

BOARD OF SUPERVISORS AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors

105 E. Anapamu Street, Suite 407 Santa Barbara, CA 93101 (805) 568-2240

Department Name: Planning and Development

Department No.: 053

For Agenda Of: 05/18/2021
Placement: Departmental

Estimated Time: 1 hour
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors (Board)

FROM: Department Lisa Plowman, Director, Planning and Development Department (P&D)

Director (805) 568-2086

Contact Info: Dan Klemann, Deputy Director, Long Range Planning

(805) 568-2072

SUBJECT: Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) Ordinance

Amendments

County Counsel Concurrence

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

As to form: Yes

Recommended Actions:

Staff recommends that the Board consider the adoption of amendments to the Coastal Zoning Ordinance (CZO), the County Land Use and Development Code (LUDC), and the Montecito Land Use and Development Code (MLUDC) to revise existing and create new development standards and permit procedures to implement recent changes in State legislation regarding ADUs and JADUs. Staff also recommends that the Board consider the adoption of an amendment to the *Santa Barbara County Uniform Rules for Agricultural Preserves and Farmland Security Zones* (Uniform Rules) to revise the existing ADU definition, add a new JADU definition, and allow JADUs as a compatible use on agricultural preserve contracted lands.

The Board's action should include the following:

- a) CZO amendment (Case No. 20ORD-00000-00001):
 - i) Make the required findings for approval, including California Environmental Quality Act (CEQA) findings (Attachment 1);
 - ii) Determine that the adoption of this ordinance is statutorily exempt from environmental review pursuant to State CEQA Guidelines Sections 15265 and 15282(h) (Attachment 2); and
 - iii) Adopt an ordinance (Case No. 20ORD-00000-00001) amending the CZO, of Chapter 35, Zoning, of the Santa Barbara County Code (Attachment 3).
- b) LUDC amendment (Case No. 20ORD-00000-00002):

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- i) Make the required findings for approval, including CEQA findings (Attachment 1);
- ii) Determine that the adoption of this ordinance is statutorily exempt from environmental review pursuant to State CEQA Guidelines Section 15282(h) (Attachment 2); and
- iii) Adopt an ordinance amending Section 35-1, the LUDC, of Chapter 35, Zoning, of the Santa Barbara County Code (Attachment 4).
- c) MLUDC amendment (Case No. 20ORD-00000-00003):
 - i) Make the required findings for approval, including CEQA findings (Attachment 1);
 - ii) Determine that the adoption of this ordinance is statutorily exempt from environmental review pursuant to State CEQA Guidelines Section 15282(h) (Attachment 2); and
 - iii) Adopt an ordinance amending Section 35-2, the MLUDC, of Chapter 35, Zoning, of the Santa Barbara County Code (Attachment 5).
- d) Uniform Rules amendment:
 - i) Determine that the Uniform Rules amendment is statutorily exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3) (Attachment 2); and
 - ii) Adopt a resolution amending the Uniform Rules to revise the existing ADU definition, add a new JADU definition, and allow JADUs as a compatible use on agricultural preserve contracted lands (Attachment 6).

Summary Text:

Over the past several years, the State legislature has identified the production of ADUs and JADUs as an important strategy to increase housing production and has adopted legislation to promote new ADUs and JADUs. In 2017, new State laws went into effect that made it easier for property owners to develop ADUs on lots zoned for single-family or multiple-family uses and JADUs on lots zoned for single-family residences. The following year, the Board adopted zoning ordinance amendments to comply with these new laws. On January 1, 2020, new State ADU and JADU laws went into effect and caused the County's Inland Area ADU ordinances (i.e., the LUDC and MLUDC) to become null and void. The County's Coastal Zone ADU ordinance (i.e., the CZO) remains in effect to protect coastal resources. On January 1, 2021, additional changes to State ADU and JADU laws went into effect to clean-up and clarify provisions from the 2020 legislation.

In 2020, the Board directed staff to initiate zoning ordinance amendments to comply with the new State ADU and JADU laws. Accordingly, staff has drafted CZO, LUDC, and MLUDC amendments (Attachments 3, 4, and 5, respectively) for the Board's consideration. Per the Board's direction regarding the existing ADU ordinances, the proposed LUDC and MLUDC amendments contain identical development standards for ADUs and JADUs. The proposed CZO amendment, on the other hand, includes a unique standard for the protection of coastal resources as allowed by State ADU law. Staff also prepared an amendment to the Uniform Rules (Attachment 6) to comply with the new State ADU and JADU laws.

Consistent with State ADU and JADU laws, the proposed amendments streamline the permit process and reduce the development standards applicable to ADUs and JADUs. Some of the most significant changes include the following:

• Increase the number and type of ADUs allowed per lot;

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- Eliminate replacement parking requirements for ADUs;
- Allow (mandatory) JADUs in certain zones;
- Reduce the ADU and JADU permit processing timeframe from 120 days to 60 days; and
- Reduce the floor area restrictions and fees applicable to ADUs.

Please see sections 5.2 and 5.3 of the Montecito Planning Commission (MPC) staff report dated March 9, 2021 (Attachment 7), and the County Planning Commission staff report dated March 23, 2021 (Attachment 8), for details.

The MPC and CPC recommended that the Board adopt the proposed amendments with minor changes regarding the following topics: ADU siting, JADU replacement parking, duplexes, and farmstays. (See the MPC Action Letter dated March 17, 2021, included as Attachment 9 and the CPC Action Letter dated March 31, 2021, included as Attachment 10). Accordingly, staff has incorporated the MPC and CPC's recommended changes into the proposed amendments. Please see Section 6.0, below, for more information.

Background:

1.0 General Information

An ADU is an attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with an existing or proposed single-family dwelling (SFD) or multiple-family dwelling (MFD). An ADU includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

A JADU is a residential dwelling unit that is no more than 500 square feet (SF) in size and contained entirely within a SFD. A JADU may include separate sanitation facilities or may share sanitation facilities with the existing or proposed SFD.

On September 27, 2016, Governor Brown approved two bills (Assembly Bill [AB] 2299 and Senate Bill [SB] 1069) that made it easier for homeowners to develop ADUs on residentially-zoned property. Staff prepared zoning ordinance amendments to comply with these laws, which the Board adopted in 2018 and the California Coastal Commission (CCC) certified in 2019. In part, the adopted ADU ordinances allowed one ADU per residentially-zoned lot and provided regulations for the design, height, location, parking, setbacks, and size of ADUs, as well as the protection of environmentally sensitive habitat (ESH), historic resources, and trees. The County allowed such ADUs with a zoning permit exemption (i.e., Exemption) if located entirely within existing buildings, or a ministerial permit (i.e., Zoning Clearance) if located within a portion of an existing or proposed building.

While the 2016 and 2017 legislation significantly streamlined the permit process for ADUs, some State legislators were concerned that local jurisdictions' ordinances were too burdensome and unreasonably restricted the development of ADUs. As a result, Governor Newsom approved three bills (AB 68, AB 881, and SB 13, codified in GC Section 65852.2) on October 9, 2019, to further streamline the permit process and reduce the development standards for ADUs and JADUs. These bills became effective on January 1, 2020, at which time the County's ADU ordinances for the Inland Area (i.e., LUDC and MLUDC) became null and void due to noncompliance with State ADU law. Until the County adopts new ADU ordinances, the County must process ADU and JADU applications pursuant to State law (GC Section 65852.2 and 65852.22, respectively). In February, 2020, the County implemented a streamlined, interim permit process for ADUs and JADUs. This process will remain in effect until the County adopts

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new ADU ordinances. Under this process, ADUs and JADUs in the Inland Area only require building permits and must comply with the limited development standards specified in the new State ADU and JADU laws. ADUs and JADUs no longer require zoning permits or formal Exemptions.

In 2017, the Board directed staff to use the same development standards to the degree possible when drafting the previous (2018) ADU ordinance amendments for the Inland Area and Coastal Zone. The Board ultimately adopted ordinances for the CZO, LUDC, and MLUDC that are the same except the ordinance for the CZO contains some differences to comply with the California Coastal Act. Staff applied this same approach to all of the current ADU ordinance amendments. As a result, the proposed ordinances for the LUDC and MLUDC contain identical development standards. The proposed ordinance for the CZO is similar, but contains additional development standards to protect coastal resources and require a Coastal Development Permit.

State ADU law distinguishes between two categories of ADUs: those that are exempt from local development standards and those that are subject to local development standards. Sections 2.0 and 3.0, respectively, below, discuss these two categories.

2.0 ADUs Exempt from Local Development Standards

State ADU law [GC Section 65852.2(e)(1)(A) through (D)] identifies the following four types of ADUs that are exempt from local development standards and must be allowed on lots located within residential or mixed-use zones. However, these ADUs are subject to the specific development standards listed in GC Section 65852.2(e)(1). The following types of ADUs are also subject to minimum floor area requirements per GC Section 65852.2(j)(1)(A), rental restrictions per GC § 65852.2(e)(4), and front setback requirements per the CZO and LUDC:

- One ADU per lot located within a SFD or accessory structure;
- One "small" new construction detached ADU (i.e., up to 800 square-feet in size limit and 16-feet in height) per lot containing a SFD;
- Multiple attached or detached ADUs (at least one and up to 25 percent of the existing MFD units shall be allowed as ADUs) located within non-livable portions of existing MFDs or accessory structures; and
- Two "large" detached ADUs (i.e., no size limit, but subject to height and setback requirements) per lot containing a MFD.

Table 1 of the MPC and CPC staff reports dated March 9, 2021 (Attachment 7), and March 23, 2021 (Attachment 8), respectively, summarizes the specific development standards outlined in State ADU law that are applicable to these four types of ADUs.

3.0 ADUs Subject to Local Development Standards

State ADU law [GC Section 65852.2(a) through (d)] allows the County to apply local development standards to ADUs that do not meet the criteria of GC Section 65852.2(e)(1) (i.e., ADUs that do not fit into one of the four categories listed in Section 2.0, above). Such ADUs must be located within zones that allow SFDs or MFDs and only one ADU is allowed per lot. For these types of ADUs, the proposed amendments provide development standards regarding design, ESH, coastal resources, grading, height, historical and archaeological resources, location, sale, size, parking, setbacks, tree protection, and riparian corridors (LUDC amendment only). The proposed amendments also contain provisions from State ADU law that apply to all ADUs and JADUs (including ADUs that fit into one of the four

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categories listed in Section 2.0, above), including standards related to minimum size and the length of rentals. Where possible, staff maintained existing development standards from the previous ADU ordinances. However, certain development standards were deleted or revised in order to comply with State law.

Table 2 of the CPC staff report dated March 23, 2021 (Attachment 8), summarizes the major changes to the County's existing development standards.

4.0 JADUs

State law now mandates that the County allow JADUs within residential or mixed-use zones (when located on the same lot as an ADU described in Section 2.0, above) and zones that allow SFDs [GC Sections 65852.2(e)(1)(A) and (B) and 65852.22(a), respectively]. JADUs are limited to 500 SF in size and must be located within an existing or proposed SFD or the attached garage of an SFD. Please see Section 5.4 of the CPC staff report dated March 23, 2021 (Attachment 8) for more information regarding JADUs and their applicable development standards.

5.0 Uniform Rules Amendment

When staff was preparing the 2018 ADU ordinance amendments, the CPC, County Agricultural Advisory Committee (AAC), and County Agricultural Preserve Advisory Committee (APAC) recommended that the Board allow ADUs on lands subject to land conservation contracts. Consistent with their previous direction, staff prepared an amendment to the Uniform Rules to revise the existing ADU definition, add new JADU definition, and allow JADUs as a compatible use on agricultural preserve contracted lands.

Staff presented the Uniform Rules amendment to APAC on March 5, 2021. APAC recommended that the Board adopt the proposed amendment (Attachment 6).

6.0 Planning Commission Recommendations

On March 17, 2021, the MPC recommended that the Board adopt the proposed CZO and MLUDC amendments with two additional staff-recommended changes. First, the MPC recommended adding onsite replacement parking requirements for JADUs located within attached garages, based on recent guidance that the State Housing and Community Development Department (HCD) published on this matter. Second, the MPC recommended clarifying that duplexes (i.e., "dwelling, two-family" as defined in the zoning ordinances) are considered MFDs for purposes of the ADU ordinances. Staff added these standards to the proposed CZO and MLUDC amendments. Please see the MPC Action Letter dated March 17, 2021 (Attachment 9), for more information.

On March 31, 2021, the CPC recommended that the Board adopt the proposed CZO and LUDC amendments and revise the amendments to include the location on lot standards from CZO Section 35-142.7.8.a through d and LUDC Section 35.42.015.G.8.a through c. In addition to the required setbacks, these standards require that detached ADUs be located away from property lines and specify that such ADUs shall not be closer to the principal abutting street than the principal dwelling. Staff added the location on lot standard to the MLUDC for consistency, but the Board has the option to remove this standard.

During the March 31, 2021, hearing, the CPC also recommended that the Board amend LUDC Section 35.42.015.H.3.b to clarify that ADUs and JADUs shall not be used as farmstays, as staff unintentionally

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omitted farmstays from the list of prohibited uses for ADUs and JADUs. Please see the CPC Action Letter dated March 31, 2021 (Attachment 10), for more information.

7.0 Staff-Recommended Changes

Following the March 31, 2021, CPC hearing, staff made non-substantive changes to the proposed amendments. The following staff-recommended changes were added for clarity and consistency with State ADU law:

- Added language to the "Exemptions from Planning Permits" section to clarify that the floor area of existing and proposed ADUs and JADUs shall be included in the gross floor area calculations for the purpose of processing a Development Plan for other proposed development on a lot (CZO Section 35-169.2.2.a, LUDC Section 35.20.040.C, and MLUDC Section 35.420.040.C);
- Added language to the "floor area, gross" definition to clarify that the floor area of existing and proposed ADUs and JADUs shall be included in the gross floor area calculations for the purpose of processing a Development Plan for other proposed development on a lot (CZO Section 35-58, LUDC Section 35.110.020, and MLUDC Section 35.500.020);
- Added text to clarify that only objective environmentally sensitive habitat area (ESHA) standards shall apply to ADUs (LUDC Section 35.42.015.F.3, and MLUDC Section 35.442.015.F.3); and
- Added a standard requiring compliance with the objective standards of the Riparian Corridor Goleta (RC GOL) Overlay (LUDC Section 35.42.015.F.15).

These changes have been incorporated into the proposed CZO, LUDC, and MLUDC amendments (Attachments 3, 4, and 5, respectively).

8.0 CCC Certification and HCD Review

Following Board adoption, staff will send the CZO amendment to the CCC for review and certification. The certification process may take until spring 2022 to complete.

In addition, GC Section 68582.2(h) requires that the County submit the ordinances to HCD within 60 days after the date of adoption. HCD may submit written findings to the County as to whether the ordinances comply with the new State ADU and JADU laws. If HCD finds that the ordinances do not comply with the new laws, the County would have 30 days to (1) amend the ordinances to comply with the new laws, or (2) adopt the ordinances without changes and include findings in the resolution that explain the reasons the County believes that the ordinances comply with the new State ADU and JADU laws. If the County does not amend the ordinances or make the required findings, HCD may notify the State Attorney General that the County is in violation of State law.

Environmental Review:

Staff recommends that the Board determine that (1) the proposed LUDC and MLUDC amendments are exempt from environmental review pursuant to State CEQA Guidelines Section 15282(h); (2) the proposed CZO amendment is exempt from environmental review pursuant to State CEQA Guidelines Sections 15265 and 15282(h); and (3) the proposed Uniform Rules amendment is exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3).

State CEQA Guidelines Section 15282(h) provides a statutory exemption for cities or counties to adopt ADU ordinances to implement Government Code Section 65852.2. State CEQA Guidelines Section

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15265 statutorily exempts local government activities involving the preparation and adoption of local coastal program amendments from environmental review. Lastly, State CEQA Guidelines Section 15061(b)(3) applies to activities that do not have the potential for causing a significant effect on the environment. Please see the attached Notice of Exemption (Attachment 2) for additional details.

Fiscal Analysis:

Funding for this project is budgeted in P&D's Long Range Planning Division Budget Program on page D-294 of the County of Santa Barbara Adopted Budget, Fiscal Year 2020-2021. There are no facilities impacts.

In January 2020, HCD awarded the County an \$89,000 grant pursuant to the SB 2 Planning Grants Program to fund the costs of the ADU and JADU ordinance amendments (SB 2 PGP grant). Since staff began drafting the proposed ADU and JADU ordinance amendments in April 2020, staff has expended approximately 950 hours/\$82,000 to prepare and process the proposed amendments. These costs will be fully reimbursed through the SB 2 PGP grant. The remaining \$7,000 grant funds will be used to update the zoning ordinances and train staff on the adopted ADU/JADU ordinance amendments.

Special Instructions:

P&D will satisfy all noticing requirements. The Clerk of the Board will provide copies of the Minute Order and the signed ordinances and resolution to P&D, attention Jessi Steele.

Attachments:

- 1. Findings for Approval (Case Nos. 20ORD-00000-00001, 20ORD-00000-00002, and 20ORD-00000-00003)
- Notice of Exemption (Case Nos. 20ORD-00000-00001, 20ORD-00000-00002, and 20ORD-00000-00003) and Uniform Rules Amendments
- 3. CZO Amendment (Case No. 20ORD-00000-00001)
- 4. LUDC Amendment (Case No. 20ORD-00000-00002)
- 5. MLUDC Amendment (Case No. 20ORD-00000-00003)
- 6. Uniform Rules Resolution and Amendment
- 7. MPC Staff Report, dated March 9, 2021
- 8. CPC Staff Report, dated March 23, 2021
- 9. MPC Action Letter, dated March 17, 2021
- 10. CPC Action Letter, dated March 31, 2021

Authored By:

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