



News from: Oakland Housing & Community Development Department

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Oakland Launches Low Interest Loan Program to Convert Unpermitted Accessory Dwelling Units to Legal Units

Program provides deferred-payment loans of up to \$100K and technical assistance for low-income property owners

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Oakland – The City of Oakland has launched the Accessory Dwelling Unit Loan Program (ADULP) to provide financing and technical assistance to low-income homeowners to convert an existing unpermitted secondary unit into a legal Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU).

The program is designed to help ensure that secondary units developed outside of the required permitting process are safe, legal, and can continue to provide flexible housing options for tenants or family members. Participants receive a deferred payment loan of up to \$100,000 and guidance with the design, bidding, permitting, and construction processes.

"ADUs are an important strategy for improving housing security in Oakland right now -- for both homeowners and tenants," said Oakland Mayor Libby Schaaf. "This innovative program will assist property owners to make the necessary upgrades to ensure that ADU occupants are living in safe and healthy conditions."

An eligible property must be an owner-occupied single-family residence in an Oakland "Opportunity Zone," located in West Oakland, along the Interstate 880 Corridor, and in parts of East Oakland. Household income must be at or below 80% of area median for Alameda County, which is \$87,700 for a two-person household, and \$109,600 for a household of four. Eligibility must be confirmed by February 2023 and all construction must be complete by Spring 2024.

"This ADU legalization program is an important new preservation tool to keep Oaklanders stably housed, whether they be tenants or homeowners," said Christina Mun, Interim Director of Oakland Housing &

Community Development. “In addition to creating safer living conditions for ADU residents, ADULP will support low-income homeowners who may want to house family members or caregivers in a very difficult housing market, or access rental income that will allow them to remain in their own homes.”

The program is funded by the CalHOME program of the State of California, provides grants for housing rehabilitation assistance for low-income homeowners. The recent expansion of their program to include ADUs was in response to greater interest in ADUs statewide, and new regulations to remove barriers to establishing them.

More information, including links to a confidential eligibility survey, materials in Spanish and Mandarin, and information about becoming an approved contractor, can be found here:

<https://www.oaklandca.gov/adulp>.

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