

#7

BUSINESS INSIDER

Crazy-high rent, record-low homeownership, and overcrowding: California has a plan to solve the housing crisis, but not without a fight

Date: 3/21/17
Submitted in PLUM Committee
Council File No: 16-1468
Item No. 7
Deputy: Communication from public



TANZA LOUDENBACK
MAR. 12, 2017, 8:26 AM

DEATH IN SUBURBIA



After his business failed, homeowner Ira Belgrade built — without a permit — this two-story Accessory Dwelling Unit, or "granny flat," on his property to supplement his income. Then someone turned him in.

Tanza Loudenback/Business Insider

Things were going well for Ira Belgrade in 2009. The Los Angeleno and his wife of more than 13 years ran a successful talent-management company, and they'd recently converted their garage into a home office and rec room.

Then, that April, Belgrade's wife died suddenly from complications related to Lyme disease. "It threw my life into turmoil," Belgrade, now 56, recently told Business Insider. He was left to raise the couple's 2-year-old son, Izzy, on his own.

Meanwhile, the company that Belgrade had run with his wife had collapsed. "My business fell apart and I didn't want to lose this house," he said.

Desperate for additional income, he looked at his new home office and saw an answer.

Like the rest of California, Belgrade's affluent Central Los Angeles neighborhood has a major housing shortage.

In the past decade, there has been an average of 80,000 homes a year built in California — 100,000 units below what's needed to keep pace with population growth through 2025, according to a recent report by the California Department of Housing and Community Development (HCD).

To manage the cost of living, more and more Californians are moving in together, often sharing rooms at twice

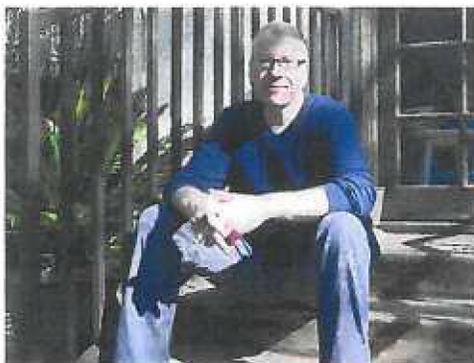
the rate of the national average, according to the HCD.

Others had the same idea as Belgrade. They, too, thought about turning their extra space into a rentable apartment as an inventive way to make more housing available. These types of residences are formally known as Accessory Dwelling Units (ADUs) and colloquially as "granny flats."

But Los Angeles wouldn't grant Belgrade a permit for an ADU. At 6,750 square feet, his lot size just missed the mark required to build, officials said, one of the many Byzantine rules the city applies to ADUs.

"I decided, f--k 'em, I'm going to do it anyway," Belgrade said. To him, the investment, and the risk, would pay off.

He tried to do everything by the book. A "stickler for code and safety," he hired a planner and added a kitchen, French doors, central A/C, and bathrooms to the two-story backyard unit.



Belgrade at his home in the La Brea-Hancock neighborhood of Los Angeles.

Tauza Loudonbock, Business Insider

In 2010 he rented it out, and it became one of the 50,000 unpermitted ADUs across the city. (Because of strict regulations, only 644 had been approved in Los Angeles between 2003 and 2016.)

"It totally saved me," he said. The cash helped cover his mortgage payment.

But over the next several years, Belgrade would go from clandestine landlord to crusader for reform to figurehead of a movement that changed the law.

And while many see ADUs as an antidote to affordable-housing shortages plaguing the country, others are fighting hard against it.

'The consequences are dire'

California's housing-supply slump has driven home prices to levels unseen since 2007, before the dawn of the financial crisis. The current median home value in California is just under \$490,000, up nearly 7% from this time last year and more than twice the national median. Homeownership in the state is at a 70-year low.

And it's near impossible to find affordable rental options. Silicon Valley has been hit especially hard. The median rent in the city of San Francisco, one of the priciest housing markets in the country, is up to \$4,170.

most expensive metros

Andy Kiersz Business Insider

"In the Bay Area, we've added more than 600,000 new jobs since 2010 but created only about 60,000 new housing units," Jim Wunderman, president and CEO of the Bay Area Council, a public-policy advocacy group, wrote in an op-ed for the San Francisco Chronicle.

"The consequences are dire," he wrote.

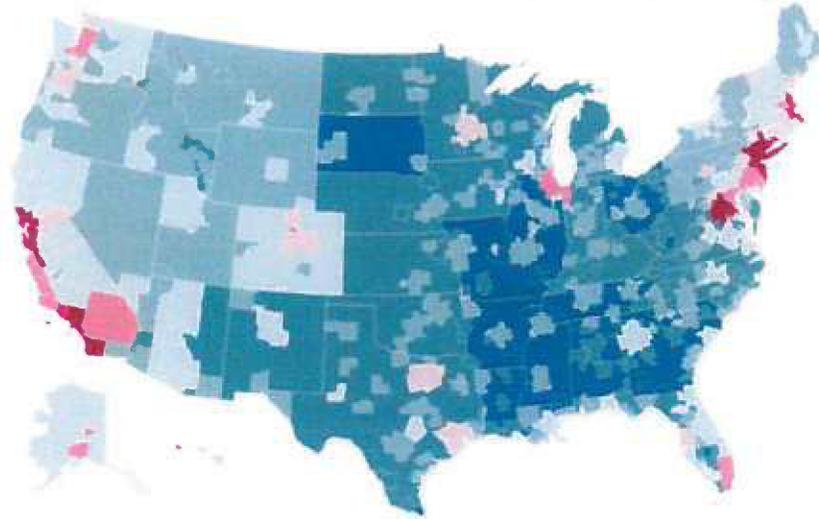
It's not just California. New York City's median rent is hovering around \$3,000, twice the national median. And cities that were once considered the West's more affordable big markets, like Denver, Portland, and Seattle, are now experiencing some of the fastest-rising rents in the country.

The Census Bureau's most recent "American Community Survey" revealed that roughly half of total US renters in 2015 — about 20.4 million — were spending more than the recommended 30% of their income on housing costs.

RELATIVE COST OF LIVING

2014 Regional Price Parity (US average = 100)

■ 79.7-85 ■ 85-90 ■ 90-95 ■ 95-100 ■ 100-105 ■ 105-110 ■ 110-115 ■ 115-123.5



SOURCE: Bureau of Economic Analysis

BUSINESS INSIDER

Andy Kiersz, Business Insider

Some cities wonder whether home-sharing services like Airbnb are to blame for the housing crisis at the micro-level, where landlords are evicting tenants in rent-controlled apartments only to list them as vacation rentals for double the price. But research commissioned by Airbnb says the company's presence in expensive cities is only slightly affecting rents and, in fact, helping with affordability by providing additional revenue streams for renters.

Still, Airbnb doesn't solve any shortage of long-term affordable housing, the primary goal of ADUs.

Tilting the balance of power

For nearly four years, Belgrade and his tenants flew under the radar. Then someone anonymously reported his unsanctioned unit.

"I had to submit to an inspection, and at that point they saw everything was up to code, they weren't trying to shut me down or anything, but they said that I would have to change my certificate of occupancy and go through the process," he said. "So I did. And I came up against a brick wall."

Belgrade was told he could make fixes to the unit totaling \$50,000, by his estimates, including adding covered parking and fire sprinklers and obtaining a zoning adjustment, but there would be no guarantee of a permit.

But he wasn't willing to surrender to the city's demands, and so began his more than two-year effort to reform the city's strict ADU regulations. He attended town-hall meetings and city-council meetings and met with fellow homeowners, and he soon discovered that an onerous approval process and city and utility fees were discouraging people from building.

Then, in early 2016, Los Angeles' infighting came to a head. A lawsuit between the city and a neighborhood organization, led by Carlyle Hall — a homeowner and former land-use and environmental lawyer in California for over 30 years — launched Los Angeles into "legal limbo" and stalled ADU construction for months. Belgrade met dozens of affected homeowners, many whose livelihoods depended on getting their second units occupied, whether with family or a caretaker or renters.

"These are people who had some hard money loans with interest gathering and they were stopped in their tracks," Belgrade said. "These people were outraged, they didn't know what to do. And they were calling me, and I was trying to help them, and I would cry just listening to some of these stories."

"It really drew me in and next thing you know, I'm this, like, major voice of the accessory dwelling units in Los Angeles," he said.

“

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If [a homeowner] decided they wanted to get rid of their garage and convert their unit, or build a unit over the garage, or convert their master bedroom into another unit, that's their prerogative and if that's how they want to live — why not?"

CALIFORNIA STATE SENATOR BOB WIECKOWSKI

Diana Yikraz Business Insider

Then, relief. California Sen. Bob Wieckowski wrote a bill that put the state in charge of ADUs. It passed in September 2016, revoking all ADU city-level ordinances — from parking restrictions to fire sprinkler requirements to cumbersome costs — and established a new, comparatively lenient, baseline criteria for approval.

"It tilts the balance of power in favor of second units and the importance that they can play in helping us meet our housing needs," Wieckowski, a Democrat who represents California's East Bay and part of Silicon Valley, told Business Insider. On January 1, 2017, the law went into effect.

Wieckowski sees Los Angeles as the poster child for a new wave of housing development that could help alleviate California's housing crisis.

"I want LA to lead the state in construction of ADUs," Wieckowski said. "If [a homeowner] decided they wanted to get rid of their garage and convert their unit, or build a unit over the garage, or convert their master bedroom into another unit, that's their prerogative and if that's how they want to live — why not?"

But not everyone sees it that way. Some say it takes the power away from local governments, though they still reserve the right to tailor state law to their city by enacting new, less restrictive rules.

Then there are some homeowners, like Hall, who are worried that a "thoughtless" state standard for building ADUs will erode the character and quality of single-family neighborhoods, and accomplish nothing in the way of housing creation.

Creating a 'postsuburban city'

Hall isn't speaking out of turn. In the 1990s, he served as former Los Angeles Mayor Tom Bradley's appointee to the Redevelopment Agency, where he managed \$100 million in city funds toward affordable housing.

"There's a certain amount of rhetoric that accompanies these second-unit proposals — 'This will provide affordable housing opportunities and allow people who couldn't buy to buy.' Well, that's just utter nonsense, it's poppycock," Hall said. And it's especially true in Los Angeles' hillside and beachfront areas, he says, where affluent, overpriced properties abound.

But Wieckowski says it's a "supply-and-demand gig." The more ADUs pop up, the cheaper they'll become.

Researchers at the CityLAB at UCLA, a think tank in the university's Department of Architecture and Urban Design, see ADUs as a logical next step in the evolution of modern cities.



CityLAB-UCLA and Kevin Daly Architects designed this environmentally friendly ADU prototype called the Backyard BI(h)OME.

cityLAB-UCLA, PhotoKit

Dana Cuff, the founding director of CityLAB and a professor of architecture and urban design and planning at UCLA, said ADUs are part of a "postsuburban city."

The modern household no longer comprises the bread-winning dad, the stay-at-home mom, and 2.5 kids, Cuff told Business Insider. Instead, college graduates are moving back in, and homeowners need cash flow from renters and space for nannies, caretakers, and aging parents.

"There's just an infinite number of ways our housing should be made more flexible for our complete lives," she said, and ADUs "get the ball rolling."

Cuff's research suggests that ADUs are feasible for 5% to 10% of the 500,000 single-family lots in Los Angeles, enough to make a dent in Mayor Eric Garcetti's goal for 100,000 new housing units by 2021.

While ADUs may be a solution for boosting housing supply in the long term, it's not a quick fix, she says.

"It's a messy process that's going to take time as people try to figure out how to do it efficiently so that the housing that's built there is, in fact, affordable," Cuff said. "The amazing thing about the secondary units is the land is free. It's already there, you don't buy that. And that's the biggest expense in housing today, the land."

In 2009, Portland began waiving ADU-development fees, cutting costs by up to \$15,000 for the construction or conversion of one unit. Over the next six years, the number of ADU permits in the city tripled, and the measure was recently renewed through 2018 to encourage homeowners to build ADUs. The city says ADUs are now integral to meeting its housing goals.

In New York City, the Citizens Housing and Planning Council has suggested a pilot program to convert up to 38,000 basements in single-family homes into legal apartments. But as the group notes, there would be legal and political hurdles to overcome before a plan like this comes to pass.

"People are naturally, and probably rightly, skeptical about neighborhood change, but I think over the long run neighborhoods are going to find that this is an extremely beneficial change to our single-family-housing fabric from everyone's point of view," Cuff said.

The fight doesn't end there

In March, Belgrade finally received his ADU permit under the new law. But he had to shell out \$3,300 in permit and city fees to make it happen.

Still, he doesn't regret building illegally years ago. And the same tenants who moved in six years ago still live there.

"Having renters keeps my family in this house," said Belgrade, who's now remarried with a 1-year-old son.

The fight doesn't end there. Belgrade says he won't fall silent in the ADU community. He's already working to establish a Los Angeles-based advocacy group for fellow ADU landlords called YIMBY, "Yes In My Backyard."

"The business potential is enormous, and serving the public with it. There's a lot that can be done — for-profit and not-for-profit — that really could help increase the housing stock," Belgrade said. "This could be one of the greatest assets to housing that the state of California has seen in generations."



Belgrade is starting an advocacy group for ADU landlords.

Tauza Loudenbeck Business Insider

CRSP

Institute for Urban Ecovillages



#7

Sponsor of the Los Angeles Eco-Village Neighborhood Demonstration

117 bimini pl #221

los angeles ca 90004

213/738-1254

crsp@igc.org

Date:

3/21/17

www.laev.org

Submitted in PLUM Committee

Council File No: 16-1468

Item No. 7

Deputy: communication from

public

March 21, 2017

Memo to: PLUM Committee, City of Los Angeles
From: Lois Arkin, Founder-Executive Director, CRSP Institute for Urban Ecovillages at L.A. Eco-Village
Re: Advocating for ADU regulation to include Tiny Houses on Wheels

My name is Lois Arkin. I represent a 35 year old nonprofit organization committed to ecological cooperative affordable housing, businesses, local currencies, loan funds, and more. We are the developer of the demonstration Los Angeles Eco-Village two block neighborhood which now has 50 units of permanently affordable housing, has incubated a dozen small green businesses, and is working on a car-free mixed use development which may be the first of its kind outside of downtown Los Angeles in 70 years.

We strongly encourage the current ADU regulation under consideration to include tiny homes on wheels as well as stationary tiny homes. Here is a link to some photos of how beautiful tiny homes on wheels can be:

https://www.google.com/search?q=tiny+houses+on+wheels&source=lnms&tbm=isch&sa=X&sqi=2&ved=0ahUKEwjcp76mn-jSAhWqiFQKHcYoCSUQ_AUIBygC&biw=1280&bih=602#spf=1

Or just google search <tiny homes on wheels> and click on <images>.

With millions of dollars voted for homeless housing and services in the past two elections, note that tiny houses, especially tiny houses on wheels, will go much further in housing our most vulnerable populations much quicker and at far more reasonable costs than conventionally built multi-family housing.

Thank you.

P.O. Box 27404
Los Angeles, CA 90027
www.hillsidefederation.org

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#1

Planning and Land Use Management Committee
Los Angeles City Council
200 N. Spring Street
Los Angeles, CA 90012

March 21, 2017

Re: Proposed Accessory Dwelling Unit Ordinance
Council File 16-1468

Date: 3/21/17
Submitted in PLUM Committee
Council File No: 16-1468
Item No. 7
Deputy: Communication
from Public

Dear Chairman Huizar and Honorable Committee Members:

The Federation of Hillside and Canyon Associations, Inc., founded in 1952, represents 44 homeowner and resident associations with approximately 250,000 constituents spanning the Santa Monica Mountains. Consistent with the Hillside Federation's previous communications with the City of Los Angeles regarding Second Dwelling Units (now referred to as Accessory Dwelling Units), the Federation objects to the adoption of the proposed ADU ordinance on today's PLUM agenda (agenda item 7, Council File 16-1468) without substantial changes.

The Hillside Federation agrees with the Community Impact Statement of the Bel Air-Beverly Crest Neighborhood Council that the proposed ordinance "leaves areas out of the partial ban on hillside ADUs that are in Very High Fire Hazard Severity Zones." As the March 15, 2017 memo submitted by Carlyle Hall notes, the ordinance uses a revised definition of hillside area. In so doing, the hillside areas covered by the proposed ordinance are reduced by approximately 30% compared to the City's existing regulation. The City's rationale for its Categorical Exemption fails to note this important difference weakening the City's existing law, and is thus inappropriate and inadequate to support the action.

As important, the process the City has used to arrive at the proposed ordinance is not consistent with motion 19-A in the related Council File (CF 14-0057-S8, adopted August 31, 2016), which "[d]irect[ed] the Department of City Planning to initiate a new code amendment and possible amendment to the Housing Element to conduct a comprehensive, *open, transparent review*" of the City's second dwelling unit ordinance

that “tak[es] into account the unique characteristics of each geographic area of the city that may result in certain limitations and prohibitions” on accessory dwelling units in Los Angeles.

We join many others in urging the City to remove those portions of the ordinance introduced by the Planning Department that were not mandated by the passage of AB 2299 (*see, e.g., the Carlyle Hall memo of March 15*). If the City desires to make wholesale changes to the City’s ADU regulations beyond what is specifically required by AB 2299, it must follow the open and transparent process it promised.

Sincerely,

Charley Mims
Charley Mims

SUGGESTED LANGUAGE FOR INCLUSION OF MOVABLE TINY HOUSES AS ACCESSORY DWELLING UNITS *Communication from Public*

Sec. 1 Section 12.03 of the Los Angeles Municipal Code should be amended by adding a definition for "Accessory Dwelling Unit" in proper alphabetical order to read:

ACCESSORY DWELLING UNIT. Attached residential dwelling units or detached Accessory Buildings, not considered to exceed the allowable density of the parcel, which provide complete independent living facilities for one or more persons with permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as a single family dwelling. Accessory Dwelling Units include efficiency units, as defined in Section 17958.1 of the Health and Safety Code, and manufactured homes, as defined in Section 18007 of the Health and Safety Code, and a Movable Tiny House as defined in Sec. 2 Section 12.03 of the Los Angeles Municipal Code

Sec. 2 Section 12.03 of the Los Angeles Municipal Code should be amended by adding a definition of Movable Tiny House to read:

Movable Tiny House. A structure intended for the separate, independent living quarters of one household for year-round residence that meets the following conditions:

- (1) Is licensed and registered with the California Department of Motor Vehicles and meets **ANSI 119.2 or 119.5 requirements**;
- (2) Is **certified by a qualified third party inspector** for ANSI 119.2 or 119.5 compliance.
- (3) Is towable by a Class 3, 4, or 5 hitch, a frame-towing hitch, or a fifth-wheel connection. Cannot (and is designed not to) move under its own power. When sited on a parcel per requirements of this Code, the undercarriage shall be skirted;
- (4) Is **no larger than allowed** by California State Law for movement on public highways;
- (5) Has at least **70 feet** of habitable living space but no more than **440 square feet**;

"Movable Tiny House" is a term that differentiates a very small home built on a traditional foundation from a home that is built on a chassis and sits on wheels, while otherwise built using conventional housing materials and techniques. "Movable" is a term that is familiar to code officials and is the favored term among tiny house experts. The term "Tiny House" is growing in popular recognition nationwide, and is now mentioned in the 2018 version of the IRC.

ANSI is the American National Standards Institute. **ANSI 119.2** covers Recreational Vehicle standards and **119.5** covers Park Model standards.

Requiring **certification to ANSI standards** is necessary for safety, and creates a responsible party. Unlike IRC code structures which are inspected by the LA Building Department, ANSI code standards and those standards are certified by industry recognized 3rd parties. This allows for quicker implementation of this housing units as City building code inspections of MTH are avoided. When an application is received by the City, it would include 2 documents: 1) the DMV license/registration and 2) a certificate from an industry recognize 3rd party that the unit meets ANSI 119.2 or 119.5.

Including **towing requirements** ensures that the unit, while in transit, meets CA legal requirements for towing. Also, the language makes clear that "motorhomes" are NOT to be considered legal ADUs.

Size requirements for travel on CA public highways without special permits are – WIDTH: 8'6", HEIGHT: 14', LENGTH: 40'. Special wide load permits can be obtained for up to 14'.

Per the 2016 update to CRC, ADUs now have a minimum size of **70 sq. ft.** Bathrooms, toilet rooms, closets, halls, storage or utility spaces are not considered habitable space.

Once a MTH goes over **440 sq ft** it could be considered manufactured housing and governed by HUD building code standards. Having a maximum square footage requirement for "tiny" helps you differentiate what is a MTH as an ADU and what is manufactured housing as an ADU. Maximums are also based on what can legally fit on the road without too intensive of permits.

(6) Is designed and built to look like a conventional residential structure, not a conventional recreational vehicle or travel trailer.

Section 3 Subsection A of Section 12.22 of the Los Angeles Municipal Code should be amended by adding a new Subdivision 32 (f) to read:

32. Accessory Dwelling Units (ADU).

(f) Requirements for Movable Tiny Houses as Accessory Dwelling Units. Movable Tiny houses must comply with the requirements for Accessory Dwelling Units, except for the following provisions:

1. Building and safety requirements are not required to be the same as those required of the existing single-family dwelling unit. The Movable Tiny House shall meet the requirements of ANSI 119.2 or 119.5 for its structure.
2. If the wheels are removed so the unit may sit on a foundation, the foundation requirements for a Movable Tiny House shall follow the State approved requirements for foundation systems for Manufactured housing. If the Movable Tiny House does not remove the wheels, the wheels and leveling/support jacks must sit on a concrete, paved or compacted gravel surface sufficient to support its weight, and the wheels and undercarriage must be skirted.
3. The Movable Tiny House shall be located behind the primary residence.
4. For the purposes of the Accessory Dwelling Unit code, Movable Tiny Houses are not considered a Recreational Vehicle.

Aesthetic requirements clearly identify MTH as a unique subset of RV that will be permitted as ADU's. The criteria is simple – it looks like a residential structure and not a conventional RV. Submitting a picture of unit with application would suffice to meet this provision.

As covered in Sec. 2 Section 12.03 (2), MTH follow ANSI standards instead of CRC standards.

Manufactured housing already has an alternative selection of acceptable foundation systems, and the same requirements could be applied to MTHs. This ordinance allows manufactured housing as acceptable ADUs. The City could additionally require ADUs using manufactured housing foundation systems to also use certified Earthquake Restraint Bracing Systems - the California HCD publishes a list of companies that manufacture these.

In Fresno, CA, there are no additional requirements for foundations for movable tiny houses - they are built on trailers certified by DMV as being sufficient for travel on the public highways. This trailer "foundation" can withstand hitting bumps and potholes at 60 mph on our highways - more than they would face sitting on a piece of property in one's rear yard. During an earthquake, most of the damage to a home occurs because of shear force between a structure and its foundation.

The benefit of not requiring anchoring to the ground is the avoidance of building permits which add time and costs to this housing option.

Creating a specific definition for MTH and clarifying its difference from other RVs ensures there will be no confusion with other zoning requirements that prohibit RVs for dwelling within backyards.

COMMON QUESTIONS ABOUT MOVABLE TINY HOUSES

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HOW BIG IS A TINY HOUSE?

There is no strict definition for a tiny house - usually the term Tiny House refers to a home under 500 square feet. The average tiny house is around **200 square feet**.

The size of a movable tiny house (movable tiny house) is restricted by the maximum size allowed for movement on highways:

Width 8' 6"

Height 13'6"

Length 40'

One is able to get an "oversized" permit for moving a wider unit from site to site. Generally, these permits are used for tiny houses with wide loads of 10-12 feet.

In accordance with the 2016 California Residential Code, an Accessory Dwelling Unit can be as small as desired as long as it accommodates a habitable room(s) with a minimum of 70 square feet; contain a bathroom including water closet, lavatory and bathtub or shower; and a kitchen area with a sink. Habitable rooms are required to have a minimum horizontal dimension of 7 feet. Bathrooms, toilet rooms, closets, halls, storage or utility spaces and similar areas are not considered habitable rooms.

HOW MUCH DOES A TINY HOUSE COST?

The average cost of a professionally built, movable tiny house (high quality materials with appliances) is about \$60,000. Numbers will be dramatically lower if self-built (no labor cost). These numbers are for a movable tiny house built upon a trailer, which is a large amount of the total cost (~\$5000).

As an investment, a homeowner could buy and then rent out a tiny house on their property. If the cost to prepare the lot (utility hookup + trenching, water and electrical hookup, parking space, fees) is about \$15,000, that makes a total investment of about \$75,000.

TOTAL INVESTMENT = \$60,000 house + \$15,000 site prep = \$75,000

RENTAL INCOME = \$600/month or \$7,200/year

ROI (Return on Investment) = \$7,200/\$75,000 = 9.6%

Instead of paying for the cost of a tiny house build, a homeowner could simply prep the lot for \$15,000, and invite a Tiny House dweller to reside on their lot as an Accessory Dwelling Unit. Charging \$400 /month in rent or \$4800 a year would allow them a very high return on investment at 32 percent!

TOTAL INVESTMENT = \$15,000

RENTAL INCOME = \$400/month or \$4,800/year

ROI (Return on Investment) = \$4,800/\$15,000 = 32%

For the Tiny House dweller residing as an Accessory Dwelling Unit, cost-savings in rent could also be phenomenal. Consider the rent of a one bedroom apartment in Los Angeles as \$2000. A tiny house dweller with a self-built tiny house (~\$20,000), with rent of \$400 a month would save \$19,200, enough to pay back their self-built tiny house in just over a year.

AVG COST OF 1 BEDROOM = \$2,000 a month or \$24,000 a year

POSSIBLE RENT FOR TINY HOUSE AS ADU = 400 a month or \$4,800 a year

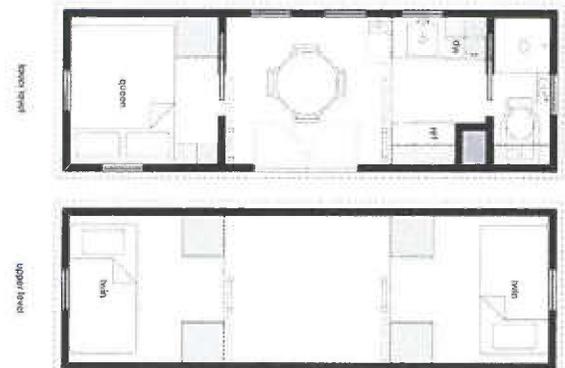
RENT SAVINGS = \$24,000 – \$4,800 = \$19,200 a year

HOW MANY PEOPLE CAN LIVE IN A TINY HOUSE?

WILL THERE BE A MAXIMUM OCCUPANCY?

A tiny house is customized to meet the spatial needs of its user. While tiny living is mostly an attractive option to singles and couples, tiny homes can have two or more bedrooms in their design.

In the ADU language for Movable Tiny Houses suggested, there is no maximum occupancy for tiny houses - the language used is "for one or more persons." Maximum occupancy would match the regulations governing maximum household size for the primary dwelling. If desired, the City could set a minimum square footage requirement per person in their ADU ordinance, so the size and occupancy of all ADUs could remain flexible.



IS IT CURRENTLY LEGAL TO LIVE IN A TINY HOUSE?

It is legal to build a small or tiny house on foundation in the City of Los Angeles as long as zoning and building code requirements are met. For movable tiny houses, there are less options currently available for legally dwelling. Currently, movable tiny houses are allowed for occupancy in RV parks. The short-term requirements for staying in RV parks are not a great match for tiny houses designed for permanent dwelling. Including movable tiny houses within the Accessory Dwelling Unit would provide a new desirable option for dwelling.

ARE THERE LENDING OPPORTUNITIES FOR TINY HOUSES?

While opportunities for borrowing money specifically for financing a tiny home are limited, there are lending companies emerging to help meet this demand. With more movable tiny houses being built in accordance with ANSI standards and by certified builders, banks are beginning to support lending for such products along the lines they provide loans for other personal property such as recreational vehicles and boats. Having a legal placement approved by the City adds confidence to lenders that their investment is relatively secure. The number of banks supporting tiny house lending will likely expand once they are more widely legally permitted.

ARE MOVABLE TINY HOUSES SAFE TO LIVE IN?

Tiny houses are built using conventional materials and standard methods. If legalized and regulated, the City of Los Angeles can require them to be built to nationally recognized standards. Professional tiny house companies build movable tiny houses to ANSI 119.2 or 119.5 requirements and have their builds certified by a third party body such as the Recreational Vehicle Industry Association (RVIA) or Pacific West Associates.

Some people look to tiny houses as an affordable way to customize their home using non-toxic materials, ensuring their day-to-day environment is an improvement from conventionally built homes whose materials contain harmful chemicals and off-gas.

In terms of safety during an earthquake, movable tiny houses may be better equipped to avoid major damage than other housing options, as it is the shear force between the earth and a structure fixed to the earth that usually causes damage. A movable tiny house that is on wheels and not permanently attached can sway with a quake.

WHAT ARE THE ANSI 119.2 or 119.5 STANDARDS?

The American National Standards Institute oversees the creation, dissemination and use of thousands of standards and guidelines that directly impact businesses in nearly every sector. ANSI 119.2 is the Recreational Vehicle standard, and ANSI 119.5 is the Park Model RV standard. These codes require the structure meet or exceed more than 500 building and safety standards including electrical, plumbing, structural, heating & AC, fire safety, and egress.

DO SELF-BUILT TINY HOUSES FOLLOW BUILDING CODES?

Certification to ANSI standards is now available for self-built tiny houses through Pacific West Associate's Tiny Home program. Pacific West Associates, Inc. is an appointed third party inspection agency qualified to conduct A119.5 standards inspections. Having a legal option to live in tiny houses which follow a certain standard incentivizes those building tiny houses to follow these standards.

ARE ALL TINY HOUSES ON WHEELS?

Tiny houses can be built on a permanent foundation like most homes, be built in a factory and then moved onto a permanent foundation, or be built on a chassis (the trailer) as the foundation. The latter is what is usually called a Movable Tiny House, or a Tiny House on Wheels.

ARE MOVABLE TINY HOUSES THE SAME AS RVs?

Movable tiny houses are built to resemble a typical cottage or bungalow. They are built for permanent occupancy versus frequent travel, and use conventional building materials. Tiny houses are usually made with all of the same housing systems as a regular house (heating, cooling, plumbing, and electrical) and are insulated. Tiny houses are most often outfitted with comfortable-to-use appliances and regularly sized showers or bathtubs.

While there are major differences in the appearance of and materials used for movable tiny houses versus RVs, both are built on a chassis and both can be built to ANSI 119.2 or 119.5 standards.

WOULD MOVABLE TINY HOUSES AS ADUS BE CONNECTED TO MUNICIPAL UTILITIES?

Yes, movable tiny houses as ADUs would follow the same utility connection requirements as applicable to ADUs built on a permanent foundation.

COULD MOVABLE TINY HOUSES BE RENTED OUT AS AIR BNBS OR SHORT TERM RENTALS?

Movable tiny houses would be subject to the same regulations as are other ADUs in regards to short term rentals. According to a January 2017 report by the Director of Planning, the Housing Committee amended and approved the draft Home Sharing Ordinance (CF No. 14-1635-S2), which removed all references that permitted Home-Sharing in non-primary residences, and clarified that the prohibition on Home-Sharing in units subject to the Rent Stabilization Ordinance applies to all units, not just those that are renter-occupied.

One way that Fresno, CA is considering the limitation of short term use of backyards to host visiting tiny houses is only allowing a limited number of permits for tiny houses as ADUs per year per lot (say 1 or 2 in a 12 month period). Fresno also requires that one of the homes (either the primary dwelling or the ADU) be owner occupied.

WOULD MOVABLE TINY HOUSES AS ADUS STRAIN PARKING AVAILABILITY?

The City's proposed amendments to the Accessory Dwelling Unit ordinance already address requirements for creating additional parking for backyard homes which would also apply to movable tiny houses. Because tiny houses are quintessentially small in nature, it would most often be easier to fit an extra parking space on the property.

WHERE WOULD MOVABLE TINY HOUSES AS ADUs BE ALLOWED?

Movable Tiny Houses would be allowed in the backyards of single-family dwelling units where floor area, height, setback, and hillside requirements for ADUs are met. Most likely, they will only be placed where the driveway width and clearance permits the home to drive through, to avoid the costs associated with a crane lift.

Date: 3/21/17

Submitted in PLUM Committee

Council File No: 16-1468

Item No. 7

Deputy: Communication from public



ADJACENT PROPERTY

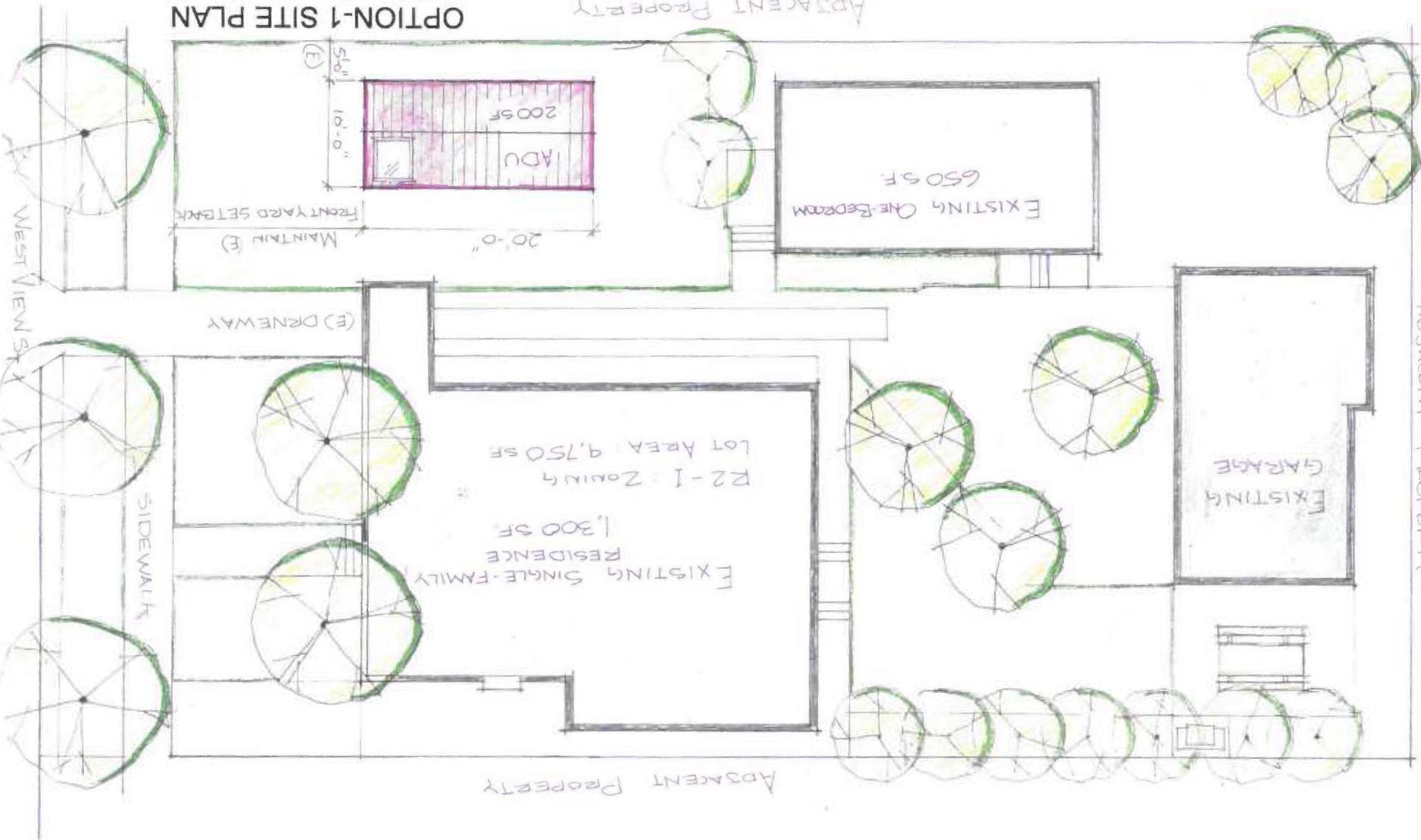
EXISTING SITE PLAN

OPTION-1 SITE PLAN

ADJACENT PROPERTY

ADJACENT PROPERTY

ADJACENT PROPERTY



WEST VIEW ST.

SIDEWALK

(E) DREWAY

REAR YARD SETBACK (E)
20'-0"

5'-0" (E)

10'-0"

R2-1 ZONING
LOT AREA: 9,750 SF

EXISTING SINGLE-FAMILY RESIDENCE
1,300 SF

EXISTING ONE-BEDROOM
650 SF

EXISTING GARAGE

ADU
200 SF

