to be aware of, explained below.

Development Impact Fees

Development Impact Fees (DIFs) offset the increased demand for services and infrastructure (e.g., police, parks and recreation) brought by new businesses and residents. **ADUs that are less than 750 square feet are exempt from all DIFs except school district fees**. ADUs that are 750 square feet or more are charged a rate that is proportional to the square footage of the primary dwelling.

The City of Antioch does not control the Antioch United School District (AUSD) fees, which apply for ADUs that are 500 square feet or more. The <u>AUSD website</u> provides the current fee rates.

Department Fees

Department Fees (e.g., plan check fees, building permit fees) are levied to cover the costs of the review process, inspections, and administrative expenses. These fees are driven by the construction cost of your ADU (or "project valuation"), which you report to the Building Division. As an example, a small (515-square-foot) ADU with a valuation of \$200,000 would be subject to a total of approximately \$4,050 in department fees.



HOW DO I FIND A GOOD CONTRACTOR?

Many contractors have developed specialties (e.g., garage conversations, prefabricated options), so the type of ADU you want to build will influence your options. Ask friends and family for recommendations and consider the contractor's previous projects and references. It is wise to get cost estimates (bids) from multiple contractors to have a range of options to compare. The <u>Contractors State License Board</u> has resources and tips for consumers like you, including tools to verify that contractors are licensed and to check for any registered complaints against a contractor.

The City's pre-approved ADU plans can also be a starting part to finding a professional team. The pre-approved designs have been verified by the City for compliance with the applicable Building Codes. If you select a pre-approved design, you must work with the professional who created that design.

CAN I RENT MY ADU ON AIRBNB OR VRBO?

No, it is illegal to rent an ADU as a short-term rental. All ADUs that are rented must be rented for longer than 30 days.

DO I HAVE TO LIVE ON THE PROPERTY TO HAVE AN ADU?

No, both the main house and ADU can be rental units. However, if you build a JADU, the homeowner is required to live on the property (either in the main house, an ADU, or JADU on the lot).

WHAT TENANT PROTECTIONS APPLY TO MY ADU?

With very limited exceptions, the City of Antioch's Prohibiting Retaliation Against and Harassment of Residential Tenants (aka Tenant Protections Ordinance) applies to all landlords and tenants within Antioch, including ADUs. At the time of writing, a proposed but not adopted Just Cause for Eviction Ordinance would also apply. These regulations are intended to protect vulnerable populations of the Antioch community, preserve Antioch's affordable rental housing stock, and prevent adverse health impacts suffered by individuals as a result of involuntary displacement.

Newly constructed ADUs built after January 1995 are <u>not</u> covered under the City's Rent Stabilization Ordinance (sometimes colloquially called "rent control"). However, if you build an ADU and then rent out the existing house, it will trigger rent stabilization regulations on the main home if it was built before 1995. Rent stabilization places limits on how much and how often rent can be increased.

For more information on all tenant protections, please see:

<u>https://www.antiochca.gov/rent-program/</u> or contact the City's rent program at <u>Rentprogram@antiochca.gov</u> or 925-779-7017.



HOW DO I LEARN TO BE A GOOD LANDLORD?

Renting out and managing an ADU is a big responsibility. Antioch's Housing & Homelessness Division provides educational resources for tenants and landlords you can explore at <u>https://www.antiochca.gov/pscr/housing-programs/</u> or you can contact the division at <u>CDBG@AntiochCA.gov</u> or 925-779-7037.

In addition to understanding your legal obligations, it is important to think about things like insurance, sharing utilities, budgeting for maintenance costs, tenant selection, setting the rental rate, sharing spaces, and addressing potential issues. If these things seem daunting, hiring a professional property manager may be a good investment. For a portion of the rent, property manager can take of these responsibilities.