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HEALTH AND SAFETY CODE - HSC

DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913] (*Division 31 repealed and added by Stats. 1977, Ch. 610.)*

PART 3. CALIFORNIA HOUSING FINANCE AGENCY [50900 - 51532] (*Heading of Part 3 amended (as amended by Stats. 1994, Ch. 94) by Stats. 2000, Ch. 471, Sec. 17.5.)*

CHAPTER 13. Accessory Dwelling Unit Program [51530 - 51532] (*Chapter 13 added by Stats. 2022, Ch. 570, Sec. 11.)*

51530. For purposes of this chapter:

(a) "Homeowner" means an owner of a single-family residential property that does not own more than three residential properties that consist of one to four, inclusive, units.

(b) "Program" means the Accessory Dwelling Unit Program administered by the agency.

(c) "Agency" means the California Housing Finance Agency.

(*Added by Stats. 2022, Ch. 570, Sec. 11. (AB 157) Effective September 27, 2022.*)

51531. (a) The agency shall convene a working group to develop recommendations for the purposes of the program. The purpose of the program is to assist homeowners in qualifying for loans to construct accessory dwelling units and junior accessory dwelling units on their property and to increase access to capital for homeowners interested in building accessory dwelling units.

(1) The working group shall include, but not be limited to, representatives from federal mortgage agencies, private lenders, community development financial institutions, community-based organizations, local housing trust funds, joint powers authorities, regional housing finance authorities, and credit unions.

(2) The working group shall explore the feasibility of different options to increase program utilization, including, but not limited to, a loan loss reserve or other credit enhancements to encourage lending, and different loan products such as renovation loans, bridge loans, and second mortgages.

(3) The working group shall explore different opportunities to mitigate risks for lenders, including, but not limited to, loan guarantees, mortgage insurance, managed escrow, and rental income guidelines.

(4) The working group shall explore opportunities to increase outreach and education to inform homeowners about the various loan and grant products available to them.

(5) The working group shall explore expanding financing options to construction costs and factory-built accessory dwelling units, including through partnerships with local agencies and qualified nonprofits. The working group shall also explore matching fund opportunities for the grants.

(6) The working group shall explore different opportunities to ease constraints that limit the loan process for homeowners, including issues that are not controlled by the agency, including, but not limited to, federal lending standards and local practices.

(b) The working group shall finish developing recommendations by July 1, 2023, for the agency to consider in the next update of its accessory dwelling unit guidelines.

(*Added by Stats. 2022, Ch. 570, Sec. 11. (AB 157) Effective September 27, 2022.*)

51532. The agency shall conduct an evaluation of the program and shall report the agency's findings to the Legislature by no later than January 1, 2025. The report shall be submitted in compliance with Section 9795 of the Government Code.

(*Added by Stats. 2023, Ch. 169, Sec. 1. (AB 932) Effective January 1, 2024.*)

