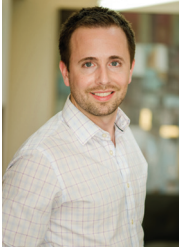


# A design-build expert looks at SB9

## Subdividing single-family lots into multi-unit properties

BY KURT KRUEGER | PHOTOS COURTESY OF KURT KRUEGER



Senate Bill 9 (SB9), also called the California Housing Opportunity and More Efficiency (“HOME”) Act was signed into law on September 16, 2021 and took effect statewide on January 1, 2022. Also referred to as the “duplex bill,” SB9 allows homeowners in urban areas to split their single-family residential lots into two separate, buildable lots, called urban split lots. Pairing SB9 with the 2017 legislation that legalized

accessory dwelling units (ADUs), homeowners can now build up to four residential units on lots once classified as single-family.

**WHY SB9?** The legislation is “aimed at streamlining housing permitting and increasing density to create more inclusive and vibrant neighborhoods across the State.” The Public Policy Institute of California estimates that 3.5 million additional housing units are needed in California by 2025 to meet the projected demand. Currently, fewer than 80,000 new homes are built each year.

Considering that 75% of all developed land in California is zoned as single-family, this legislation has the potential to greatly expand the amount and types of housing available. Developing a property can include building additional housing for multigenerational living with aging relatives or adult children, or creating new rental properties for long-term rental income.

**SB9 PROS AND CONS** Proponents believe that SB9 will alleviate California’s persistent housing shortage, particularly in areas like Los Angeles. Shortages are thought to increase home prices and rental costs; cause displacement; push the boundaries of urban expansion, increasing sprawl; and even cause residents to leave the state altogether. Supporters believe SB9 puts more control in the hands of homeowners instead of real estate developers, to determine the character of their neighborhoods.

Opponents of the legislation believe it increases density, putting pressure on dilapidated infrastructure and social services that are already stretched thin. They believe it changes the character of neighborhoods and affects quality of life by increasing traffic and noise. They also believe it’s an overreach of the state government to make these local-level decisions. Local governments are allowed to impose their specific design standards and limitations only if they do not directly conflict with the statewide law.

**HOW DOES SB9 WORK?** Single-family property owners are permitted to split their lots, then either sell one half or build out the entire property. Duplex units are permitted, and

depending on the local ordinance, up to two ADUs can be added to each lot, for a maximum of four dwelling units. The units can be in combinations such as:

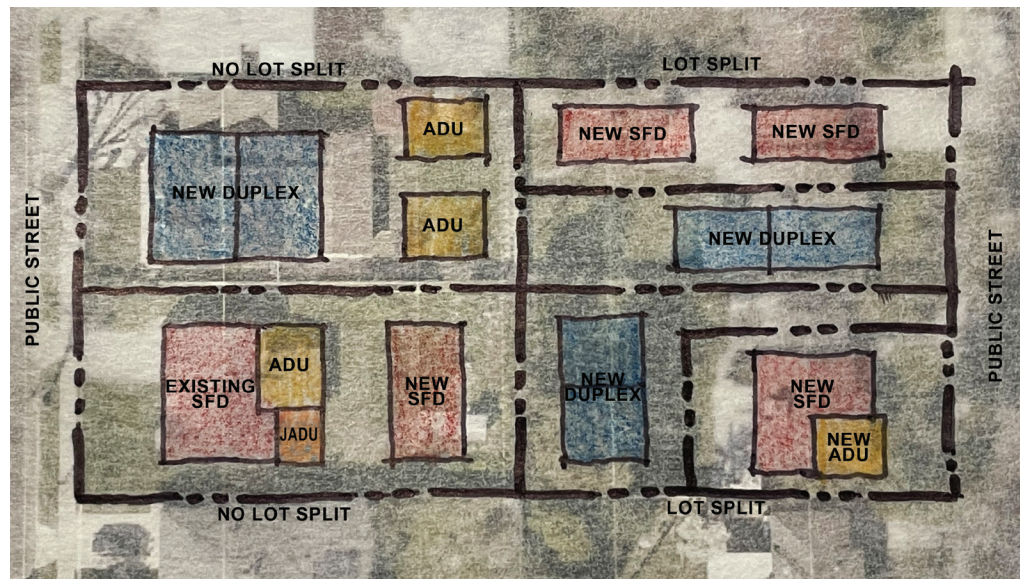
- One duplex, one standard home and one ADU (total 4 units)
- Two standard home units, one ADU and one JADU (Junior ADU, total 4 units)
- One standard home unit, two ADUs (total 3 units)
- One duplex and one ADU (total 3 units)
- One duplex (total 2 units)
- One standard home unit and one ADU (total 2 units)

Homeowners who split their property and develop it must commit to occupying one of the units as their primary residence for a minimum of three years. All of the other dwellings can then be rented.

**RESTRICTIONS** SB 9 was created to encourage housing development in urban environments while protecting vulnerable populations and ecological areas. Therefore, to be eligible, a property must be located within an urban area and zoned for single-family use. A property cannot be located within a fire hazard zone, flood zone, historic zone, prime farmland, or other environmentally protected areas.

In addition, proposed projects cannot require the alteration or demolition of rent-controlled or moderate, low or very low-income housing. Alteration and demolition are also prohibited for any units occupied by a rental tenant within the past three years. Financing and local ADU permits may be obstacles to the implementation of SB9.

While the effects of SB 9 remain to be seen, the law creates new options for homeowners and communities for addressing the housing crisis. Is the idea of the “California Dream” of owning a single-family home with a large private backyard obtainable, or will you be sharing with space with three other units?



*In most circumstances, SB-9 will result in the potential creation of four dwelling units from an existing single-family parcel, generally in the four simplified scenarios depicted here. In comparison, a single-family property is currently allowed to have three units, inclusive of a single family dwelling, and ADU and a JADU.*