



County of Monterey Planning Commission

Item No.1

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Agenda Item No. 1

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REF240016 - COASTAL ZONE UPDATED ACCESSORY DWELLING UNITS (ADU) AND JUNIOR ACCESSORY DWELLING UNITS (JADU) REGULATIONS.

Public Hearing to consider recommending the Board of Supervisors amend the Monterey County Local Coastal Program to modify policies and regulations for Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs), including the Big Sur Coast Land Use Plan, Carmel Area Land Use Plan, North County Land Use Plan and Monterey County Coastal Implementation Plan, Part 1 the coastal Zoning Ordinance (Title 20), Coastal Zoning, and Part 6, Appendices.

Project Location: All unincorporated areas of the County in the Coastal Zone

Proposed CEQA action: Find statutorily exempt from the California Environmental Quality Act (CEQA) section 15265 for the purpose of local government activities and approvals involving the preparation and adoption of local coastal program amendments.

RECOMMENDATION:

It is recommended that the Planning Commission adopt a resolution recommending that the Board of Supervisors:

1. Find the project statutorily exempt pursuant to CEQA Guidelines section 15265; and
2. Adopt a Resolution of Intent to:
 - a. Amend the Big Sur Coast Land Use Plan to add development standards for accessory dwelling units and junior accessory dwelling units, including a 1,000 square foot size limitation on accessory dwelling units and a prohibition on renting accessory dwelling units for less than 90 days;
 - b. Amend the Carmel Area Land Use Plan policies regarding accessory dwelling units and junior accessory dwelling units, including removing a 40 acre minimum lot size requirement as a development standard for accessory dwelling units;
 - c. Amend the North County Land Use Plan to add policies regarding accessory dwelling units and junior accessory dwelling units, including a 1,000 square foot size limitation on accessory dwelling units and incorporation of water conservations standards for accessory dwelling units and junior accessory dwelling units; and
 - d. Adopt an ordinance amending Monterey County Coastal Implementation Plan Part 1, the coastal Zoning Ordinance (Monterey County Code Title 20), to update regulations relating to accessory dwelling units and junior accessory dwelling units; and Part 6, Appendices, to add Appendix 15.

PROJECT INFORMATION:

File Number: REF240016

Project Location: All unincorporated areas of the County in the Coastal Zone

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SUMMARY:

In 2020, the County adopted ordinances amending both its coastal and inland zoning ordinances (Titles 20 and 21 of Monterey County Code, respectively) to implement State Planning and Zoning Law governing Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs). The coastal zoning ordinance (Title 20), which is Part 1 of the Monterey County Coastal Implementation Plan and is part of the County's certified Local Coastal Program, was subsequently submitted to the California Coastal Commission (CCC) for certification. Upon review, CCC staff provided the County comments regarding the updated regulations, and recommended modifications intended to ensure greater conformity with the Coastal Act. During that same time in 2021, 2022, and 2024, state law regarding ADUs was also updated again.

Since 2020, staff have been working to update the County's coastal ADU regulations to address CCC staff comments as well as reflect current state law. The draft Local Coastal Program amendment attached is designed to bring the County into alignment with current State Planning and Zoning law standards while incorporating appropriate coastal resource and access protection to assure conformance with the Coastal Act. In summary, the amendments include:

- Amendments to accessory dwelling unit (ADU) and junior accessory dwelling unit (JADU) regulations in Title 20 (Coastal zoning) in a manner that harmonizes the recent changes to State housing law with the Coastal Act. The proposed changes involve updating objective design standards, revising existing definitions, streamlining the permit process, adjusting the allowed locations for ADUs and JADUs, and introducing parking requirements for ADUs in specific coastal areas.
- Amendments to the Big Sur Coast Land Use Plan to add development standards for accessory dwelling units and junior accessory dwelling units, including a 1,000 square foot size limitation on accessory dwelling units and a prohibition on renting accessory dwelling units for less than 90 days.
- Amendments to the Carmel Area Land Use Plan policies regarding accessory dwelling units and junior accessory dwelling units, including removing a 40 acre minimum lot size requirement as a development standard for accessory dwelling units.
- Amendments to the North County Land Use Plan to add policies regarding accessory dwelling units and junior accessory dwelling units, including a 1,000 square foot size limitation on accessory dwelling units and incorporation of water conservations standards for accessory dwelling units and junior accessory dwelling units.

Staff presented the ADU Coastal Regulations amending Title 20, Big Sur Coast Land Use Plan, Carmel Area Land Use Plan and North County Land Use Plan on September 25, 2024. This

continued public hearing will allow the Commission to consider the ADU Coastal Regulations and staff will focus on providing a brief overview of some key topics areas that the Commissioners requested staff discuss in further detail.

The commissioners requested that staff continue to work with California Coastal Commission staff to address the concerns brought up in public correspondence letter sent at the September 25, 2024, Planning Commission meeting by the CCC staff. Staff have since then met with CCC to discuss the following key topic areas:

North County Land Use Plan Area Water Concerns

The CCC letter noted that the water conservation measures in the proposed ordinance were insufficient to offset the anticipated increase in water usage from the development of ADUs and JADUs. CCC staff recommended a key finding requiring any ADU or JADU in the North County Land Use Plan area to achieve at least water neutrality when compared to the property's baseline water usage. This would ensure no net increase in groundwater usage.

County staff agree that additional water conservation measures can boost water savings in the North County Coastal area but recognize that requiring a finding of no net increase in groundwater usage presents a barrier to applicants. In certain cases, the development of an ADU or JADU may not be feasible for properties that already incorporate water conservation measures and have low water usage. The revised water conservation measures aim to ensure that ADUs and JADUs are as water neutral as possible relative to the property's baseline water usage, and, in some cases, even decrease the property's overall water use without mandating a finding of no net increase. This approach provides all residential properties a path to develop an ADU or JADU.

In addition, a broader basin-wide effort is being undertaken by the Groundwater Sustainability Agencies to incorporate water conservation projects and management actions that put the sub-basins on track to achieve sustainability. The proposed water conservation measures for ADUs and JADUs will work in conjunction with broader efforts by Groundwater Sustainability Agencies to achieve basin sustainability goals. County staff and CCC staff have agreed that this approach balances water conservation with the need to provide a path for much-needed housing in the North County Land Use Plan area. The North County area is a prominent part of the county and is home to many members of the county's workforce, particularly agricultural workers. Over the years, the County of Monterey has been aware of situations involving unpermitted housing, which has serious implications for life, health, and safety. The County's goal in allowing ADUs and JADUs in the North County Coastal area is to provide an additional housing option that will alleviate the housing shortage and prevent situations where property owners resort to unpermitted structures, leaving renters with no choice but to live in unsuitable housing conditions.

Coastal Exemption Process:

CCC staff determined that the proposed exemption of ADUs and JADUs from Coastal Development Permit (CDP) requirements does not align with CCR Section 13250. While CCC staff recognize that certain ADU types, such as JADUs and attached ADUs, may be exempt from CDP requirements if they pose no risk to coastal resources, a blanket exemption is not recommended. In collaboration with the State Housing and Community Development (CA HCD) Department, the CCC is working to

create clear guidance for local governments. This guidance will support amendments to Local Coastal Programs, helping clarify and simplify the permitting process for ADUs and JADUs in coastal areas. The CCC's recommendation is to avoid a default CDP exemption for ADUs and JADUs in the County's exemptions (MCC 20.70.120). Instead, the CCC advises referencing CCR Section 13250 directly, allowing for regulatory updates that harmonize CCC and HCD requirements and ultimately simplify the permit process. CCC staff have also drafted proposed language for County staff to better align local policy with California Coastal Regulations.

Today, Staff requests that the Planning Commission recommend that the Board of Supervisors adopt a resolution to amend the Big Sur Coast, Carmel Area and North County Land Use Plans and adopt an ordinance amending Title 20 to adopt regulations for ADUs/JADUs and add Appendix 15 to the LCP.

DISCUSSION:

To read the full discussion and background for the policy, please refer to the Detailed Discussion included as **Exhibit A**.

CEQA:

CEQA Guidelines section 15265 statutorily exempts local government activities and approvals involving the preparation and adoption of local coastal program amendments. As stated in Section 15265, "CEQA shall apply to the certification of a local coastal program... by the California Coastal Commission" and the burden of CEQA compliance is shifted "from the local agency... to the California Coastal Commission". The Coastal Land Use Plan and coastal Zoning Ordinance amendments proposed under the Coastal ADU updates affect portions of the County located within the Coastal Zone and constitute an amendment to the LCP. The LCP Amendment will ultimately be certified by the California Coastal Commission and, if not, would not become operative. Therefore, the proposed amendments to the Land Use Plans and coastal Zoning Ordinance are statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15265.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has as reviewed and approved the ordinance and LUP amendments as to form. Staff have collaborated with CCC staff to develop the proposed draft Local Coastal Program Amendments. The California Department of Housing and Community Development (CA HCD) has an oversight and approval role to ensure that local ADU ordinances are consistent with state housing law and if the Planning Commission recommends and the Board of Supervisors adopts the ADU/JADU ordinance, staff will submit to CA HCD for review, and subsequently will submit to CCC for certification.

Prepared by: Edgar Sanchez, Assistant Planner x7058

Reviewed by: Phil Angelo, Senior Planner

Reviewed and Approved by: Melanie Beretti, AICP, Chief of Planning

Reviewed and Approved by: Craig Spencer, Director

The following Exhibits are on file with the HCD:

Exhibit A - Discussion

Exhibit B - Draft Resolution

Exhibit C - Draft Coastal ADU Ordinance (clean)

Exhibit D - Draft Coastal ADU Ordinance (redline)

Exhibit E - Existing Coastal ADU Ordinance

Exhibit F - Draft Amendments to Carmel Area, Big Sur and North County Land Use Plans (redline)

Exhibit G - Draft Amendments to Carmel Area, Big Sur and North County Land Use Plans (clean)

cc: Craig Spencer, Director of Housing and Community Development; Melanie Beretti, Chief of Planning, Philip Angelo, Senior Planner; Edgar Sanchez, Assistant Planner; Kelly Donlon, County Counsel; California Coastal Commission; Breylen Ammen; Kevin Kahn; Katie Butler; Belinda Taluban; Taluban Engineering; Martha Chavarria; Christina McGinnis; Aidee Fonseca; Jordan Caballero; Elsa Mendoza Jimenez; William Schramm; Nicole Fowler; EHB; John Hale; The Open Monterey Project (Molly Erickson); LandWatch; Keep Big Sur Wild; Lozeau Drury LLP; Big Sur LUP Update Public Distribution List; Project File REF240016.