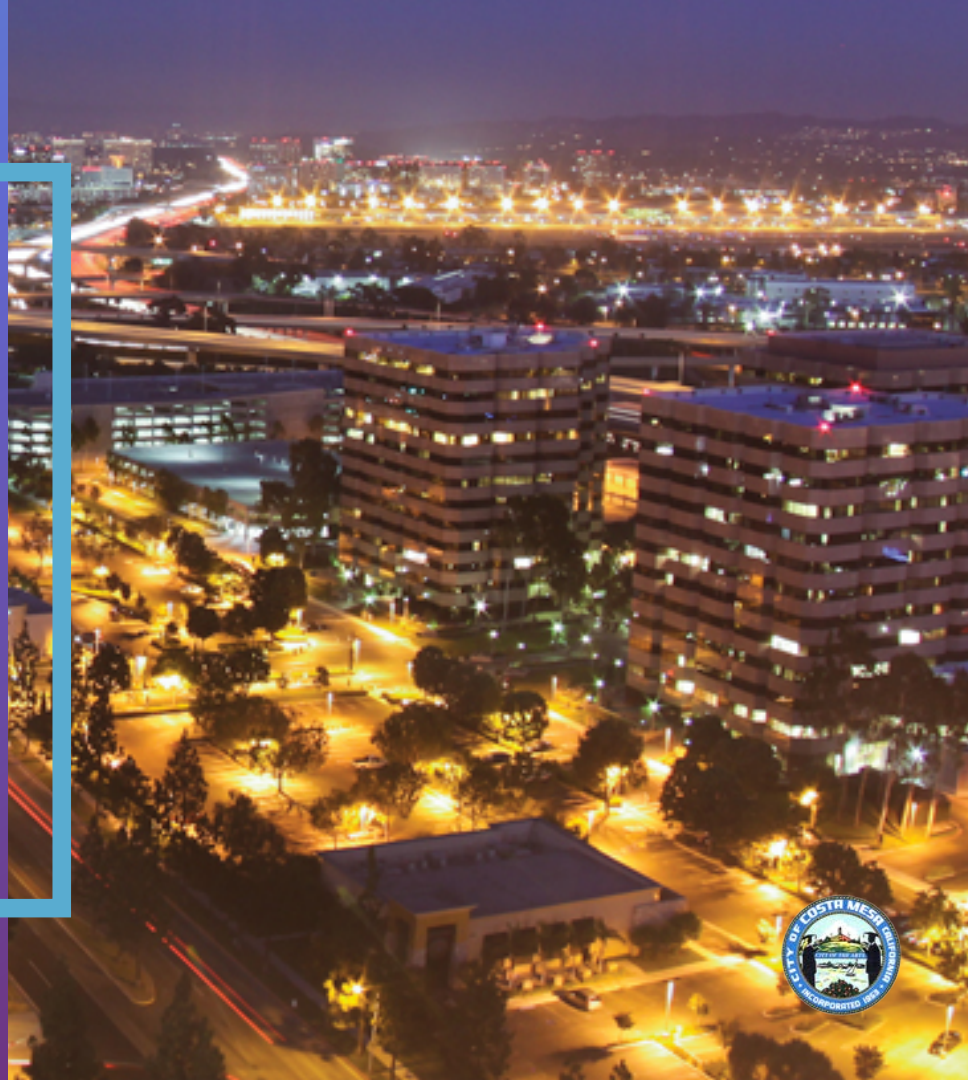
CO-2020-04

ADU Code Amendment & Fee Resolution

February 2, 2021

City Council



ACCESSORY DWELLING UNITS



Accessory dwelling units are units w/ independent living facilities (kitchen, bathroom, etc.) for one or more people.



Detached: free-standing structure



Attached: shares at least one wall with the primary home



Interior: built from existing converted space (i.e. attic or basement)

ADU VERSUS JADU

- Accessory Dwelling Unit (ADU) – Independent
- Junior Accessory Dwelling Unit (JADU) – Semi-private space; located within the single-family residence

REQUIREMENTS	ADU	JADU
Maximum Unit Size	Up to 1,200 Square Feet or 50% of living area	500 Square Foot Maximum
Kitchen	Yes	Yes
Bathroom	Yes	Common Sanitation is Allowed
Separate Entrance	Yes	Yes
Parking	Depends, Parking May Be Eliminated and Cannot Be Required Under Specified Conditions	No, Parking Cannot Be Required
Owner Occupancy	No, Owner Occupancy Is Not Required	Yes, Owner Occupancy Is Required
Ministerial Approval Process	Yes	Yes
Prohibition on Sale of ADU	Yes	Yes

OVERVIEW

Before 2017	Granny units are allowed in R-1 zones; limited to 62+ years old
2017-2018	State establishes ADU standards; Costa Mesa adopts an Ordinance allowing ADU's in the R-1 / R2-MD zones; minimum lot size requirement of 7,900 SF (R1)
Late 2019	State ADU laws were further modified and eliminated the City's ability to apply certain development standards effective January 2020
Dec 2019	Adopted urgency ordinance to comply with State law

OVERVIEW

January 2020

- Staff studied the issue and prepared a permanent Ordinance

July 2020

- Planning Commission Public Hearing – July 27, 2020
  - Simplify ADU ordinance structure
  - Simplify differing ADU size standards
  - Allow 2nd floor and two-story ADUs where appropriate
  - Preserve the existing fabric of Costa Mesa neighborhoods

Sept 2020

- Planning Commission Public Hearing – September 14, 2020
  - Staff presented a modified Ordinance
  - PC recommended approval to CC

PROPOSED ORDINANCE

ADUs

- Allowed in all residential and “mixed-use” zones

JADUs

- Allowed in existing single-family dwellings

TABLE 2 – Land Use Matrix

	ZONES																							
LAND USES[4]	R1	R2MD	R2HD	R3	AP	CL	C1	C2	C1S1	TC1	MG	MP	PDRLD1	PDRMD1	PDRHD1	PDRNCM1	PDC1	PDI1	I&R1	I&RS1	I&RMLT1	P
22.2 Accessory dwelling unit (subject to the requirements of chapter V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	P[2]			P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•
22.3 Junior accessory dwelling unit (subject to the requirements of chapter V, section 13-35, accessory dwelling units)	P[2]	P[2]	P[2]	P[2]	•	•	•	•	•	•	•	•	P[2]	P[2]	P[2]	P[2]	P[2]	P[2]	•	•	P[2]	•

PROCEDURE FOR ADU PERMIT

“By right” process

- Plan review/building permit only, applying objective standards
- Subject to plancheck/permit fees and park impact fees
- School, water, and sewer impact fees (non-city fees)
- Code-required covenants are recorded via land use restriction:
  - Size of the approved ADUs/JADUs
  - ADU is not allowed to be sold separately
  - ADU is subject to minimum 31 day rental (no short-term rentals)
  - For ADUs approved on or after January 1, 2025, owner must live onsite
  - For JADUs, owner must live in the JADU or the primary dwelling unit

ADU COUNT

Number of units on a single lot determines the number of ADUs allowed

	Number	Size
SFD	1 ADU	• Attached – 1,000 SF ○ (or 50% of existing dwelling whichever is greater) • Detached – 1,200 SF • Conversions – Within confines of the existing building
	1 JADU	• Interior– 500 SF
MFD	2 ADU[1]	• Detached - 800 SF • Conversions – Within confines of the existing building



ADU SIZE

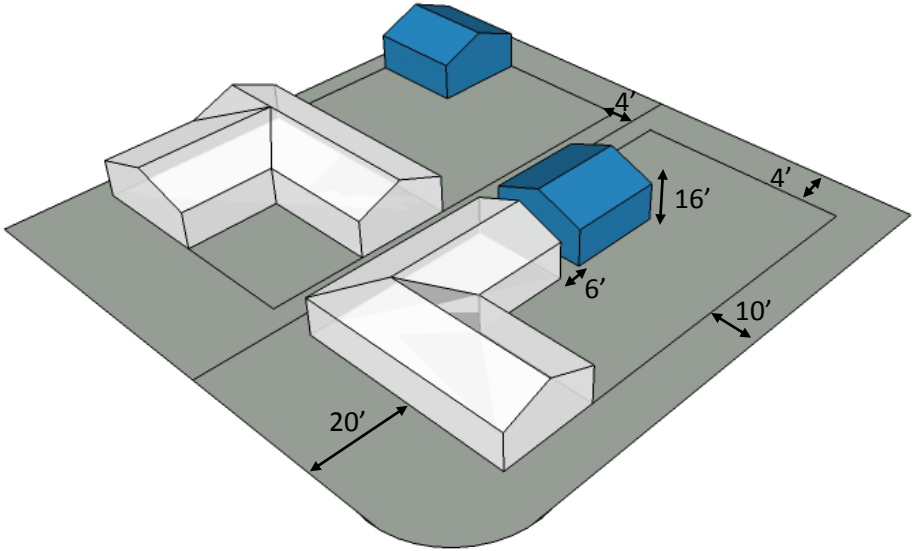
Form of the proposed ADU determines its allowable size

	Number	Size
SFD	1 ADU	• Attached – 1,000 SF ○ (or 50% of existing dwelling whichever is greater) • Detached – 1,200 SF • Conversions – Within confines of the existing building
	1 JADU	• Interior– 500 SF
MFD	2 ADU[1]	• Detached - 800 SF • Conversions – Within confines of the existing building



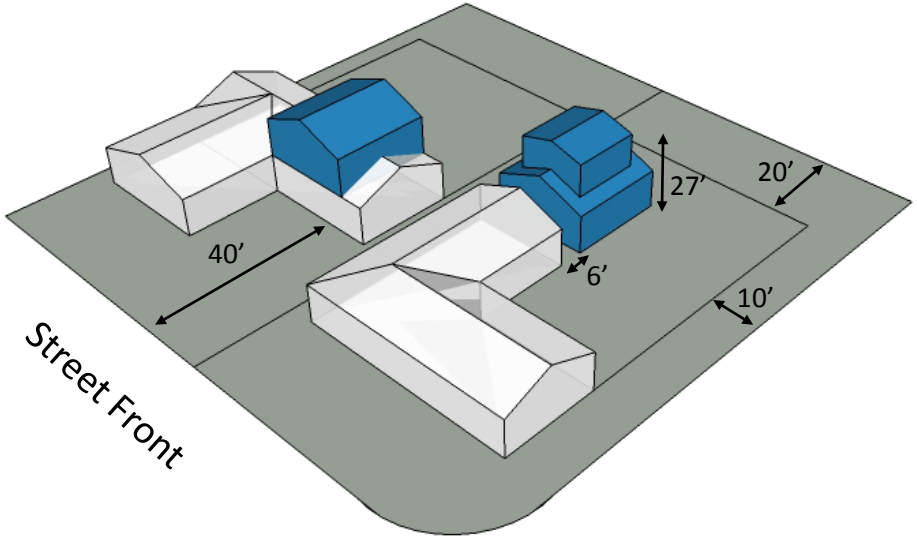
SINGLE STORY ADU SETBACKS & HEIGHT

Single-story ADUs	Front – 20 feet Side (interior) – 4 feet Side (exterior) – 10 feet Rear – 4 feet	• ADUs on a corner lot may retain the setback of the existing home (e.g., legal non-conforming side setback) or 10 feet, whichever is less



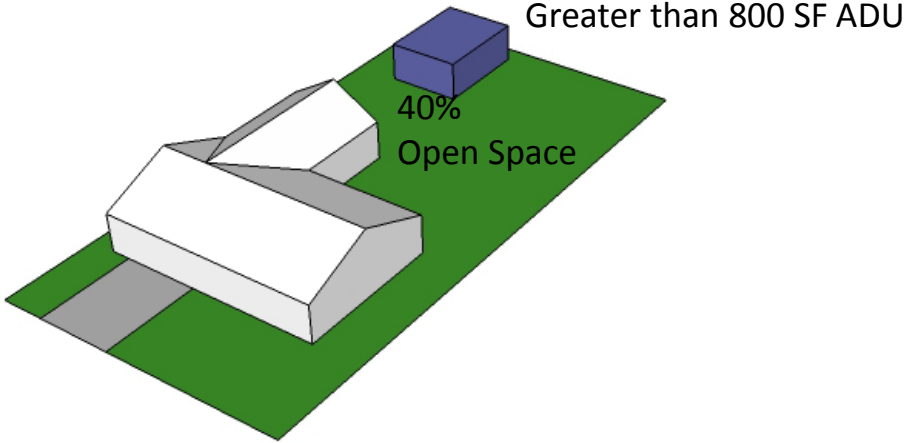
2ND FLOOR / TWO-STORY ADU SETBACKS & HEIGHT

Second-floor or two-story ADUs	Front – 40 feet* Side (interior) – 5 feet Side (exterior) – 10 feet Rear – 20 feet Rear (abutting a publicly dedicated alley, street, or park) – 5 feet	• Setbacks are the same as the underlying zone (except the front setback) to preserve existing neighborhood fabric and compatibility



OPEN SPACE

- State law: ADUs up to 800 SF are exempt from open space requirements
- Proposal: If the proposed ADU is more than 800 SF, the lot must meet the 40% open space requirement, consistent with the underlying residential zone



DESIGN STANDARDS

- Compatible in mass and design with the primary dwelling unit
- Entrance of an ADU or JADU to be subordinate to the main residence - e.g. interior or side entrance.
- Façade of a garage conversion must have substantial architectural articulation



Architectural consistency



Subordinate Entry

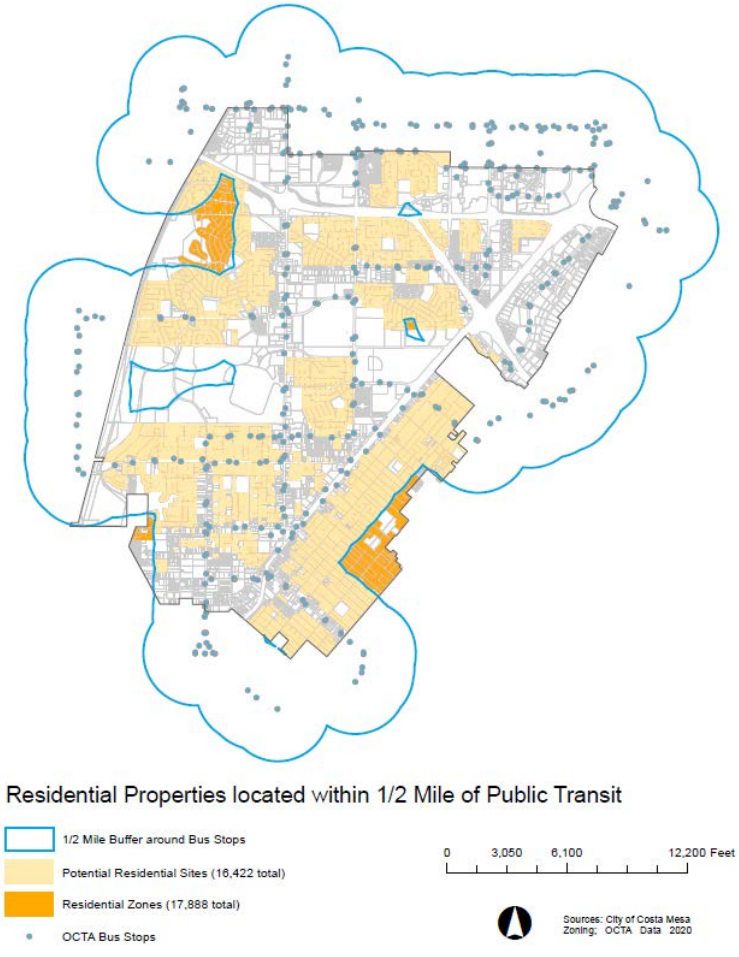
PARKING

The City cannot require additional parking for an ADU:

- Located within ½ mile of a transit stop
- Located within a historic district
- ADU conversions within primary residence
- ADUs located on a parking permit-only street
- Car share within one block
- Conversion of garage, carport or parking structure

Required Parking

- ADU w/ 1 bedroom or more – 1 space
- Studio units are exempt



PROPOSED FEE RESOLUTION

- Staff has included a Fee Resolution to clarify and establish park impact fees specifically for ADUs

- State law requires Tiered Impact Fee Maximums
  - JADUs Park Impact Fees are not defined by the State
  - ADUs Less than 750 SF: No impact fees
  - ADUs of 750 SF or more: Proportional impact fees

PARK IMPACT FEES

- JADUs would be subject to a $5,000 park impact fees (same as the park fee applied to apartments).

- ADUs would be subject to a park impact fee that is a proportion of the park fees applied to Single Family Dwellings ($13,572) or Multi-Family Dwellings ($13,829), based on ADU size as compared to the size of the primary dwelling unit on the lot

- For example, for a 1,200 SF ADU on a lot containing a 2,400 SF single family dwelling, the ADU park impact fee would be:
    - 1,200 SF / 2,400 SF = 0.5; 0.5 x $13,572 (Single Family Dwelling park fee) = $6,786

PLANNING COMMISSION RECOMMENDATION

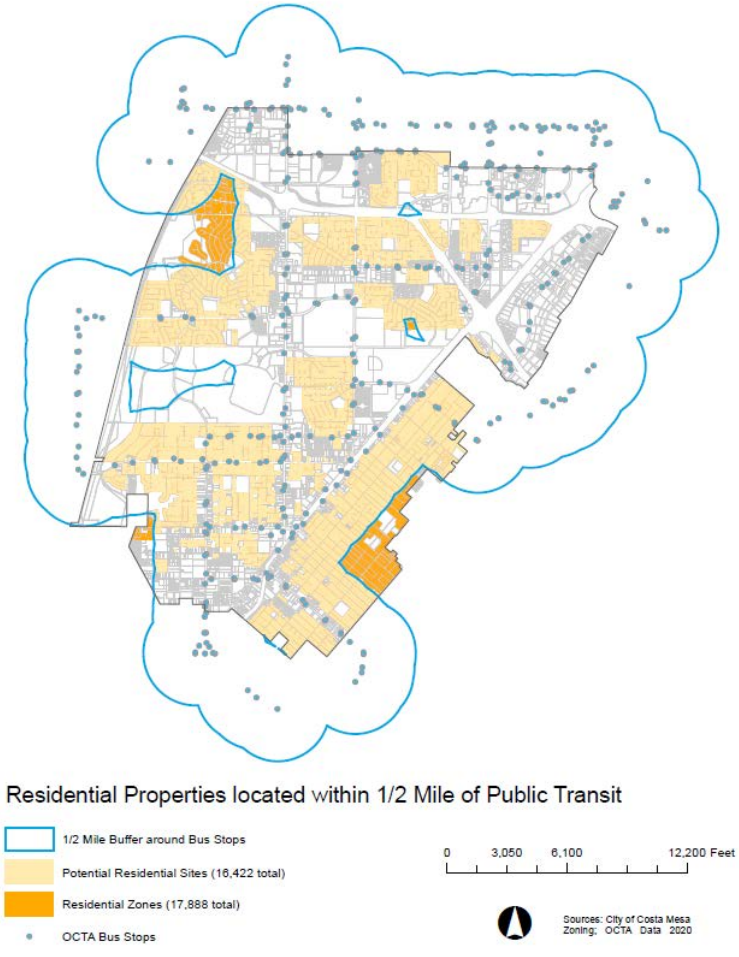
On September 14, 2020, PC recommended approval of the Ordinance as presented with the following recommendations to City Council:

- Consider additional parking exemptions
- Consider affordable rents to ADUs
- Encourage ADU development to address multi-generational needs and optional income for homeowners
- Consider waiving park impact fees for JADUs

PARKING

- Given State exemptions, 90% of Costa Mesa's ADUs are expected to be exempt from parking requirements

- Planning Commission suggested City Council consider additional parking exemptions or eliminating parking requirements for ADUs altogether



AFFORDABILITY

- Planning Commission recommended that the City Council consider including an affordability requirement for ADUs
- Costa Mesa has no inclusionary housing policy or other requirement for affordable housing
- Staff recommends that (if desired) ADU affordability incentives be included as part of the forthcoming comprehensive discussion of the City's inclusionary housing policy

PARK IMPACT FEES

Proposed Fee Resolution

- Under the proposed Fee Resolution, JADUs would be subject to the existing apartment rate of $5,000 for park impact fees

- Planning Commission recommended City Council consider a waiver or reduced park impact fees related to JADUs due to:
  - 500 SF size limitation
  - Required location within primary residence
  - Requirement that either the primary dwelling or JADU be owner occupied

MINOR REVISIONS

- After Planning Commission review, staff made minor clarifications to the Ordinance in two areas, shown in underline/~~strikeout~~ format in the staff report.

- As part of the motion this evening, staff also requests the following language be included in the Ordinance and Fee resolution relating to ADU applications in plan check and the maximum park impact fee.

MINOR REVISIONS

- SECTION 14. Processing Existing Applications. For complete applications which involve ADUs and/or JADUs which were in plan-check, or which were included in a complete application, as of the effective date of this ordinance (i.e., city staff issued a building permit number), the portions of the applications that apply to ADUs and JADUs shall continue to be processed (and approved or denied) pursuant to Urgency Ordinance 19-19. All other applications which involve ADUs and/0r JADUs shall be processed pursuant to the requirements of this ordinance. Applicants which opt to rescind any pending application for an ADU or JADU may resubmit the application pursuant to this ordinance; however, any such applicant's processing fees (distinguished from development impact fees) for the original application shall not offset the processing fees for the new application.

MINOR REVISIONS

- Exhibit A to the fee resolution would be revised in the following ways:
  1. The date would be corrected to February 2, 2021, rather than January 19, 2021.
  2. The second bullet point would be revised to add the following to the end of the second bullet point: "Such fee shall not exceed the full fee for single family dwellings“

- Thus, the new second bullet would provide:

  ADUs of 750 square feet or more on a lot containing single family dwelling(s):

  The product of:
  (full fee for single family dwellings2) x (square footage of the proposed ADU /
  square footage of primary dwelling) = ADU Park Impact Fee. Such fee shall not exceed the full fee for single family dwellings.

CONCLUSION

The adoption of the proposed ADU Ordinance would:

- Encourage high-quality ADUs
- Increase housing stock and housing choice
- Preserve the visual quality of the City's neighborhoods while meeting the requirements of State law

RECOMMENDATION

- Find the Ordinance exempt from CEQA;
- Introduce the first reading of the Ordinance to repeal the urgency ordinance and adopt a Code Amendment modifying the Municipal Code with respect to ADUs and JADUs; and
- Adopt a resolution to amend the City's fee schedule to include Park and Recreation Impact Fees for ADUs and JADUs.

CO-2020-04

ADU Code Amendment & Fee Resolution

February 2, 2021

City Council

