

#### COMMUNITY DEVELOPMENT DEPARTMENT

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### PLANNING COMMISSION STAFF REPORT

Meeting: <u>June 11, 2019</u>

# **SUBJECT**

Municipal Code Amendments to clarify City standards for size of Accessory Dwelling Units (Chapter 19.112 - Accessory Dwelling Units), for clarifications, and consistency. (Application No. MCA-2018-04; Applicant: City of Cupertino; Location: City-wide)

#### RECOMMENDED ACTION

That the Planning Commission recommend that the City Council adopt the draft resolution (Attachment 1) to:

- 1. Find that the proposed actions are exempt from CEQA; and
- 2. Adopt "An ordinance of the City Council of the City of Cupertino amending Chapter 19.112, Accessory Dwelling Units."

## **DISCUSSION**

## Background

The project to incentivize production of Accessory Dwelling Units (ADUs) is listed under the Community Livability and Sustainable Infrastructure section of the 2018-2019 City Work Program. In accordance with the City's Housing Element, the increased supply of these types of units provides affordable housing opportunities that meet the City's Regional Housing Needs Allocation (RHNA) for moderate level housing. Staff's specific task was to review the CMC and recommend incentives to encourage the development of ADUs. This included, but was not limited to, considering fee reductions and waivers, and modifications to development standards.

The amendments proposed have been identified with strikethroughs and underlines (as appropriate) in Attachment 2.

## Analysis

#### Revisions

Chapter 19.112, Accessory Dwelling Units

Chapter 19.112, *Accessory Dwelling Units* is intended to implement the State's ADU requirements, which furthers the City's own affordable housing goals by providing additional housing in zoning districts where single family homes are allowed in a manner which minimizes adverse impacts. This Chapter has been modified several times since 2016 to keep pace with the State of California's various Assembly & Senate Bills. Successive state legislation has favored allowing larger sized ADUs. Currently, the Municipal Code standard for maximum size is:

10% of the net lot area, up to a maximum of 1,000 s.f., or 50 percent of the existing living space of the principal dwelling unit, whichever is more restrictive.

It is recommended that the limitation to the current '10% of the net lot area' development standard be eliminated (underlined above). It should be noted that State law allows ADUs to be a maximum size of up to 1,200 sq. ft.

Currently, lots larger than 10,000 sq. ft. can construct a 1,000 sq. ft. ADU (so long as it is not more than 50% of the total living space of the principal dwelling unit), while smaller lots would have to reduce the size of a proposed ADU based on the size of the lot. With the proposed change, larger ADUs could be built on smaller lots. There have been times when homeowners have indicated disappointment about the size of an ADU they can construct and one request at Oral Communications at the City Council for larger ADUs on smaller lots.

The proposed change would not change the overall maximum allowed FAR on a lot. There is no anticipated impact as the change will not increase the massing that is already permitted per the CMC, and all other Accessory Structure and ADU development standards (setbacks, lot coverage, height, etc.) remain. It should be noted that there is state legislation (AB 68) under consideration which could eliminate FAR and lot coverage limitations in the future. No changes are proposed to any of the other standards in the Accessory Dwelling unit Chapter.

#### **ENVIRONMENTAL ASSESMENT**

Public Resources Code Sec. 21080.17 provides a statutory CEQA exemption to ADU ordinances adopted to implement Government Code Sec. 65852.2.

## PUBLIC NOTICING & OUTREACH

The following noticing has been conducted for this project:

Notice of Public Hearing, Site Notice &	Agenda
Legal Ad	
■ Legal ad placed in newspaper	■ Posted on the City's official notice
(at least 10 days prior to hearing)	bulletin board (five days prior to hearing)
■ Display ad placed in newspaper	<ul> <li>Posted on the City of Cupertino's Web</li> </ul>
(at least 10 days prior to hearing)	site (five days prior to hearing)

#### **PUBLIC COMMENTS**

On May 16, 2019, the Housing Commission received a presentation detailing the recommended ordinance revision and recent changes in State Law and regional laws regarding the encouragement of ADU development. The Commission proposed the following changes:

- Explore the creation of an ADU Loan Program in exchange for regulatory agreement
- Consider increasing the size to 1,200 square feet
- Increase public outreach
- Revisit parking requirements for single family homes to encourage garage conversions
- Moratorium on additional fees for the first 3-5 years
- Restriction of use to not allow short-term rentals

No other public comments have been received.

## **NEXT STEPS**

The recommendations made by the Planning Commission will be forwarded to the City Council for consideration.

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Approved by: Benjamin Fu, Interim Director of Community Development

## **ATTACHMENTS**

- 1. Draft Resolution of the Planning Commission recommending adoption of the Draft Ordinance.
- 2. Redline document indicating changes in Chapters 19.112.