Accessory Dwelling Units
Santa Cruz, CA
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 Communities must develop a layered portfolio of programs to answer the affordable housing demand. The promotion of accessory dwelling units (ADU) on private properties is one strategy gaining popularity. ADUs allow homeowners to add a small housing unit on their property, which they can rent out to earn extra income. This also increases the supply of affordable housing in the neighborhood and promotes infill development.

Also known as “granny flats” or “in-law suites,” a typical ADU has its own kitchen, sleeping quarters and bathroom, and it may be attached or detached from the primary house. Examples include a converted garage or basement or a standalone studio or cottage.

Unfortunately, zoning codes frequently make such structures illegal. However, many cities are now proactively legalizing and encouraging ADUs as part of their affordable housing strategy.

Santa Cruz, CA is one such community. Leaders there realized the city had both high home prices and an under-supply of affordable rental options. Retirees on fixed incomes were moving out of the city and citizens looking to rent often turned to makeshift or informal arrangements or guesthouses undocumented and unregulated for safety codes. In the early 2000s, Santa Cruz responded by expanding its original 1984 ordinance, which allowed ADUs on residential lots greater than 5,000 square feet. The update allows ADUs in a greater number of residential zones and grants permit fee waivers if the homeowner commits to making the new unit affordable to low or very low-income tenants.

Generally, Santa Cruz holds ADUs to the same basic development standards and permit approval process as primary residential structures. Requirements include design compatibility with the primary residential structure and the neighborhood and protection of privacy for neighboring properties. The ordinance specifies parking requirements, maximum unit size, and restriction to one ADU per property. To encourage ADUs, the City has looked at easing parking restrictions on homes with ADUs, encouraging alley access and developing more affordable fire codes for ADU structures.
The expansion of the ADU ordinance has been met with enthusiasm from the public. In the 20 years before the update of the ordinance, approximately 120 ADUs were built. In the ten years since, over 220 ADUs have been built, with a peak of 36 units constructed in 2007, according to the city.

Santa Cruz won the “Policies and Regulations Smart Growth Achievement Award” from the U.S. Environmental Protection Agency in 2004 in recognition of its ADU program. Eighty other cities in California alone have expressed interest in pursuing a similar initiative and have received Santa Cruz’s program manual.

**Santa Cruz’s ADU ordinance:**

**Santa Cruz’s ADU fee waiver application for low-income rental units:**

**Santa Cruz’s ADU web site:**

**Santa Cruz’s ADU Manual for homeowners:**
24.16.100 Purpose.

The ordinance codified in this part provides for accessory dwelling units in certain areas and on lots developed or proposed to be developed with single-family dwellings. Such accessory dwellings are allowed because they can contribute needed housing to the community's housing stock. Thus, it is found that accessory units are a residential use which is consistent with the General Plan objectives and zoning regulations and which enhances housing opportunities that are compatible with single-family development.

To ensure that accessory units will conform to General Plan policy the following regulations are established.


24.16.120 Locations Permitted.

Accessory dwelling units are permitted in the following zones on lots of 5000 square feet or more:

1. RS-5A, RS-10A
2. RS-1A, RS-2A
3. R-1-10
4. R-1-7
5. R-1-56.R-L, R-T(A), (B), and (D).


24.16.130 Permit Procedures.

The following accessory dwelling units shall be principally permitted uses within the zoning districts specified in Section 24.16.120 and subject to the development standards in Section 24.16.160.

1. Any accessory dwelling unit meeting the same development standards as permitted for the main building in the zoning district, whether attached or detached from the main dwelling.
2. Any single story accessory dwelling unit.

Any accessory dwelling unit not meeting the requirements above shall be conditionally permitted uses within the zoning districts specified in Section 24.16.120 and shall be permitted by administrative use permit at a public hearing before the zoning administrator, subject to the findings per Section 24.16.150 and the development standards in Section 24.16.160.


24.16.150 Findings Required for Conditionally Permitted Accessory Dwelling Units.

Before approval or modified approval of an application for an accessory dwelling unit, the decision making body shall find that:

1. Exterior design of the accessory unit is compatible with the existing residence on the lot through architectural use of building forms, height, construction materials, colors, landscaping, and other methods that conform to acceptable construction practices.

2. The exterior design is in harmony with, and maintains the scale of, the neighborhood.

3. The accessory unit does not result in excessive noise, traffic or parking congestion.

4. The property fronts on an adequate water main and sewer line each with the capacity to serve the additional accessory unit.

5. The site plan provides adequate open space and landscaping that is useful for both the accessory dwelling unit and the primary residence. Open space and landscaping provides for privacy and screening of adjacent properties.

6. The location and design of the accessory unit maintains a compatible relationship to adjacent properties and does not significantly impact the privacy, light, air, solar access or parking of adjacent properties.

7. The one and one-half to two-story structure generally limits the major access stairs, decks, entry doors, and major windows to the walls facing the primary residence, or to the alley if applicable. Windows that impact the privacy of the neighboring side or rear yard have been minimized. The design of the accessory unit shall relate to the design of the primary residence and shall not visually dominate it or the surrounding properties.

8. The site plan shall be consistent with physical development policies of the General Plan, any required or optional element of the General Plan, any area plan or specific plan or other city policy for physical development. If located in the Coastal Zone, a site plan shall also be consistent with policies of the Local Coastal Program.

9. The orientation and location of buildings, structures, open spaces and other features of the site plan are such that they maintain natural resources including heritage or significant trees and shrubs to the extent feasible and minimize alteration of natural land forms. Building profiles, location and orientation relate to natural land forms.
10. The site plan is situated and designed to protect views along the ocean and of scenic coastal areas. Where appropriate and feasible, the site plan restores and enhances the visual quality of visually degraded areas.

11. The site plan incorporates water-conservation features where possible, including in the design of types of landscaping and in the design of water-using fixtures. In addition, water restricting shower heads and faucets are used, as well as water-saving toilets utilizing less than three gallons per flush.


24.16.160 Design and Development Standards.

All accessory dwelling units must conform to the following standards:

1. Parking. One parking space shall be provided on-site for each studio and one bedroom accessory unit. Two parking spaces shall be provided on site for each two bedroom accessory unit. Parking for the accessory unit is in addition to the required parking for the primary residence. (See Section 24.16.180 for parking incentives.)

2. Unit Size. The floor area for accessory units shall not exceed five hundred square feet for lots between 5000 and 7500 square feet. If a lot exceeds 7500 square feet, an accessory unit may be up to 640 square feet and, for lots in excess of 10,000 square feet, a unit may be up to 800 square feet. In no case may any combination of buildings occupy more than thirty percent of the required rear yard for the district in which it is located, except for units which face an alley, as noted below. Accessory units that utilize alternative green construction methods that cause the exterior wall thickness to be greater than normal shall have the unit square footage size measured similar to the interior square footage of a traditional frame house.

3. Existing Development on Lot. A single-family dwelling exists on the lot or will be constructed in conjunction with the accessory unit.

4. Number of Accessory Units Per Parcel. Only one accessory dwelling unit shall be allowed for each parcel.

5. Setbacks for Detached Accessory Dwelling Units. The side-yard and rear-yard setback for detached single story structures containing an accessory dwelling unit shall not be less than three feet in accordance with the Uniform Building Code, and the distance between buildings on the same lot must be a minimum of 10 feet. Accessory units higher than one story shall provide side yard setbacks of five feet and rear yard setbacks of ten feet. If any portion of an accessory dwelling unit is located in front of the main building, then the front and sideyard setbacks shall be the same as a main building in the zoning district. Accessory dwelling units are not eligible for variances to setbacks.

6. Setbacks for Attached Accessory Dwelling Units. Attached accessory dwelling units shall meet the same setbacks as a main building in the zoning district.

7. Other Code Requirements. The accessory unit shall meet the requirements of the Uniform Building Code.

8. Occupancy. The property owner must occupy either the primary or accessory dwelling.
9. Building Height and Stories.
   a. A one story detached accessory dwelling unit shall be no more than thirteen feet in height.
   b. A one and one-half to two story detached accessory dwelling shall be no more than twenty-two feet in height measured to the roof peak.
   c. An attached accessory unit may occupy a first or second story of a main residence if it is designed as an integral part of the main residence and meets the setbacks required for the main residence.
   d. If the design of the main dwelling has special roof features that should be matched on the detached accessory unit, the maximum building height of the accessory dwelling unit may be exceeded to include such similar special roof features subject to review and approval of the Zoning Administrator.

10. Alley Orientation. When an accessory dwelling unit is adjacent to an alley, every effort shall be made to orient the accessory dwelling unit toward the alley with the front access door and windows facing the alley. Parking provided off the alley shall maintain a twenty-four foot back out which includes the alley. Fences shall be three feet six inches along the alley. However, higher fencing up to six feet can be considered in unusual design circumstances subject to review and approval of the Zoning Administrator.

11. Design. The design of the accessory unit shall relate to the design of the primary residence by use of the similar exterior wall materials, window types, door and window trims, roofing materials and roof pitch.

12. Large Home Design Permit. The square footage of an attached or detached accessory unit shall be counted with the square footage of the single family home in determining whether a large home design permit is required.

13. Open Space and Landscaping: The site plan shall provide open space and landscaping that are useful for both the accessory dwelling unit and the primary residence. Landscaping shall provide for the privacy and screening of adjacent properties.

14. The following standards apply to accessory dwelling units located outside the standard side and rear yard setbacks for the district.

   The entrance to the accessory unit shall face the interior of the lot unless the accessory unit is directly accessible from an alley or a public street.

   Windows which face an adjoining residential property shall be designed to protect the privacy of neighbors; alternatively, fencing or landscaping shall be required to provide screening.

15. A notice of application shall be sent to the immediately adjoining neighbors.

24.16.170 Deed Restrictions.
Before obtaining a building permit for an accessory dwelling unit the property owner shall file with the county recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the present owner and stating that:

1. The accessory unit shall not be sold separately.

2. The unit is restricted to the approved size.

3. The use permit for the accessory unit shall be in effect only so long as either the main residence, or the accessory unit, is occupied by the owner of record as the principal residence.

4. The above declarations are binding upon any successor in ownership of the property; lack of compliance shall be cause for code enforcement and/or revoking the conditional use permit.

5. The deed restrictions shall lapse upon removal of the accessory unit.


The following incentives are to encourage construction of accessory dwelling units.

1. Affordability Requirements for Fee Waivers. Accessory units proposed to be rented at affordable rents as established by the city, may have development fees waived per Part 4 of Chapter 24.16 of the Zoning Ordinance. Existing accessory dwelling units shall be relieved of the affordability condition upon payment of fees in the amount previously waived as a result of affordability requirements, subject to an annual CPI increase commencing with the date of application for Building Permit.

2. Covered Parking. The covered parking requirement for the primary residence shall not apply if an accessory dwelling unit is provided.

3. Front or Exterior Yard Parking. Three parking spaces may be provided in the front or exterior yard setback under this incentive with the parking design subject to approval of the Zoning Administrator. The maximum impervious surfaces devoted to the parking area shall be no greater than the existing driveway surfaces at time of application. Not more than 50% of the front yard width shall be allowed to be parking area.

4. Tandem Parking. For a parcel with a permitted accessory dwelling unit, required parking spaces for the primary residence and the accessory dwelling unit may be provided in tandem on a driveway. A tandem arrangement consists of one car behind the other. No more than three total cars in tandem may be counted towards meeting the parking requirement.

5. Alley Presence. If an accessory dwelling unit faces an alley as noted in the design standards in this chapter, the limitations on rear yard coverage as specified in Section 24.16.160 (2) and/or Section 24.12.140 (5) do not apply.


24.16.300 Units Eligible for Fee Waivers.

Developments involving residential units affordable to low or very-low income households may apply for a waiver of the following development fees:

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DF: 4/27/2022
1. Sewer and water connection fees for units affordable to low and very low income households.

2. Planning application and planning plan check fees for projects that are one hundred percent affordable to low and very-low income households.

3. Building permit and plan check fees for units affordable to very-low income households.

4. Park land and open space dedication in-lieu fee for units affordable to very low income households.

5. Parking deficiency fee for units affordable to very-low income households.

6. Fire fees for those units affordable to very-low income households.

(Ord. 93-51 § 6, 1993).

24.16.310 Procedure for Waiver of Fees.

A fee waiver supplemental application shall be submitted at the time an application for a project with affordable units is submitted to the city.

(Ord. 93-51 § 6, 1993)