

January 16, 2018

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Honorable Mayor Rennie and Members of the Town Council
Town of Los Gatos
110 E. Main Street
Los Gatos, CA

Dear Mayor Rennie, Vice Mayor Lenoardis, and Councilmembers Jensen, Sayoc, and Spector:

**Re: January 16, 2018 Town Council Meeting Agenda Item 13
(Accessory Dwelling Units)**

Silicon Valley at Home (SV@Home) is a policy and advocacy nonprofit whose mission is to drive the creation of affordable housing for a more vibrant and equitable Silicon Valley. We represent a broad range of interests, from leading employers who drive the Bay Area economy, to labor and service organizations, to local government agencies, to nonprofit and for-profit developers who provide housing and services to those most in need.

On behalf of our members, we thank the Town of Los Gatos for taking action to not only align its ADU ordinance with State requirements, but also consider further policy changes that go above and beyond these requirements. We write today to convey our support for these efforts, and in addition, share a few concerns and recommendations for strengthening the Ordinance.

We believe that ADUs can serve as critical tool for addressing Santa Clara County's affordability challenges by creating a broader range of affordable housing options in Silicon Valley. Because of their smaller size, ADUs can be more affordable to rent than the average apartment. They can also keep families together, often providing a way for retirees, extended family members, and returning college graduates to continue living near family when they otherwise would not be able to afford housing in Silicon Valley. Additionally, because of State policies that require streamlining of ADU permits, ADUs can increase our housing stock more quickly than other forms of residential development that require more lengthy permitting processes. But in order to fully leverage the opportunity that ADUs provide, local jurisdictions must institute further policy changes that simplify building requirements, streamline permitting processes, and lower costs associated with the construction of ADUs.

As the Town considers options for expanding ADU opportunities, one important consideration is that many unlawful nonconforming ADUs provide an existing home for someone. It is critical that these units can continue to provide stable and safe housing for their current residents. Los Gatos' current ordinance includes a provision (Sec. 29.10.315 (f), Attachment 11, page 5) stating that *"Existing unlawful second dwelling units need not comply with the development standards required by the zone in which the property is located nor the development standards required by section 29.10. 320 for new second dwelling units,"* which has been stricken in the revised draft Ordinance.

- **We strongly recommend preserving the Ordinance’s current language regarding development standards for existing lawful units in Sec. 29.10.315 (f).** This is an important provision – one which we commend the Town for having established, and that we are encouraging other jurisdictions to also adopt – that encourages owners to come forward and bring their units into compliance with building and safety codes, while keeping current tenants from being permanently displaced. While their units may not comply with current zoning standards, if they are safe for occupants and neighbors, these units should be allowed to meet safety requirements and be legally occupied, without facing any penalties.
- **Additionally, to encourage owners of unlawful and/or nonconforming ADUs to come forward and establish compliance, we recommend reducing any restrictive administrative requirements (such as those included in Sec. 29.10.325 regarding nonconforming units) associated with the process that create significant barriers.** These barriers simply keep unlawful units in the shadows and make it more difficult for homeowners wanting to attain lawful status to actually do so.

Aside from these concerns, we are thrilled by the following changes that staff has incorporated into the draft Ordinance, which would address many of the regulatory barriers that homeowners face when seeking to build an ADU:

- **Allowing ADUs in the R-D zone:** Land is a scarce resource, and in Los Gatos, like much of Santa Clara County, the majority of the land is zoned for residential use. ADUs can increase the supply of housing by adding “hidden density” within the Town’s existing land use patterns. This change will unlock more opportunities for ADU creation where residential land may be underutilized.
- **Eliminating the additional 15% lot coverage maximum for detached ADUs (Attachment 11, page 12):** The existing 40% maximum building lot coverage requirement effectively regulates lot coverage on its own without an additional ADU-specific requirement. This change will provide homeowners with more flexibility, and thus, make ADUs feasible on more lots.

Lastly, we strongly recommend that the Town of Los Gatos further simplify its development requirements by removing the minimum lot size requirement and exempting ADUs from the FAR standards established by the residential zoning codes. As noted above, the current building lot coverage requirement alone sufficiently controls for development only on appropriate lot sizes, and in effect, it dictates the minimum lot size and maximum additional FAR allowable for ADU development. Removing these duplicative layers of policy will greatly simplify the requirements and encourage homeowners who are often discouraged by confusing and challenging regulations and permitting processes.

Again, we thank the Council for its consideration and ongoing efforts to implement its Housing Element’s Enhanced Second Unit Program. We appreciate the opportunity to provide our feedback and hope to continue supporting the Town’s broader efforts to create thriving, sustainable, and affordable communities.

Sincerely,



Pilar Lorenzana
Deputy Director

