



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Community Development and Infrastructure

Subject: Accessory Dwelling Unit Ordinance Amendments

Meeting Date: June 24, 2025

Formal Title: Hold public hearing to consider approving in concept "An Ordinance of the Board of Supervisors of Santa Cruz County Amending Santa Cruz County Code Chapter 13.10 Regarding Accessory Dwelling Units," confirm the proposal is exempt from requirements of the California Environmental Quality Act, and take related actions

Recommended Actions

1. Hold public hearing to consider proposed amendments to the Santa Cruz County Code Santa Cruz County Code and the Local Coastal Program (LCP);
2. Adopt a resolution finding the proposed amendments are consistent with the General Plan and Local Coastal Program and exempt from further environmental review under the California Environmental Quality Act (CEQA), and directing staff to file the CEQA Notice of Exemption and submit the Local Coastal Program amendments to the California Coastal Commission for certification;
3. ~~OBJ~~ Approve in concept "An Ordinance of the Board of Supervisors of Santa Cruz County Amending Santa Cruz County Code Chapter 13.10 Regarding Accessory Dwelling Units";
4. Direct the Clerk of the Board to publish the Notice of Proposed Ordinance Summary in a newspaper of general circulation at least five days prior to the scheduled second reading and final adoption, no later than July 31, 2025, pursuant to Government Code Section 25124; and
5. Direct the Clerk of the Board to schedule the ordinance for second reading and final adoption on August 5, 2025.

Executive Summary

Updates to the Santa Cruz County Code (SCCC) are proposed for the purpose of aligning the Accessory Dwelling Unit (ADU) regulations with recent updates to State law, resolving points of confusion in existing ADU regulations, further streamlining ADU development in Santa Cruz County, aligning with the ADU Handbook released by the California Department of Housing and Community Development (HCD) and addressing HCD's comments. The Board of Supervisors is requested to hold a public hearing to consider the Planning Commission's recommendation on the proposed ordinance.

Discussion

The County's ADU regulations have been in place for many years and were most recently updated in October 2021, in response to State laws passed in 2019 and 2020. More recently, additional State ADU laws have been enacted that require amendments to local ADU regulations. HCD developed an "ADU Handbook" that clarifies and interprets the provisions of State ADU law and released an updated version in 2025. In addition, there are some aspects of the County's ADU regulations that could be updated to resolve points of confusion for staff and applicants.

The intent of State ADU law is to remove barriers to ADU construction. County Code may be more lenient but may not be more restrictive than State law in terms of allowing for ADU construction. For topics that are not covered by State law, the County has flexibility as to what ADU regulations to impose, although it may be desirable to align County regulations with the overall intent of State law. In the Coastal Zone, ADU regulations must be balanced with provisions of the California Coastal Act.

The County is required to submit a copy of an adopted ADU ordinance to HCD for a determination as to whether the ordinance complies with State ADU law. Prior to final adoption, HCD will review and comment on draft ordinances prior to adoption by a local jurisdiction, and County staff pursued this option in an effort to ensure HCD finds the adopted ordinance in compliance with State law. Based on the consultations with HCD staff and review of the updated ADU Handbook, County staff determined additional changes to the ordinance are necessary compared to the version reviewed by the Planning Commission in October 2024. Because the changes are substantial, another public hearing before the Planning Commission was held on May 14, 2025, and the Planning Commission took action to recommend the Board of Supervisors adopt the proposed Ordinance amending the ADU regulations. The Planning Commission staff report provides a detailed account of the ordinance amendments ([Planning Commission Staff Report](#)). However, a summary of the most significant changes is discussed below.

Definitions

HCD clarified that a tiny home on wheels (THOW) does not meet the definition of an ADU because it is not a permanent structure. Therefore, the reference to a THOW is deleted from the definition of an ADU in the Ordinance. The definition of a Junior ADU (JADU) is updated to be more consistent with State law regarding kitchen facilities. Language in other parts of the Ordinance is updated to clarify other requirements related to JADUs such as location and interior and exterior access for consistency with state JADU law.

Number of ADUs Allowed

Revised language would clarify that under State ADU law, ADU allowances are per lot not per single-family dwelling. Ordinance language is updated to be consistent with guidance in the updated ADU Handbook that would allow one conversion ADU, one JADU and one attached or detached ADU, or up to three ADUs on a lot with an existing or proposed single-family dwelling. The County's ordinance currently allows one ADU (conversion, attached, or detached) and one JADU or up to two ADUs on a lot. In addition, the Ordinance is updated to clarify the number of ADUs allowed on multifamily dwelling sites. On parcels with proposed multifamily dwellings, up to two detached ADUs are allowed. On parcels with existing multifamily dwellings, the number of detached ADUs allowed was increased from two to not more than eight detached ADUs or not more than the existing number of multifamily units, whichever is less. In existing multifamily dwellings conversion of up to 25 percent of existing livable space to ADUs is allowed but language is added to the ordinance that this is only allowed in existing multifamily dwellings, not proposed projects.

ADU Size Summary

Updated Ordinance language would clarify that a percentage (e.g., not greater than 50 percent) of the existing primary dwelling can be used as a maximum unit size for attached ADUs, but only if it does not restrict an ADU's size to less than 850 square feet, or 1,000 square feet for ADUs with more than one bedroom. Revised language is proposed to refer to the larger of the percentage or the minimum square feet allowance.

Throughout the Ordinance, addition language is proposed that references an ADU no more than 800 square feet with 4-foot side and rear setbacks and meeting height standards. These types of ADUs are generally exempt from many of the requirements that apply to other types of ADUs such as parking requirements and other objective standards. These are commonly referred to as Government Code 66323 units.

Objective Standards and Setbacks

While objective standards cannot be applied to 66323 units no more than 800 square feet in size, objective standards can be applied to other types of ADUs. Language is added to the Ordinance referencing objective standards which are defined in state ADU law as standards that:

Involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the applicant or proponent and the public official prior to submittal

They are too numerous to list because they exist throughout the County Code and General Plan, but some examples would be Building and Fire Codes, zoning setbacks, and environmental setbacks contained in Title 16 of the County Code, which contains the environmental and resource protection standards.

Height and Parking

Language is added to reflect new State laws regarding the height of an ADU near transit and the height of a detached ADU associated with a multifamily dwelling. Ordinance language is updated to define ADUs that are exempt from providing parking including JADUs, conversion ADUs, ADUs near transit, car share, within a historic district, and 66323 units.

Nonconforming Conditions

Ordinance language is updated to reflect state ADU law that existing nonconforming conditions cannot be required to be corrected unless there is a threat to public health and safety and they are affected by the construction of the ADU. However, in the Coastal Zone language is added to clarify that if the nonconforming conditions represent a threat to coastal resources, they must be addressed as part of the Coastal Development Permit.

Design

Language in this section is modified to provide a more objective standard for fence height when it is used to screen an ADU and to delete reference to the Water Efficient Landscape Ordinance because ADUs are exempt. Again, outside the Coastal Zone language is added to exempt 66323 units from objective design standards.

Occupancy

Language is added removing the owner-occupancy requirement for ADUs but not for JADUs. All the same language regarding occupancy in the ordinance is retained but for JADUs only. Language is modified to clarify that state ADU law does not restrict a JADU from short-term rental occupancy and provides a reference to the County's short-term rental program that may include the use of a structure with a JADU as a short-term rental.

Application Processing

Language would be amended to clarify the processing of applications for ADUs in the Coastal Zone in terms of referencing the procedure for a combined building permit and Coastal Development Permit with no public hearing, special findings in the Commercial Agriculture (CA), Parks and Recreation (PR), and Timber Production (TP) zone districts, and clarification of permit processing level and code references for ADUs and JADUs in the use charts.

Unpermitted ADUs

Language is added to this section addressing ADUs constructed prior to 2020 without permits. To approve a permit, a local agency can only require correction of conditions that would qualify the structure as a substandard building pursuant to the State Health and Safety Code. However, a permit can be denied if the entire structure is deemed substandard and cannot be brought into compliance through correction of specific conditions.

California Environmental Quality Act

Amendments to the County's ADU regulations that are consistent with State law are exempt from California Environmental Quality Act (CEQA) review per CEQA §15282(h): "adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code." Note that Assembly Bill 477 approved by the Governor in March 2024 made organizational changes to the state ADU regulations, relocating the regulations to Government Code Sections 66310 through 66339. Further, Assembly Bill 3057, approved by the Governor in August 2024, expands this CEQA exemption to include the adoption of the ordinance regarding JADUs. A notice of exemption has been prepared.

General Plan and Local Coastal Program Consistency

The proposed amendments will require a Local Coastal Program Amendment because SCCC Chapter 13.10 is an implementing ordinance of the Santa Cruz County Local Coastal Program. After the Board of Supervisors approval, the proposed ordinance will be reviewed at a Coastal Commission public hearing and will become active after certification by the California Coastal Commission.

State ADU law does not supersede or in any way alter or lessen the effect or application of the Coastal Act. Therefore, local agencies may enact different ADU rules in the Coastal Zone from what is required by State law if it can be demonstrated that the statewide rules will have a negative impact on application of the Coastal Act. For this reason, the existing ADU regulations include provisions to retain some off-street ADU parking in coastal access visitor hot spots, for example. In addition, State ADU law does not require the County to hold a public hearing for coastal development permit (CDP) applications for ADUs. However, SCCC 13.20 Coastal Zone Regulations includes provisions for processing CDPs for ADUs with a streamlined process that provides for public notice but no public hearing.

The County's ADU regulations have previously been found to be in conformity with and adequate to carry out the certified land use plan (LCP). Because the proposed amendments would further align the County ADU regulations with state law and make other clarifying changes without altering or lessening the effect or application of the Coastal Act, the proposed amendments can be found to be in conformity with the certified LCP. The ADU regulations and the proposed amendments are consistent with and implement the goals and policies of the Built Environment Element and the Housing

Element of the General Plan. Policies and programs in the Housing Element encourage and support the development of ADUs in accordance with State law. The proposed amendments will further align local ADU regulations with State ADU law.

Financial Impact

There is no financial impact to the County as a result of the proposed code amendments.

Strategic Initiatives

Operational Plan - Attainable Housing

Submitted By:

Matt Machado, Deputy CEO / Director of Community Development and Infrastructure

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.