



American Planning Association
California Chapter

Creating Great Communities

April 26, 2021

Assembly Member Phil Ting
State Capitol, Room 6026
Sacramento, CA 95814

SUBJECT: Support for AB 561 (Ting) – Assistance with ADU Financing Through New “Help Homeowners Add New Housing Program”

Dear Assembly Member Ting:

The American Planning Association, California Chapter (APA California) is pleased to support your bill, AB 561, which would create the *Help Homeowners Add New Housing Program*. Specifically, AB 561 would establish a state-backed lending program to encourage banks, credit unions, and other mortgage originators to make construction loans to homeowners to bridge existing federally backed loans to construct additional housing units on their property, including accessory dwelling units and junior accessory dwelling units.

APA California supports the development of ADUs and JADUs as one of the many tools needed to encourage housing development, particularly at a time when California continues to face an unprecedented housing crisis, compounded by the recent and ongoing impacts of the COVID-19 pandemic. While ADU and JADU development has substantially increased over the past few years, some homeowners with lower income or fewer assets may find traditional financing challenging. By providing bridge loans to finance ADU and JADU construction until homeowners qualify for existing loan programs, AB 561 will help spur these important types of development.

We applaud your efforts on this important issue and if you have any questions, please contact Lauren De Valencia, Stefan/George Associates, APA California’s lobbyist, at 443-5301, lauren@stefangeorge.com.

Sincerely,

A handwritten signature in blue ink that reads 'Eric Phillips'.

Eric Phillips
Vice President Policy and Legislation
APA California

cc: Assembly Housing and Community Development Committee
Assembly Republican Caucus
The Governor
The Office of Planning and Research
The Department of Housing and Community Development Committee