



# New Opportunities on Single-Family Lots

## SB 9 Urban Lot Splits & Two-Unit Developments

Signed into law by Governor Newsom in September 2021, the California Housing Opportunity and More Efficiency (HOME) Act or SB 9, continues the work that ADU laws began by providing more pathways to gently increasing density in urban areas and creating much-needed homes both for rental and purchase.

How does this help all Californians? With 7.5 million single-family zoned lots, much of the available land in urban areas is tied up with outdated zoning that fails to meet current needs. By allowing two-unit developments and lot splitting on urban single-family zoned lots through a streamlined process, SB 9 developments have the power to :

- Add homes in urban areas where they are most needed
- Preserve existing rentals
- Add more options for homeowners to leverage their biggest asset
- Create affordable homes for those priced out of the market

SB 9 allows homeowners to use either the two-unit development option, the urban lot split, or both, to add more homes in our neighborhoods and help ease California's serious housing crisis.



**“SB 9 could play an important role in enabling the construction of a significant amount of new house options that are smaller-scale, more cost-effective, more varied, and inclusive across the urban areas of the state.”**

- Turner Center for Housing Innovation

# What is a two-unit development?

Also called a duplex, a two-unit development is a single building that contains two dwelling units, or two single unit dwellings on a single parcel.



**Two-unit developments may be detached or part of the same building, but they must have their own:**

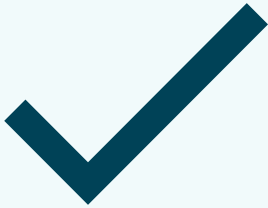
- Entrance
- Cooking facilities
- Bathroom
- Heating/cooling systems
- Utilities and meters

# What is an urban lot split?

Under SB 9, an urban lot split is the subdivision of an urban parcel zoned single family residential into two approximately equal parcels. (50/50% or 60/40%)

# Does my lot qualify for an SB 9

## Urban Lot Split?



### Lot Qualifies

- Zoned single family
- In urban area\*
- 2400 square feet or more
- New lot will be no smaller than 1200 sf (minimum 40% of total)
- Owner signs affidavit of intention to occupy one of the homes for 3 yrs



### Lot Doesn't Qualify

- An official historic property or in historic district
- Wetlands, prime farmlands, conservation easements or protected species habitat
- If project will cause specific public health or safety impact
- If lot is directly adjacent to another lot split project by same owner
- Lot has been split before using SB 9



### Maybe

Technically possible, but costly or a definite "no" in some jurisdictions. Check with your local jurisdiction—could be allowed under certain conditions:

- Earthquake fault zone
- Fire severity zone
- Flood area
- Hazardous materials history

\*Urbanized area: city of 50,000+ population; urban cluster: 2500+ population outside city limits

# What are your project goals?

**Understanding your goals can help you select from the many options now available. Here are some reasons why homeowners might consider a duplex or lot split for their property.**

- To improve my financial situation by selling part of my lot without losing my home
- To provide housing nearby for family members or a caregiver
- To make better use of wasted space and provide homes for my community
- To bring in rental income to cover living expenses, taxes and maintenance
- To downsize while staying in my neighborhood



# What can I do with my single-family zoned property?

## I have...

## I can...

### A vacant lot

- Split my lot and build a duplex on one and a new single-family home on the other
- Split my lot, sell one part and use proceeds to build a new home for my family on the other
- Build a duplex on my lot with an ADU for each unit (may rent all)
- Split my lot and build a duplex on each lot

### A home that I live in

- Build a separate home on my lot for family or rental
- Split my lot and sell the new lot
- Build an addition on to my home to create a duplex
- Demolish my existing home and build a duplex (requires proof of 3 prior years owner occupancy or vacant)

### A home that I rent out

- Split my lot and build a duplex or single home on new lot (owner intent to occupy 3 yrs)
- Build an additional home on the lot and rent both to long-term tenants

### A home that I live in with an ADU

- Build an additional home on the lot
- Split the lot--one lot has home and ADU. On new lot I can build a single home (with or without ADU), build a duplex, or sell the vacant new lot

# FAQs About SB 9

## **Q: How do I know if my home is in an ‘urbanized area’ or ‘urban cluster’?**

A: An urbanized area is an area with 50,000 or more persons, and an urban cluster is an area with at least 2,500 people, but less than 50,000 people. Maps of urbanized areas and urban clusters can be found on the official [U.S. Census Bureau](#) website. If your home is in a city and not a rural area, it will likely qualify. The definitions are currently being simplified and updated.

## **Q: My neighborhood is a homeowner association with CC&Rs. Can the HOA make a rule that I can’t split my lot or create a duplex using SB 9?**

A: Yes. Although state law prevents homeowner associations from restricting your right to add an ADU or JADU, no such protection was included in SB 9.

## **Q: My home is located in a Coastal Zone. Does it qualify for an SB 9 project?**

A: SB 9 doesn’t override the rules or process for development in the Coastal Zone, except that no public hearing can be required.

## **Q: Can I apply for an urban lot split and a two-unit development at the same time?**

A: If you plan on using both elements of SB 9, typically you will have to obtain the lot split first and wait for the parcel map to be recorded before applying for the building permit for your duplexes. Process will vary in local jurisdictions.

# FAQs About SB 9, Cont.

## **Q: What kinds of development standards does a new unit have to meet in order to get an SB 9 permit?**

A: Only a ministerial permit process with objective standards can be applied to SB 9 projects--no hearings or public comment, only measurable requirements with decisions at staff level. Standards that prevent an owner from building at least two 800 sf units per lot aren't allowed under SB 9.

## **Q: Which option requires me to sign an affidavit of intention to live in one of the dwellings for three years?**

A: All the options involving a lot split require the owner to sign an affidavit of intention to occupy for 3 years following approval.

## **Q: I understand I can't own two lots next to each other and create an SB 9 development on both of them. But suppose my contractor wants to build a duplex or lot split project for my neighbor?**

A: The wording of the law is a little unclear on this point, but some jurisdictions are proceeding with the interpretation that the adjacent lot limitation is intended to prevent *owners* of adjacent lots from assembling multiple units, not prohibit builders or other professionals from working on them.

## **Q: What is the maximum number of dwellings that can be built on the two lots?**

A: State law allows at least two per lot, for a total of four. Some jurisdictions choose to make further allowances for ADUs and JADUs on the new lot, to encourage more housing production. See the FAQs for ADUs & SB 9.

# FAQs About SB 9, Cont.

**Q: My local jurisdiction requires an architectural review for new projects. Is that allowed under SB 9?**

A: Only measurable, objective standards can be used in the ministerial process of permitting SB 9 projects. Terms that indicate a subjective review include things like 'appropriate', 'suitable', 'in keeping with the character'. If an architectural review board considers SB 9 projects, it must do so solely to determine compliance with objective, measurable development standards.

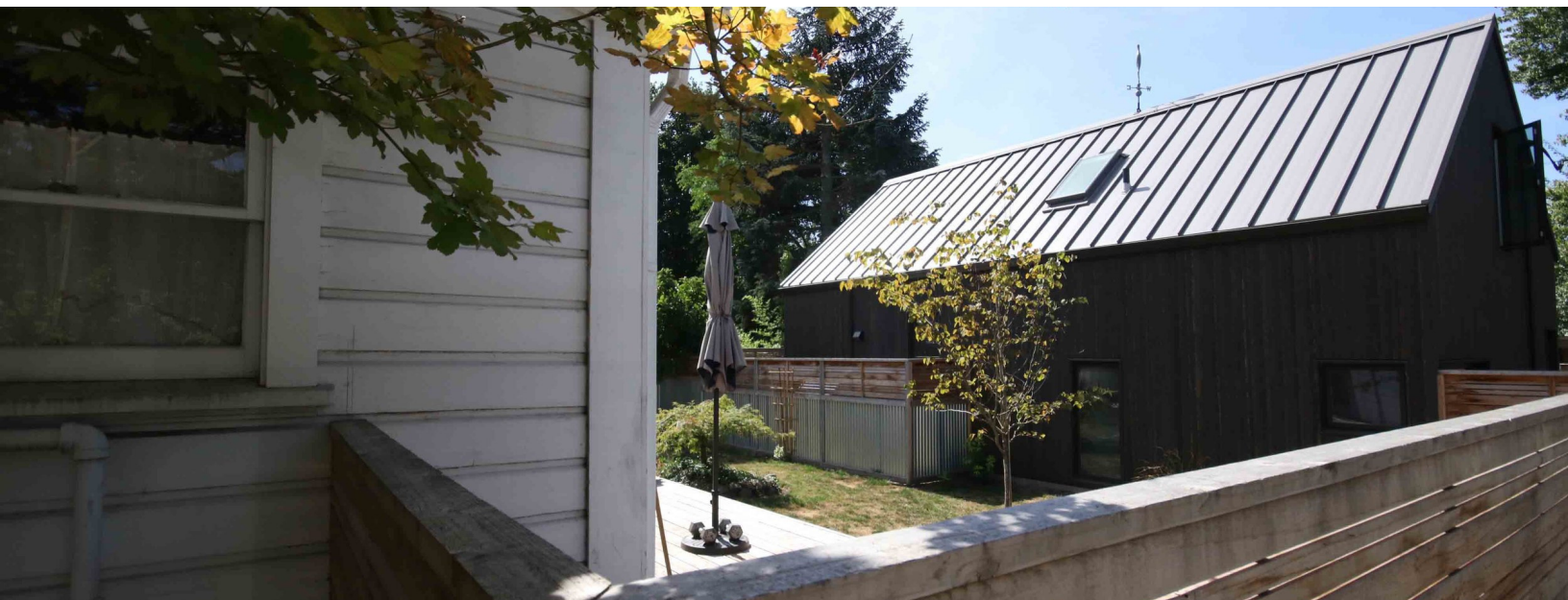
**Q: Do I have to provide parking spaces?**

A: One off-street parking space will be required per unit. However, no parking is required if the lot is located within a half-mile walking distance of either a high-quality transit corridor or a major transit stop, or if a car share vehicle is located within one block of the parcel.

**Q: My property is on a septic system—not connected to a city sewer. Can I utilize SB 9 to split my lot or build additional units?**

A: Properties with septic systems or other on-site wastewater systems will have to show capacity for planned new units by percolation or other tests.

*Image courtesy of [BuildinganADU.com](https://BuildinganADU.com)*





# FAQs: Rental Property

## **Q: Can I rent my new SB 9 units as short term vacation rentals?**

A: No rental units created under SB 9 may be used for short term rentals of less than 30 days.

## **Q: I own a single-family home on a residential lot. It's currently rented. Can I split the lot and build two more rentals if I don't demolish or change the existing house?**

A: Yes, but you will have to sign the affidavit of intention to occupy one of the homes yourself for the next three years.

## **Q: I own a large home that is currently rented to a family. Can I split it into a duplex?**

A: Yes, but you are limited to demolishing only up to 25% of exterior walls to create that additional unit.

## **Q: My rental property is an older home on a small lot. I'd like to knock it down and build a new duplex. It was last rented about two years ago but is vacant now. Can I use the SB 9 allowance for my project?**

A: Maybe, but you'll have to wait until it's been vacant for 3 years before applying for a building permit. And if you used the Ellis act to withdraw your property from the rental market within the last 15 years, you won't qualify to build an SB 9 project on that lot.

## **Q: I want to demolish my older home, do a lot split and build two duplexes. How can I prove that I have lived in the home for the last three years and haven't rented it?**

A: Property tax records, income tax records, utility bills, vehicle registration, or similar documentation showing your address as your primary residence is acceptable as proof.

# FAQs: SB 9 and ADUs

## Q: Which should I build—an ADU or a duplex?

A: That depends if you plan to sell the other unit or are looking for a rental to bring in income--and have no plans to sell it separately from the main residence. ADUs under 750 sf can't be charged impact fees (although other fees still apply) while duplexes are subject to full development fees, so going with an ADU may save a significant amount. Just be sure you don't want the flexibility of selling it separately some day.

## Q: I have a large house. Can I split it into a duplex and then add one ADU for each duplex, making four units without splitting my lot?

A: Yes. If you don't use the lot split, ADUs can be added to an SB 9 duplex or two unit development, whether created by dividing a large house into a two units, or by building two new units.

## Q: Can I split my lot, build a duplex on each one, and add an ADU for each duplex, making eight units total?

A: No, you're limited to two dwelling units total on each lot, including ADUs and JADUs. Some jurisdictions may allow more—check with your local agency.

*Right image courtesy of [BuildinganADU.com](http://BuildinganADU.com)*





## Additional Resources

- [California Department of Housing and Community Development SB 9 Fact Sheet](#)
- [County of Santa Clara Detailed SB 9 Handout](#)
- [County of Ventura SB 9 Page](#)
- [Homestead SB 9 Explainer](#)
- [CA YIMBY SB 9 Page](#)

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