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REBECCA KAPLAN

Vice Mayor

District At Large

Distract 1

Date: March 15, 2022

To: Members of City Council and Members of the Public

From: Vice Mayor Kaplan and Councilmember Kalb

Re: Resolution To Affirm And Clarify That Building An Accessory Dwelling Unit (ADU)

Does Not Require The Installation Of Separate Utility Meters For The Accessory

Dwelling Unit Under Oakland's Policies

Dear Colleagues on the City Council and Members of the Public,

Accessory dwelling units (ADUs) are attached or detached residential dwelling units located on a lot with an existing primary residence, which offer unique opportunities for affordable housing in high opportunity zones. However, many homeowners have identified meeting certain city development standards, particularly around utility metering, as a barrier to building ADUs in Oakland. Therefore, this resolution affirms and clarifies that building an ADU does not require the installation of separate utility meters for ADUs under Oakland's policies.

Oakland is facing multiple extraordinary challenges when it comes to meeting its housing needs, such as housing affordability, gentrification, displacement and homelessnes. With these ever-present and growing challenges, the City must do all in its power to reduce barriers to building more affordable housing. ADUs are a critical form of infill housing because they are generally more affordable and do not present the same environmental quality challenges.

In recent years, the Oakland City Council has repeatedly adopted policies, directives and budget actions seeking to make it easier for those who wish to, to be able to have ADUs on their properties, including reducing parking requirements, and voting to add staff and permit hours for ADU permit approval. While the number of ADU permits and completed ADUs has increased in recent years, constructing an ADU remains expensive because of building costs and adhering to city/county construction standards.

According to a survey conducted by the UC Berkeley Terner Center for Housing and Innovation, 50% of homeowners in the State found it difficult to build their ADUs due to their local agency's development standards, and 14% ranked utility connections among their top challenges¹

¹ Chapple, Karen; Ganetsos, Dori; Lopez, Emmanuel, <u>Implementing the Backyard Revolution:</u>
<u>Perspectives of California's ADU Owners</u> (UC Berkeley Center for Community Innovation, page 6, April 2021)

Requiring the addition of separate utility meters for an ADU can add significant expense to the project, and also causes substantial delay to the effort, and in some cases, the extra burden causes people to give up on providing ADUs. Thus, the pressure to add separate utility meters for ADUs worsens our housing crisis

Up until this point, Oaklanders seeking to build ADUs on their properties have received sometimes conflicting information from staff regarding whether or not they would be required to install separate utility meters. Therefore, this resolution affirms and clarifies that Oakland's policies do not require the installation of separate utility meters for accessory dwelling units. In addition, it requires City Administration to produce, post, and disseminate materials to be made publicly available, describing what steps are, and are not, required for building an accessory dwelling unit in Oakland.