



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Manager

SUBJECT: REQUEST FOR THE CITY COUNCIL TO CONDUCT A PUBLIC HEARING AND INTRODUCE FOR FIRST READING OF AN ORDINANCE REPEALING AND REPLACING SECTION 19.07.090 (SECOND UNITS) WITH SECTION 19.07.090 (ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS) AND MAKING CORRESPONDING AMENDMENTS TO TITLE 19 (ZONING) OF THE COMMERCE MUNICIPAL CODE ("CMC") TO COMPLY WITH RECENT CHANGES TO STATE LAW RELATED TO ACCESSORY DWELLING UNITS IN ORDER TO FACILITATE THE BUILDING OF SUCH UNITS IN COMPLIANCE WITH STATE MANDATES

MEETING DATE: AUGUST 4, 2020

RECOMMENDATION:

1. Following a Public Hearing, adopt a Categorical Exemption under the provisions of the California Environmental Quality Act (CEQA) (Title 14, Chapter 3, Article 19, Section 1530e; and 2) and Introduce for First Reading, by waiving full reading and by reading the title only, a Zoning Ordinance Text Amendment as it relates to Accessory Dwelling Units and Junior Accessory Dwelling Units as discussed herein; or
2. Provide an alternative recommendation.

EXECUTIVE SUMMARY:

Staff is proposing an update to the Commerce Municipal Code ("CMC") to address recent changes in state legislation regarding Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JADUs"). The changes address state law, allowing the City to appropriately regulate ADUs and JADUs as the City prepares for an influx of requests based on the relaxation of state standards.

On July 20, 2020, the Planning Commission considered a public hearing and following public testimony, approved recommending to the City Council a Zoning Text Amendment

to the CMC and replacing Section 19.07.090 (Second Units) with Section 19.07.090 (Accessory Dwelling Units and Junior Accessory Dwelling Units) and making a corresponding amendments to CMC Title 19 (Zoning) to comply with recent changes to state law related to accessory dwelling units in order to encourage building of such units to combat the housing crisis in the state of California.

DISCUSSION:

During 2019, the State Legislature amended Government Code Section 65852.2 related to ADUs and JADU's as a result of passing several new bills, which took effect on January 1, 2020. Those bills were Senate Bill 13 (Wieckowski), Assembly Bill 68 (Ting), Assembly Bill 881 (Bloom), Assembly Bill 587 (Friedman), Assembly Bill 670 (Friedman), and Assembly Bill 671 (Friedman). The new state regulations amend existing ADU law and are intended to facilitate the development of more ADUs and JADUs and reduce the perceived barriers to the approval of ADUs occurring on single family residential properties and multi-family residential properties.

An ADU is an attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on the same parcel with a proposed or existing primary residence. ADUs include permanent provisions for living, sleeping, eating, cooking, bathing, and sanitation facilities. A JADU is an attached dwelling unit located within a single family dwelling or accessory structure. It shall include permanent provisions for living, sleeping, eating, cooking, bathing, and sanitation facilities.

Previous efforts were undertaken by the City of Commerce to regulate such uses under the Second Unit ordinance which was last amended in 2013 to comply with the previous regulations that went into effect in 2002. Since then, the legislature of the State of California has updated these regulations on numerous occasions in order to expedite the review and approval of such units.

The California Department of Housing and Community Development ("HCD") states that "ADUs are an affordable type of home to construct in California because they do not require paying for land, major new infrastructure" and "give homeowners the flexibility to share independent living areas with family members and others, allowing seniors to age in place as they require more care and helping extended families to be near one another while maintaining privacy". These new ADU/Junior ADU laws have expanded on the previously proposed ADU State regulations, making it easier to construct an ADU and Junior ADU.

The new State Law requires that the following are met:

- Limit a jurisdiction's ability to apply certain restrictions (e.g., setbacks, floor area ratios, lot coverage, owner occupancy requirements, etc.) on ADUs locally with or without new state-compliant city ADU regulations;
- Authorize a jurisdiction to adopt an updated, compliant local ordinance governing ADUs and Junior ADUs as long as the ordinance does not conflict with the provisions of State law;
- Effective as of January 1, 2020, automatically apply the set of regulations and standards set forth in AB 68, AB 881 and SB 13 unless a local ordinance has been

adopted. In other words, a City that has not adopted an ordinance would be required to accept the State's regulations to allow for these uses;

- Render all existing non-compliant local ADU ordinances null and void after January 1, 2020.

The State makes clear that any local agency that "has an existing accessory dwelling unit ordinance that fails to meet the requirements of this subdivision", that ordinance shall be null and void and that agency shall thereafter apply the standards established by the State and implemented in 2020.

In order to bring the Zoning Ordinance into compliance with state law as it relates to Accessory Dwelling Units, the recommended ordinance that is attached to this report (ATTACHMENT A) is proposed. This ordinance was updated using the most recently available guidelines from HCD, and put into practice by other communities in the region such as Buena Park and the like.

Main Components of State Law

A summary of the main components of AB 68, AB 881 and SB 13 are noted below:

- All new state regulations on Accessory Dwelling Units became effective on January 1, 2020. Any City regulations not in compliance with the current state law became null and void;
- Homeowners are entitled to one ADU per property and one Junior Accessory Dwelling Unit with a lot that contains a single-family dwelling;
- Replacement parking for converted garages or other parking structures can no longer be required;
- A setback of no more than 4 (four) feet can be required for the rear and side property lines for a new ADU;
- The City may no longer require that either the ADU or primary dwelling be owner occupied;
- Floor area ratio (FAR), lot coverage, open space, lot size and density can no longer be used to prevent the construction of an ADU;
- The City must allow an ADU that is at least 850 square feet with up to one bedroom unit and up to 1,000 square feet for a an ADU with at least two bedrooms;
- Junior Accessory Dwelling Units (JADU) of 500 square feet must be allowed on residential lots with single family residential structures in addition to a standard ADU.

The changes are recommended to the Commerce Zoning Ordinance, in order to be compliant with State Law. Specifically, Section 19.07.090 (Second Units) will be repealed and replaced in its entirety with Section 19.07.090 (Accessory Dwelling Units and Junior Accessory Dwelling Units), and the use matrix in table 19.07.020 A, will be amended to be consistent with the changes reflected in Section 19.07.090.

Required Findings

Pursuant to CMC Section 19.39.310, the City Council shall be required to make the following findings of fact before approving a change of zone or zoning ordinance text amendment:

1. **That the proposed change of zone or zoning ordinance text amendment is consistent with the goals, policies, and objectives of the General Plan.** *The proposed text amendment is consistent with the City of Commerce General Plan, as it would help to further the following policies, goals and objectives of the Plan. The proposed amendment would not only provide for consistency with State law as it relates to Accessory Dwelling Units and Junior Accessory Dwelling Units, but it would allow for the city to count these units towards the Regional Housing Needs Assessment numbers for the city as identified in the Housing Element and contribute to the housing shorting in the area in general.*
2. **That the proposed change of zone or zoning ordinance text amendment will not adversely affect surrounding properties.** *The text amendments specify the need for the owners to confirm compliance with building and fire regulations and required infrastructure prior to construction. Therefore, the amendments will not adversely affect surrounding properties.*
3. **That the proposed change of zone or zoning ordinance text amendment promotes public health, safety, and general welfare and serves the goals and purposes of this Title 19.** *The subject text amendment would bring the city's ADU and JADU regulations in compliance with state law thus, would promote public health, safety and general welfare and serves the goals of this Title 19.*

CITY COUNCIL OPTIONS:

The proposed revisions represent clarifications of previous statutes and new provisions responsive to new state law. The City Council may propose to change, alter, or decline to adopt any of the proposed revisions. However, not adopting revisions proposed in response to state law, such as the recommended provisions for ADUs, will cause the regulation of ADUs and JADUs in the City of Commerce to default to existing, newly enacted state law. Therefore, staff requests that:

1. Recommend that the City Council conduct a public hearing and following public testimony Introduce for First Reading, by waiving full reading and by reading the title only, an Ordinance titled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE REPEALING AND REPLACING SECTION 19.07.090 (SECOND UNITS) WITH SECTION 19.07.090 (ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS) AND MAKING CORRESPONDING AMENDMENTS TO TITLE 19 (ZONING) OF THE COMMERCE MUNICIPAL CODE TO COMPLY WITH RECENT CHANGES TO STATE LAW RELATED TO ACCESSORY DWELLING UNITS"; or
2. Provide staff with alternative direction.

FISCAL IMPACT:

The activity of updating the Zoning Code to reflect recent changes to State Law to allow for a streamlined process to consider Accessory Dwelling Units and Junior Accessory Dwelling Units will present no impact to City Finances.

RELATIONSHIP TO STRATEGIC GOALS:

This item has the potential to relate to the Strategic Action Plan's Goal of: Economic Growth - Guiding Principles No. 2 to "Ensure that the City's development services are continually streamlined, efficient, customer focused and responsive to efficiently support local economic growth" and Guiding Principle No. 5 "Foster environmentally conscious initiatives and continue to identify and develop city codes that support a clean, well-maintained, sustainable community." The suggested updates to the Code meet the intent of the Strategic Plan in that they will provide for a streamlined approach to review and consider ADU's and JADU's while allowing for a well-maintained and sustainable community.

Prepared and Recommended by:	Jose D. Jimenez, Director of Economic Development and Planning
Reviewed By:	Vilko Domic, Assistant City Manager
Approved as to form:	Noel Tapia, City Attorney
Respectfully submitted:	Edgar P. Cisneros, City Manager

ATTACHMENTS:

1. Draft Ordinance