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Small Spaces, Big Questions: Recap of HOME's June Housing Forum

+ Post-forum follow-up Q&A *(7-7-26)*

Housing conversations often begin with one shared goal: creating more options. But as HOME's recent forum made clear, the path from idea to implementation is rarely simple.

At the June forum, **Small Spaces: Understanding Alternative Housing Options**, HOME brought together city leaders, housing professionals, financing experts, and community stakeholders to examine the growing conversation around tiny homes, ADUs, modular housing, manufactured homes, RVs, and movable tiny homes. Hosted at the Piccolo Tiny Homes manufacturing site in Simi Valley, the discussion offered a grounded look at what these housing options are, how they are regulated, how they can be financed, and what barriers still stand in the way of broader adoption.

The forum was designed to help clarify a complicated topic. As interest in alternative and more naturally attainable housing options grows, so does confusion around definitions, approvals, financing, infrastructure, and long-term use. What qualifies as permanent housing? What can be counted toward housing goals? What is allowed in one city but not another? And how do we create pathways that are both practical for residents and workable for local jurisdictions?

These were the kinds of questions explored throughout the morning.

Understanding the Differences Between Housing Types

A central theme of the forum was the importance of definitions. The conversation began by distinguishing between housing types that are often discussed together but treated very differently under law, building codes, and financing systems.

Traditional stick-built ADUs are constructed onsite, placed on a foundation, reviewed under local building codes, and inspected by local agencies. Modular homes are largely built in a factory and then transported to a property, where they are also placed on a foundation and reviewed under applicable building codes.

Movable tiny homes sit in a more complicated space, where application and specifications are still piecemeal from one jurisdiction to the next. As discussed during the forum, movable tiny homes fall under federal RV building standards, but are typically constructed with more durable materials and residential-style finishes, more akin to a modular home. They include better insulation, exterior siding, and other features intended to make them suitable for permanent, long-term living.

However, because they are still titled as a vehicle, different from conventional housing, cities, lenders, and state agencies evaluate them in different ways. That distinction has significant implications for where they can be placed, how they are approved, how they can be financed, and if they can be counted toward housing production goals.

Local Cities Are Approaching the Issue Differently

One of the most valuable parts of the forum was hearing directly from local community development leaders about how different jurisdictions are handling these housing types.

In Simi Valley, movable tiny homes are not currently allowed as backyard ADUs on single-family residential properties. The city does allow stick-built ADUs, including garage conversions, attached ADUs, and detached ADUs. Garage conversions remain especially common because the existing structure can lower the financial barrier for homeowners.

The Simi Valley discussion also highlighted the administrative challenges cities face when considering permanent residency in anything on wheels, whether RV, mobile home, or tiny-house-on-wheels. Enforcement, sanitation, neighborhood compatibility, and long-term management all become part of the conversation.

In Santa Paula, the discussion emphasized the importance of offering a broad continuum of housing types. Not every household fits neatly into one housing category, and many residents fall into the “missing middle” space: earning too much to qualify for assistance but not enough to afford market-rate housing.

Santa Paula has also taken steps to reduce barriers for ADU development, including preparing pre-approved ADU templates. These templates can help homeowners avoid some upfront design costs and move more directly into the permitting process.

Ojai provides an example of a city that is allowing movable tiny homes as permanent residences through local ordinances and pilot programs. The discussion highlighted the city’s broader goal of expanding affordable housing options. It also noted the progression from an initial pilot program under Ojai’s ADU ordinance to a separate tiny home ordinance that creates a more targeted regulatory framework.

As Ojai moves forward with implementation, the city is evaluating several practical and policy considerations, including:

- Sanitation hook-up fees
- Options for off-grid living
- Foundation pad requirements
- Infrastructure costs
- How movable tiny homes may count toward housing goals

The key takeaway was clear: there is no single regional approach yet. Each jurisdiction is working through its own land use rules, infrastructure realities, political considerations, and community priorities.

Financing Considerations

The forum also spent time on financing, and how commercial lending depends heavily on how a housing product is legally classified. The discussion introduced the concept of “chattel,” referring to personal property rather than real property. That distinction matters because lenders evaluate personal property and real estate differently.

Stick-built and modular homes are always connected to real property and have well established available financial mortgage products. Manufactured (or mobile) homes are financed in different ways depending on how they are titled—as personal property chattel through the DMV or converted and secured as real property. There are established loan products for mobile homes. Recreational vehicles are always chattel, and because they are never permanently affixed to land, they can be financed and secured through traditional vehicle loans.

Financing movable tiny homes becomes more complicated. While they are a physical and permanent housing unit, often affixed to the land like a manufactured home, they are built and titled through vehicle-related systems, like an RV. Current legal and financial systems do not treat it like real property. This duality creates uncertainty and can limit lending options.

Infrastructure Can Make or Break Feasibility

Another recurring theme was infrastructure.

Participants discussed how utility requirements can quickly increase the total cost of a small housing project. Electrical upgrades, sewer connections, septic requirements, water service, fire sprinklers, pads, foundations, and other site improvements can add tens of thousands of dollars to a project.

This is especially important for tiny homes and ADUs because many of these housing types are pursued specifically for affordability. If the cost for the infrastructure required to place the unit is high, the affordability advantage can disappear.

The forum included discussion around off-grid possibilities, composting toilets, solar power, fire safety, and utility connections. While some of these ideas may offer future flexibility, they also introduce additional regulatory and technical questions.

The larger issue is not whether small housing can be built. It is whether the systems around it are, or can be, designed to make small housing feasible.

Housing Solutions Need Flexibility

Throughout the conversation, speakers returned to a broader point: Ventura County's housing challenges require more than one solution.

Alternative housing options may not solve the entire affordability crisis, but they can be part of a larger housing ecosystem. Movable tiny homes, manufactured homes, modular units, garage conversions, ADUs, emergency housing, transitional housing, and congregate living models may each serve different populations and needs.

For seniors on fixed incomes, young professionals, farmworkers, people exiting homelessness, small households, and those unable to access traditional homeownership or rental options, smaller and more flexible housing types may provide meaningful opportunities.

At the same time, the forum acknowledged that cities must balance these opportunities with safety, enforcement, neighborhood compatibility, infrastructure capacity, and long-term housing policy goals.

The conversation also touched on the role of housing as part of community life. Housing connects to employment, health, transportation, aging, disaster recovery, and economic development. As one speaker noted, the housing challenge cannot be addressed through a single "silver bullet." It requires a range of tools that can be adjusted based on the needs of different people and different communities.

Policy, Funding, and Implementation Must Work Together

A major takeaway from the forum was that many promising housing ideas are stalled because of policy and funding.

Even when a housing type seems practical, it must still fit within local codes, state law, financing systems, fire and safety requirements, infrastructure standards, and state housing reporting frameworks. If one part of that system does not align, the project can become difficult or impossible to execute.

The discussion around RHNA credit was a strong example. If movable tiny homes are permitted as ADUs or otherwise recognized as housing units, can they count toward a jurisdiction's housing goals? How should they be tracked if they are technically movable? What if they remain in place long-term? What kind of permit or slab or site improvement makes them countable?

These questions matter because jurisdictions are under pressure to plan for and produce housing. If alternative housing types can help meet those goals, local governments may have stronger incentives to create clearer pathways for approval.

As new housing products such as movable tiny homes emerge, the systems that regulate, finance, and insure them must also continually evaluate and adapt. At present time 23 cities and counties in California have policies approving movable tiny homes, including Ojai, Los Angeles, San Jose, San Diego, and Fresno. These and other cities experimenting with pilot programs, templates, sample ordinances, or alternative utility approaches are helping identify what works—and where additional policy guidance may be needed. A more widespread conversation and action is needed to incorporate innovation into solutions for more affordable housing.

A Conversation Worth Continuing

The June forum did not attempt to answer every question. Instead, it did something equally important: it brought the right people into the room to clearly name and address the challenges.

Alternative housing is not simple. Tiny homes, ADUs, manufactured housing, modular construction, RVs, and movable dwellings all carry different legal, financial, and practical considerations. The complexity should not prevent but rather fuel continued exploration.

Ventura County needs to continue to engage in broad housing conversations—ones that include traditional development, affordable housing, missing-middle options, homeownership pathways, supportive housing, and smaller-scale solutions that help fill gaps in the market.

This forum reinforced that progress requires coordination across sectors: municipal staff and elected officials, lenders, builders, housing and service providers, employers, nonprofit organizations, state agencies, and residents themselves.

It also requires a willingness to test ideas, gather data, refine policies, and keep asking practical questions. What can be approved? How can it be financed? What can be built affordably? What can be maintained over time? And how can each city create room for housing solutions that reflect the needs of its own community?

Moving the Conversation Forward

HOME's mission has always centered on thoughtful discussion, education, and collaboration around housing issues in Ventura County. This forum reflected that mission in action.

By bringing together local expertise and community perspectives, **Small Spaces: Understanding Alternative Housing Options** helped clarify why alternative housing matters—and why implementation requires careful, collaborative work.

The conversation around small spaces is really a conversation about larger possibilities: how Ventura County can expand housing choice, support more attainable options, and create flexible solutions for residents at different stages of life. As housing needs continue to evolve, forums like this create the space to learn from one another, challenge assumptions, and move closer to practical solutions.

HOME looks forward to continuing these conversations and supporting the partnerships needed to advance housing opportunities throughout Ventura County. We appreciate the Forum speakers and guests for sharing their experiences and expertise, especially:

- Ben Davis, President, Piccola Homes
- Lucus Seibert, Community Development Director, City of Ojai
- Stratis Perros, Environmental Services Director, City of Simi Valley
- James Mason, Community Development Director, City of Santa Paula
- Matthew Couch, CEO, MortgageCouch, Inc.

Post-forum follow-up Q&A

Answers are provided by Ben Davis, Piccola Homes and Ellen Stone who is experienced in placing single family residences on unincorporated San Diego county areas. THOW = Tiny Home on Wheels. Note: The City of San Diego and the County of San Diego have ordinances legalizing the use of THOW as a permanent dwelling, as does 20 other California jurisdictions including Ojai, Los Angeles, Fresno, Riverside, Oakland, San Jose, Santa Clara County, etc.

<u>PERMITTING</u>

- Q: For this to be a housing solution and not a recreational product, a person has to be able to live in it full-time, legally, and indefinitely. In the jurisdictions you serve, can they? If the honest answer is "it depends," what has to change?

  A: For cities and counties that have adopted an ordinance that defines Movable Tiny Homes as permanent dwellings they are "legal". For the municipalities that haven't an ordinance needs to be adopted in order for people to "legally" live in it indefinitely.

- Q: The hardest constraint in this region isn't the structure — it's legal, serviced land to put it on. If that's the bottleneck, what does the movable tiny home actually unlock, and who has to act for it to scale?

  A: It doesn't unlock anything for places where it's not legal. The municipalities need to act for it to be able to scale.

- Q: Is there a model where the pad, utilities, and shared infrastructure of a tiny-home community are permitted and financeable as real property, while the units themselves remain titled personal property? Walk us through how that pencils and who holds the risk.

  A: I haven't seen this specifically for Movable Tiny Homes. However, in the places that do have "communities" it is the same model as an RV park.

- Q: You build to ANSI A119.5 and position the homes as getting RV-style hookups and simpler permitting than an ADU. Can you be concrete about what a buyer in Ventura County or LA County actually has to do to legally place and occupy one? Where does it get stuck?

  A: A buyer can legally place a Park Model RV in their yard and also permit RV hookups to the location. The issue comes if they are living in it permanently because all cities/counties have ordinances against permanently living in an RV.

- Q: Who certifies your ANSI A119.5 compliance, and do the units carry an RVIA seal? Walk us through why you went A119.5 rather than the HUD Code under 24 CFR 3280 or IRC Appendix Q for a foundation tiny house — because those three paths lead to completely different legal outcomes.

  A: Pacific West Tiny Homes certifies our units to the ANSI A119.5 Standards. (RVIA is just an association that certifies trailers to the ANSI code) Refer to the spreadsheet on housing types as for the many reasons we went with A119.5 vs HUD vs foundation vs IRC (modular).

- Q: What's your fire-safety package — NFPA 13D sprinklers, interconnected smoke/CO, and how are you meeting emergency egress from a sleeping loft when a ladder doesn't satisfy IRC egress?

  A: Our egress requirements abide by the ANSI A119.5 code. If fire sprinklers are required, then we abide by the jurisdiction it's being placed in.

UTILITIES

- Q: For a buyer with a vacant in-city lot, what does the city actually require before water service is turned on for a movable unit — a will-serve letter, a new meter and capacity fee, a permitted dwelling? And does the unit's RV classification help them or disqualify them from getting that service at all?

  A: Unlike the city (San Diego), you can put a movable tiny house on a vacant lot in the County of San Diego. Because the county allows a THOW to serve as the primary dwelling on a property, you do not need to build a traditional home first. If you are putting it on an empty lot, the county treats it like a primary home. This means the water district will require a will-serve letter, and you will have to pay for a brand-new meter and all associated capacity fees. In the county, the RV classification does not disqualify you. In fact, the county specifically requires the unit to be certified to the ANSI A119.5 Park Model RV Standard by an approved agency to even get the permit.

- Q: When a city evaluates one of these placements, does occupancy trigger the same water-demand, fire-flow, and connection-fee obligations as a stick-built dwelling, regardless of the wheels? Or is there a lighter pathway, and if so, what's the basis for it?

  A: It depends on the city and how their ordinance is written.

- Q: For a parcel that needs a brand-new water allocation, how is the district treating a tiny-home placement versus a conventional new home — same will-serve standard, same connection and capacity charges, or a different track? And are there parcels where the answer right now is simply "no new connection available"?

  A: If you place a THOW on a vacant lot in the County, it is treated on the same track as a conventional new home. Because it is the first and only home on the property, it triggers a brand-new water allocation. You must meet the standard will-serve requirements and pay the full, standard connection and capacity charges just as if you were building a 3,000-square-foot house. Yes, there are still parcels where the answer is "no new connection available." If the vacant land is completely off the water grid, too far from existing mains, or located in an unbuildable or environmentally restricted zone, the water district will deny the connection, regardless of whether it is for a tiny home or a traditional house.

- Q: On septic: for vacant land with no sewer, what does the county require — a full permitted on-site system with perc tests and setbacks, or will it accept the unit's holding tanks? And does that answer change the moment the unit becomes a full-time residence rather than a recreational one?

  A: If your vacant county land does not have sewer access, the county (San Diego) strictly requires a fully permitted on-site septic system. You must pass soil percolation (perc) tests, design a proper leach field, adhere to setbacks, and pass county underground plumbing and sewer inspections. The county will not allow you to use the tiny home's built-in holding tanks. The unit must be permanently hard-piped into the underground septic system. The county zoning ordinance dictates that THOWs placed on private lots are considered permanent dwelling units, not recreational park trailers (which belong in RV parks). Therefore, it is treated as a full-time residence from day one and must have permanent wastewater connections.

- Q: Is there any realistic vacant-land scenario where a movable tiny home gets a clean, permanent, permitted water supply at a reasonable cost — or does the water question quietly turn this product back into a backyard-only solution that needs an already-served lot to work?

  A: Yes, there is a realistic vacant-land scenario in the County, but it will not be cheap. Unlike the City (San Diego), the County does not force a THOW to be a "backyard-only" solution. You absolutely have the legal right to place one on raw, vacant land as your primary home. However, the "water question" still presents a massive financial barrier. Because the county allows it to be a primary home, you have to pay primary-home utility prices. You will be paying the same massive capacity fees, water meter installation costs, and full-scale septic design costs that a *traditional home builder pays. You save money on the house itself, but establishing utilities on raw land remains a very expensive, full-scale construction project.*

- Q: On plumbing — are you running fresh/grey/black holding tanks on your models, or can you do a direct sewer/septic and pressurized water tie-in? How do you handle freeze protection and on-demand water heating?

  A: We do not have holding tanks; it is a direct sewer/septic and pressurized water tie-in. Freeze protection is afforded by attaching a heated potable water hose from the spigot to the water tie in. An electric tank water heater is installed in every home.

- Q: Off-grid water — rainwater catchment, storage tanks, trucked-in water — gets marketed heavily in the tiny-home world. In the jurisdictions you serve, can a buyer legally occupy a unit full-time on hauled or harvested water, or does the health code still require a permitted potable connection?

  A: Some jurisdictions allow and permit fully off-grid movable tiny homes.

<u>MONEY MATTERS</u>

- Q: Since there's no permanent foundation, these are personal property financed as chattel — RV or unsecured loans. What does the depreciation curve actually look like, and how does an appraiser find comps when there's no real-property record?

  A: These units can be financed with a mortgage through certain banks. They are typically not appraised and do not raise property values or property taxes.

- Q: Your pitch is 12 weeks and $68K–$155K against a site-built ADU that's a year-plus and often well north of that. When you net out the land, the pad, the utility tie-ins, and the financing premium on a chattel loan, does the cost advantage actually survive? Walk us through the all-in number.

  A: A 150sq.ft ADU in Ventura County starts at $220,000 (according to Ventura Counties ADU calculator). This means that with a conservative estimate of $40,000 in utility tie-in costs and our $109,000 fully built unit, a customer can still have an ADU in their backyard for around $160,000 and that includes taxes and fees. That's $60,000 less than the smallest ADU that you can build in a backyard.

- Q: Once I add the land, the pad, the utility tie-ins, and a chattel loan at RV interest rates, where does your cost advantage actually go? Show me the all-in number, not the sticker price.

  A: RV lenders do not lend for Movable Tiny Homes so loans would be more akin to a house mortgage or construction line of credit which would be the same for a stick-built ADU or a Movable Tiny Home.

  Cash example for the Adagio-Nest (one of Piccola Homes models):

    - *Unit Cost $124,500*
    - *Sales Tax $10,059*
    - *Vehicle Registration $1,033*
    - *Pad $5,000*
    - *Utility Tie-ins $25,000*
    - *TOTAL COST: $165,592*

  A comparable ADU would cost a minimum of $250,000. That's $85,000 in savings. This also doesn't take into account the peace of mind that you get from buying a product that you've already seen, not having to deal with construction happening in your backyard for months on end, and the much faster timeline the whole entire process takes.

- Q: What's the long-term plan for a unit's second life? Resale, redeployment to another site, conversion? The reversibility argument only holds if there's a real market on the back end.

  A: These are built to be permanent additions to houses. If customers want to take their THOW with them when they move then that could be an option, otherwise they would be sold along with the house as an ADU.

- Q: Does a factory build like yours let a public sponsor sidestep the prevailing-wage exposure that site-built affordable construction triggers — and is that a selling point you actually lead with to agencies?

  A: Yes, as far as the unit is concerned. For all site prep, prevailing wage still applies.