



City of Palo Alto

City Council Staff Report

(ID # 9467)

Report Type: Informational Report

Meeting Date: 8/27/2018

Summary Title: 2nd Quarter 2018 ADU Development Activity Report

Title: Report to City Council on Accessory Dwelling Unit/Junior Accessory Dwelling Unit Development Activity for Second Quarter 2018

From: City Manager

Lead Department: Planning and Community Environment

Recommendation

This is an informational report and no action is requested.

Background

The City Council adopted [Ordinance No. 5412](#)¹ on May 8, 2017, which amended Title 18 (Zoning) of the Palo Alto Municipal Code to implement State requirements related to Accessory Dwelling Units (ADU) and to encourage the construction of accessory dwelling units. At the time of the adoption of the updated regulations, Council directed staff to provide quarterly reports on permits filed for the construction of accessory dwelling units. Council received the last development report summary on May 7, 2018 ([Report #8969](#)²).

Discussion

In the second quarter of 2018, a total of 20 ADU building permit applications were filed. All the applications are under review. Except for one of the applications, all the ADU applications were in the R-1 single family zone. The majority of applications filed (60%) were for sites in South Palo Alto. Seven of the ADU applications were for new detached units and one was for a new attached unit. The remaining applications were for conversions of garages and other accessory spaces.

¹ Ordinance 5412: <http://www.cityofpaloalto.org/civicax/filebank/documents/57945>

² Staff Report 8969: <https://www.cityofpaloalto.org/civicax/filebank/documents/64796>

For this reporting quarter, the majority of the ADU applications were for one bedroom units. The unit sizes ranged from 175 to 900 square feet, with an average unit size of 540 square feet. There were two projects proposed utilizing the floor area bonus allowed under the City's ordinance. The City has not yet received an application for a Junior Accessory Dwelling Unit. Additional details about the units reviewed and proposed are provided in the attached table (Attachment A).

With the implementation of the State regulations in 2017, the City experienced a significant increase in ADU permit activity; prior to this implementation there was an average of four ADU permits per year. In the second quarter of 2018, the City received 20 ADU applications, bringing the total for the calendar year to 26. Below is a summary of the ADU activity since the 2017 State regulations became effective.

Table 1: ADU Applications Filed Since January 1, 2017³

	Total Number of Applications	Applications Approved	Applications Under Review^{4,5}	Application Withdrawn/Not Approved
April 1 - June 30 (Q2-2018)	20	0	20	0
January 1 - March 31 (Q1-2018)	6	4	2	0
Sept 9 - December 31 (Q4-2017)	20	15	4	1 (Not Approved)
June 9 – September 8 (Q3-2017)	4	1	2	1 (Withdrawn)
January 1 - June 8 (Q1/Q2-2017)	6	5	1	0
Total	56	25	29	2

Source: Planning Department Accela Data 2018. Includes all projects with Building Permit applications filed from January 1, 2017.

ADU Code Updates

³ Applications filed in 2016 and receiving Building Permit approval in 2017 are not included in this dataset.

⁴ This category includes projects pending applicant resubmittals.

⁵ The data in this report suggests ADU application processing times may be increasing and some of this may be related to vacancies in the Planning department. While there are a variety of reasons why some applications take longer to process than others, staff has initiated a review of completed and pending applications to learn if there are administrative solutions to improve application processing times. Staff will report back on these findings for the next quarterly report or sooner if able.

In May 2017, as part of the implementation of the local ADU regulations, the City Council directed staff to review the newly effective regulations and identify potential amendments that may be incorporated into a revised ordinance.

After conducting Study Sessions with both the PTC and City Council, staff prepared a draft ordinance that was reviewed and recommended for approval by the PTC on April 25, 2018 ([Report #9129](#)⁶). The City Council review of this ordinance is tentatively scheduled for August 20, 2018.

Attachments:

Attachment A: ADU Applications from April 1 to June 30, 2018 (PDF)

⁶ Staff Report 9129: <https://www.cityofpaloalto.org/civicax/filebank/documents/64677>

ADU Building Permit Applications Filed between April 1, 2018 to June 30, 2018

#	Project Location	Zoning	Date Filed	Building Permit Issued	Type of ADU (New)		Type of ADU (Converted)		Type of Conversion		ADU Size (SQFT)
					Attached	Detached	Attached	Detached	Garage	Other Accessory Spaces including Basement and Main House	
1	North Palo Alto	R-1	4/3/2018	No			x		x		400
2	South Palo Alto	R-1	4/12/2018	No			x			x	525
3	South Palo Alto	R-1 (8,000)(S)	4/17/2018	No			x		x		450
4	North Palo Alto	R-1	4/19/2018	No		x					515
5	North Palo Alto	R-1 (10,000)	4/19/2018	No		x					888
6	South Palo Alto	R-1 (10,000)	4/27/2018	No		x					872
7	South Palo Alto	R-1	5/7/2018	No	x						314
8	South Palo Alto	R-1 (S)	5/10/2018	No			x			x	249
9	North Palo Alto	R-1 (10,000)	5/25/2018	No		x					747
10	South Palo Alto	R-1	6/5/2018	No				x	x		364
11	North Palo Alto	R-1	6/12/2018	No				x		x	447
12	South Palo Alto	R-1	6/19/2018	No				x	x		419
13	South Palo Alto	R-1	5/16/2018	No				x	x		420
14	South Palo Alto	R-1	5/24/2018	No			x			x	475
15	North Palo Alto	R-1	5/25/2018	No			x			x	1000

#	Project Location	Zoning	Date Filed	Building Permit Issued	Type of ADU (New)		Type of ADU (Converted)		Type of Conversion		ADU Size (SQFT)
					Attached	Detached	Attached	Detached	Garage	Other Accessory Spaces including Basement and Main House	
16	South Palo Alto	R-1	6/5/2018	No		x					175
17	North Palo Alto	R-1	6/8/2018	No				x	x		519
18	South Palo Alto	RE	6/21/2018	No		x					898
19	South Palo Alto	R-1	6/22/2018	No		x					898
20	North Palo Alto	R-1	6/29/2018	No				x	x		324
Source: Planning Department Accela Data 2018. Includes Building Permit applications filed from April 1, 2018 through June 30, 2018											