

San Diego's Bonus ADU Program

Drawbacks of San Diego's Bonus ADU regulations

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Given the growing problems with San Diego's ADU Density Bonus Program, Neighbors For A Better San Diego (NFABSD) supports the City Council's motion to align San Diego's ADU regulations more closely to state ADU Law.

Over 80% of ADU projects in San Diego involve only a single ADU, consistent with state law. These units would continue to be built if San Diego's regulations were rolled back to the state's regulations.

Many of NFABSD's supporters own or live in an ADU, and our concerns with ADUs are focused on the excesses of the Bonus ADU program, and not ADUs in general.

The problems with San Diego's current Bonus ADU regulations include:

- ADU apartment complexes are not "gentle density"
- Pushing density a mile away from transit undermines transit adoption and climate action
- Building into hillsides and open space ignores Fire Hazard
- Targeting starter homes blocks the market for first time homebuyers
- Having different rules for different communities violates San Diego's goal of creating socially and economically balanced communities
- Deed-restricted ADU rents are not affordable as most San Diegans experience it
- Waiving Development Impact Fees deprives San Diego of revenue needed to build supporting infrastructure
- Maximizing density discourages family ADUs
- Maximizing density builds over backyards and takes away the urban canopy
- ADU complexes are unregulated apartment buildings

These issues are detailed below.

Detailed Arguments

Not gentle density” – In planning circles, gentle density refers to an approach that increases density through the addition of a small number of units that are compatible with the existing fabric of single-family neighborhoods. Instead of gentle density, the Bonus ADU Program allows dozens of ADUs (essentially apartments complexes) to be built on a single-family lot by obliterating backyards with incompatible building types, on streets that lack water and sewer infrastructure and were not designed for high density.

Undermines transit adoption and climate action – San Diego’s flawed Sustainable Development Area map allows Bonus ADU projects to be located a mile or more away from transit, including stops in future transit plans that may never be built. San Diego is the only city in the world to use a one-mile walking distance to transit. Other cities use $\frac{1}{4}$ or $\frac{1}{2}$ mile, and San Diego’s own 2024 Street Design Manual contradicts the SDA by defining transit-oriented development as within $\frac{3}{8}$ mile walking distance of transit. It is unrealistic to think ADU residents will take transit if they live more than a half mile from transit. They will drive instead, creating apartment buildings with many units, many cars, and not enough street parking.

Ignores Fire Hazard – Bonus ADU projects are being allowed on canyon rims that pose the highest risk of wildfires. Approximately 40% of Bonus ADU projects are being built in Very High Fire Hazard Severity Zones. Projects are being permitted without proper and legally mandated evacuation plans, nor the density of fire hydrants recommended for multi-family zoned areas. Elimination of side yard setbacks increases risk by thwarting firefighters’ access to the wildfires at the back of properties. Decreased distances between structures intensify fires and makes it more likely that fires will spread from home to home.

Blocks the market for first time homebuyers – The Bonus ADU program negatively impacts homeownership in several ways. First, the price of every single-family home in San Diego, especially homes in the Sustainable Development Area, now carries a premium because of the possibility of adding Bonus ADUs, making it less affordable for a prospective homebuyer who just wants a place to live and an opportunity to start building generational wealth. Second, the Bonus ADU program is more likely to be applied on lots with starter homes – properties that have smaller existing homes (1,500 square feet or less) with the most buildable square footage for Bonus ADUs, making those otherwise more affordable homes less affordable.

Violates San Diego’s goal of creating socially and economically balanced communities – Most (over 70%) Bonus ADUs are being built in moderate and low opportunity neighborhoods instead of higher opportunity zones, which is contrary to the principles of Affirmatively Furthering Fair Housing (AFFH). This adds additional burdens in areas with inadequate infrastructure and takes away home buying opportunities in communities of concern. Basing housing on non-existent, future transit that may never be built also violates the principles of AFFH.

Deed-restricted ADU rents are not affordable as most San Diegans experience it – The deeded-affordable units that are used to justify Bonus ADU projects are often rented at the same rate as the market rate units, if not more. For example, the deeded affordable rent for a 1-bedroom apartment at 110% area median income (AMI) – a so-called “affordable” unit - is \$2,629 per month versus a market average of \$2,400 per month or less, as reported by Apartments.com, Kidder Matthews and

other rent surveys. (This may be why the Planning Department refuses to track rents in its annual housing reports.)

Deprives San Diego of revenue needed to build supporting infrastructure – Because San Diego waives Development Impact Fees on ADUs less than 750 square feet, it is more profitable to build apartment complexes through the Bonus ADU Program than to build density in multi-family zones where it is most needed to provide the critical mass to support transit and local businesses. Neighbors For A Better San Diego estimates the hundreds of “affordable” ADUs touted by the Mayor cost the city tens of millions of dollars in Development Impact Fees (DIFs), meaning that the cash-strapped city doesn’t have money to improve the infrastructure (parks, libraries, sidewalks, streetlights, water, sewer, fire and police infrastructure) to support this added density, particularly in areas such as Encanto that have huge historic infrastructure deficits. The ADU apartment complexes being built should be paying DIFs as the apartment complexes they are. As apartment complexes they should be built in multi-family, not single-family zones, and should not have their DIFs waived because they are masquerading as ADUs.

Discourages family ADUs – As with most of San Diego’s housing development, the Bonus ADU program is heavily skewed towards producing studio and one bedroom units that are less than 500 sf. If there is one place that San Diego should be encouraging family housing, it should be in single-family neighborhoods.

Builds over backyards and takes away the urban canopy – Many of San Diego’s older neighborhoods targeted by Bonus ADUs are deficient in parks and other public spaces. In these cases, backyards provide the only safe play spaces for children. Often these backyards are filled with mature trees that contribute to San Diego’s urban canopy that cools neighborhoods, lessens the impacts of climate change, and offers ground permeability to discourage stormwater run-off. Neighborhoods affected by the heat-island effect are generally lower income; the same neighborhoods most affected by the Bonus ADU Program.

Unregulated apartment buildings – Because ADU apartment complexes are not being permitted under multi-family zoning regulations, these developments are exempted from operating requirements for apartments, such as an onsite manager, trash collection areas, and off-street parking. This is a harbinger of neighborhood conflicts to come.