



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

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- a. Receive a status report on Board Referral No. 2017.21 regarding the expansion of Accessory Dwelling Units in Monterey County to address the housing shortage; and
- b. Provide direction to staff.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive a status report on Board Referral No. 2017.21 regarding the expansion of Accessory Dwelling Units in Monterey County to address the housing shortage; and
- b. Provide direction to staff.

SUMMARY:

Supervisor Alejo submitted a referral regarding the expansion of accessory dwelling units (ADUs) that could help to alleviate the housing shortage occurring in Monterey County. Board Referral No. 2017.21 was assigned to the Monterey County Resource Management Agency (RMA) and Economic Development for consideration and analysis of the feasibility of allowing a second or accessory dwelling unit on residential properties within the unincorporated portion of Monterey County. This report is intended to provide information so the Board can determine if any further action is desired.

Staff understands that ADUs can be an effective way for creating affordable units, generally. However, Monterey County is faced with some issues that were not contemplated in the State legislation. As such, staff is evaluating where ADUs would be appropriate, as contemplated by state legislation. Preliminary analysis indicates that ADUs are most appropriate in urbanized areas with public water and public sewer systems.

RMA is preparing a formal response that will provide a thorough explanation of the reasoning. Staff intends to present an opinion to the Planning Commission that would be vetted through a public process. Meanwhile, Economic Development/Housing staff is performing due diligence to assist in the development of a proposal that would allow and make permissible secondary, or, accessory dwelling units on some existing residential parcels.

DISCUSSION:

The California Legislature updated ADU statutes through approval of SB 1069 and AB 2299 (effective January 1, 2017), as well as SB 229 and AB 494 (effective January 1, 2018.) RMA has contacted the State Housing and Community Development Office and consulted County Counsel's Office as part of an effort to examine our ordinance in light of legislative changes. State legislation is often written more for urbanized areas without addressing rural conditions or environmental issues.

In 2011, zoning ordinances were adopted for coastal and non-coastal areas establishing regulations for ADUs. In coastal areas, Chapter 20.64.030 requires a Coastal Administrative Permit or Coastal Development Permit if applicable, in all residential zoning designations due to significant water, sewer, sensitive habitat, and traffic resource constraints. In non-coastal areas, Chapter 21.64.030 allows ADUs in all residential zoning districts except in areas with known resource constraints that pose a hazard to public health and safety, which are specifically identified in the 2010 General Plan Policies CV-1.6, GS-1.13, NC-1.5, and T-1.7. Staff's position is that the state legislation does not supersede these general plan policies that are designed to protect resources and public health.

Additionally, RMA is currently in the process of drafting regulations for short term rentals (STR). One of the challenges has been developing/using ADUs as rentals, which are not affordable. This is contrary to the intent of the state legislature to generate affordable housing.

The principal issues facing Monterey County with adding an ADU to certain existing single family lots are water and wastewater. Use of a septic tank on rural residential properties is prevalent in the unincorporated portions of Monterey County. In many cases, the lot is also served by a water well. Over-density of wells and septic can create potential public health issues relative to safe drinking water.

Secondary units on a residential parcel where public sewer and/or public water is available requires a secondary tie-in and an additional permit for the accessory dwelling unit. Septic tank leach fields require a case by case assessment of the leach field area, percolation rates, and the ability to handle additional load. New state and environmental laws, separate and independent from the ADU/Housing legislation, require a specific test to determine if the existing septic system is healthy and if a second septic system and leach field will be required for the new dwelling unit.

Physical challenges:

- Capacity of the septic system?
- Can the leach field be expanded for the second unit and not interfere with a well on site?
- Can a second septic system and leach field be accommodated on the same parcel as the secondary dwelling unit?
- Is water or water credit available for the second or accessory dwelling unit?
- Competition for short term rental units.

Community Benefits:

- Better site and land use utilization of a single parcel to accommodate more housing at typically affordable rates.
- Accessory dwelling units provide proximity for family members that may need in home care.
- Secondary units prevent urban sprawl and maximize existing infrastructure.
- Monterey County faces a severe housing shortage and must find reasonable means to shelter more people.

Monterey County is facing a severe housing crises with increasing rents, a shortage of market rate multi-family rental units, and a shortage of buildable parcels that could accommodate single family

affordable housing.

OTHER AGENCY INVOLVEMENT:

Environmental Health will review new laws applicable to septic systems.

RMA is analyzing the feasibility of allowing accessory dwelling units in the Coastal Plan area and unincorporated portions of the County of Monterey.

FINANCING:

The staff time associated with pursuing this referral is covered under the Economic Development Department General Fund FY 2017-18 Adopted Budget within Appropriations ED 8221.

There currently is no funding to perform a detailed site assessment, engineering or overlay plan.

However, SB-2 funding to prepare an analysis for affordable housing may be available this summer.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This endeavor facilitates the continuation of the County's and City's mutual planning which promotes the Board's 2015 Strategic Initiative for Administration by promoting an organization that practices efficient and effective resource management through ongoing collaboration with the City. Planning and developing infrastructure improves the quality of life for County residents and visitors.

Mark a check to the related Board of Supervisors Strategic Initiatives

☒ Economic Development

☒ Administration

☒ Health & Human Services

☒ Infrastructure

☒ Public Safety

Prepared by: _____
David L. Spaur, CEcD, EDFP, Economic Development Director, Ext. 5387

Prepared by: _____
Carl Holm, AICP, Resource Management Agency Director, Ext. 5103

Prepared by: _____
John Ramirez, Environmental Health Bureau Director, Ext. 4539

Approved by: _____
Manuel T. Gonzalez, Assistant County Administrative Officer, Ext. 3593