

ORDINANCE NO. _____(CM)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE ADDING A NEW CHAPTER 14-54 (TWO-UNIT DEVELOPMENTS) TO TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE TO IMPLEMENT SENATE BILL 9 (SB 9) THE CALIFORNIA HOUSING OPPORTUNITY AND MORE EFFICIENCY (HOME) ACT

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WHEREAS, SB-9 (Chapter 162, Statutes of 2021) enacted sections 66411.7 and 65852.21 to the Government Code, effective January 1, 2022; and

WHEREAS, these provisions require the City to provide ministerial approval of urban lot splits, ("Urban Lot Splits") and the construction of up to two residential dwelling units ("Two-Unit Developments") on each single-family residential zoned lot within the City, subject to certain limitations; and

WHEREAS, Government Code section 66411.7(a) limits eligibility of Urban Lot Splits by size and proportionality; and

WHEREAS, Government Code sections 66411.7(a)(3)(C) and 65852.21(a)(2) limit Urban Lot Splits and Two-Unit Developments, respectively, to sites that are not located

on or within certain farmland, wetlands, very high fire hazard severity zones, hazardous waste sites, earthquake fault zones, special flood hazard areas, regulatory floodways, lands identified for conservation, habitats for protected species, and historic properties; and

WHEREAS, Government Code sections 66411.7(a)(3)(D) and 65852.21(a)(3) through (a)(5) limit eligibility of an Urban Lot Split and a Two-Unit Development, respectively, that proposes to demolish or alter housing subject to affordability restrictions, housing subject to rent or price controls, housing that has been occupied by a tenant in the last three years, housing that has been withdrawn from rent or lease within the past 15 years, and housing that requires demolition of existing structural walls unless authorized by local ordinance or has not been tenant-occupied within the past 3 years; and

WHEREAS, Government Code sections 65852.21(a)(6) and 66411.7(a)(3)(E) allow a city to deny an Urban Lot Split for properties within an historic district or listed on the State's Historic Resource Inventory or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance; and

WHEREAS, Government Code sections 66411.7(c) and 65852.21(b) allow a city to establish objective zoning standards, objective subdivision standards, and objective design review standards for Urban Lot Splits and Two-Unit Developments, respectively, subject to limits within state law; and

WHEREAS, such objective zoning standards, objective subdivision standards, and objective design review standards may not have the effect of "precluding the construction

of two units on either of the resulting parcels from an Urban Lot Split or that would result in a unit size of less than 800 square feet” for a Two-Unit Development; and

WHEREAS, Government Code sections 66411.7 and 65852.21 allow a city to deny a proposed Two-Unit Development or Urban Lot Split, respectively, if the project would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of section 65589.5, upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact; and

WHEREAS, pursuant to Government Code sections 65852.21(j) and 66411.7(n), the City may adopt an ordinance to implement the provisions of Government Code sections 65852.21 and 66411.7, and such an ordinance shall not be considered a project under the California Environmental Quality Act (“CEQA”); and

WHEREAS, on September 6, 2022, the Planning Commission of the City of Watsonville adopted Resolution No. 14-22 (PC), recommending the City Council adopt an Ordinance amending the Watsonville Municipal Code by adding a new Chapter 13 (“Urban Lot Splits”) to Title 13 – Subdivision, adding a new Chapter 54 (“Two Units Developments”) to Title 14 – Zoning, adding a new subsection (E) to Section 14-23.110 of Chapter 14-23 (“Accessory Dwelling Units and Junior Accessory Dwelling Unit”), and amending Chapter 14-16 (“District Regulations”) and 14-18 (“Definitions”) to implement Senate Bill (“SB”) 9 – The California Home Act; and

WHEREAS, the City Council desires to implement objective standards and an application process for projects undertaken pursuant to Government Code Sections 65852.21 and 66411.7 by the adoption of such an ordinance; and

WHEREAS, the City Council has reviewed Chapter 14-54, held a public hearing thereon, and found the request to be consistent with the Findings required for a zoning text amendment pursuant to Section 14-12.807 of the Watsonville Municipal Code, attached hereto and marked as Exhibit “A”.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. ENACTMENT.

Title 14 (Zoning) of the Watsonville Municipal Code is hereby amended by adding a new Chapter 14-54 (Two-Unit Developments) to read in words and figures as follows:

CHAPTER 14-54 TWO-UNIT DEVELOPMENTS

Sec. 14-54.01 Purpose and Intent

The purpose of this Chapter is to provide regulations for the establishment of Two-Unit Developments, as defined in Section 14-54.02 herein, pursuant to Government Code section 65852.21. To accomplish this purpose, the regulations outlined herein are determined to be necessary for the preservation of the public health, safety and general welfare, and for the promotion of orderly growth and development. Except where such provisions directly conflict with section 66411.21 of the Government Code, the provisions of this Chapter shall apply.

Sec. 14-54.02 Eligibility

Notwithstanding anything in this Chapter to the contrary, a residential development containing no more than two residential units on one legal lot within the R-1 zoning district (“Two-Unit Development”) may be constructed following approval by the Community

Development Director, without discretionary review or a public hearing, if the proposed Two-Unit Development meets all of the requirements set forth below:

(a) A Two-Unit Development may be permitted under this Chapter if the development will result in no more than two residential units in total on a lot. If the lot has an existing dwelling, one additional unit may be developed pursuant to this Chapter. If a parcel does not include an existing dwelling, or if the existing dwelling is proposed to be demolished in connection with the creation of a Two-Unit Development, up to two dwelling units may be developed pursuant to this Chapter.

(b) Incompatibility with the City's density limitations shall not provide a basis to deny a Two-Unit Development that otherwise conforms to the requirements of this Chapter.

(c) A Two-Unit Development shall not be approved in each of the following circumstances:

(1) The Two-Unit Development would require demolition or alteration of any of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(iii) Housing that has been occupied by a tenant in the last three years. Demolition of up to 25% of the exterior structural walls is permitted.

(2) The parcel subject to the proposed Two-Unit Development is a parcel on which an owner of residential real property has exercised the owner's rights

under Government Code section 7060 et seq. to withdraw accommodations from rent or lease within 15 years before the date that the Two-Unit Development proponent submits an application.

(3) The parcel subject to the proposed Two-Unit Development is located within a historic district or property included on the State Historic Resources Inventory, as defined in Public Resources Code section 5020.1, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

(4) The parcel subject to the proposed Two-Unit Development does not satisfy the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Government Code section 65913.4.

Sec. 14-54.03 Objective Standards

Except as provided in this section, Two-Unit Developments under this Chapter shall conform to all objective property development regulations of the zone in which the property is located including, but not limited to, setbacks, building height, building size, structural coverage, and impervious coverage, and any objective requirements in the City’s design guidelines, unless the applicant demonstrates that such zoning or design standard would have the effect of physically precluding the construction of up to two residential units on the parcel, or that would physically preclude either of the two units from being at least 800 square feet in floor area, subject to the following modifications:

(a) New dwelling units constructed under this Chapter shall not exceed that shown in Table 1.

**Table 1
Maximum Dwelling Unit Size**

Lot Size (SF)	Maximum Unit Living Area (SF)
Lots less than 5,000 SF	800 SF (maximum (2) bedrooms)
Lots less than 10,000 SF	1,000 SF (maximum (3) bedrooms)
Lots greater than 12,000 SF	1,200 SF (maximum (3) bedrooms)

(b) No setback shall be required for an existing structure or a structure constructed in the same location and to the same dimensions as an existing structure. Verification of size and location of the existing and proposed structure requires pre- and post-construction surveys by a California licensed land surveyor.

(c) A setback of at least four feet is required from the rear and interior side property lines. Exterior side yard setbacks shall be 10-feet. Front yard setbacks shall be 20-feet. Separation of six feet is required from all built structures on a parcel.

(d) Entrance Orientation. The primary entrance to each new dwelling unit shall face the front or interior of the parcel unless the unit is directly accessible from an alley or a public street.

(e) Privacy Impacts. To minimize privacy impacts on adjacent properties, the following requirements apply to walls with windows within five feet of an interior side or rear property line abutting a residential use:

(1) For a single-story wall or the first story of a two-story wall, privacy impacts shall be minimized by either:

(i) A six-foot solid fence on the property line; and/or

(ii) Clerestory and/or opaque windows for all windows facing the adjacent property.

(2) For a second-story wall, all windows facing the adjacent property shall be clerestory or opaque.

(f) Any dwelling unit, or portion thereof, that is constructed pursuant to an approval under this section shall only be used for rentals of terms of longer than thirty days. It shall be unlawful to rent, offer to rent or lease, or to advertise for rent or lease, any dwelling unit or portion thereof built pursuant to authority under this section for a term that is thirty days or less.

(g) A minimum of one off-street parking space shall be provided for each dwelling unit allowed in the front or side yard setback area except where that no parking shall be required when the parcel meets one or both of the following instances:

(1) The parcel is located within one-half mile walking distance of either a high-quality transit corridor, as defined in subdivision (b) of section 21155 of the Public Resources Code, or a major transit stop, as defined in section 21064.3 of the Public Resources Code.

(2) There is a car share vehicle located within one block of the parcel.

(h) When construction of a new dwelling unit is proposed on a parcel with an existing dwelling unit, any new dwelling unit shall utilize the same exterior materials and colors as the existing dwelling unit, subject to any restrictions on use of building materials. Where two new units are proposed to be constructed on a parcel, each unit shall utilize the same exterior materials and colors as the other unit.

(i) Each dwelling unit constructed under this section shall utilize a separate utility connection directly from each dwelling unit to the utility for water, sewer, and electrical utilities.

(j) Each unit in a two-unit residential development shall be separated by a distance of at least six feet from any other structure on the parcel; however, units may be adjacent or connected if the structures meet building and fire code safety standards and are sufficient to allow a separate conveyance.

(k) Second story exterior decks shall be limited to the rear yard and prohibited for the front and side yards.

(l) Private Open space. Each dwelling unit shall have a deck or a patio, directly adjoining individual units. The minimum private open space required for each unit shall be no less than ninety-six (96) square feet with a minimum width of six (6') feet for a deck/patio and eight (8') feet for a landscaped area.

(m) Private storage space. Each dwelling unit shall provide a private storage area of 150 cubic feet. The private storage space shall be directly adjoining and/or within each unit.

(n) Landscaping. No less than twenty (20%) percent of the lot shall be landscaped. All areas of the site that are not utilized for buildings, patios, parking, pedestrian or vehicular access shall be landscaped and provided with a permanent drip irrigation system. All driveways must have a three-foot landscaping buffer from the side property line to include the entire length of the driveway. The front yard shall be landscaped, exclusive of walkways and driveways. No more than sixty (60%) percent of the front yard area shall be paved with permanent hard surfacing.

(o) Driveway Width. A two-unit development requires a minimum driveway width of 10 feet. All driveways are required to have a three-foot landscaping buffer from the side property line to include the entire length of the driveway.

(p) Accessory structures. A two-unit development is allowed one accessory structure per unit and shall not exceed 500 SF and comply with WMC Section 14-40.030(a).

(q) Maximum building height. The maximum building height for a two-unit development shall be two stories no more than 28-feet high.

(r) Public on-site improvements. A two-unit development is required to repair, replace and/or construct a sidewalk with curb and gutter meeting accessibility requirements and the City of Watsonville public improvement standards.

Sec. 14-54.04 Filing, Processing and Action

(a) A Two-Unit Development that complies with all standards in this Chapter shall be approved ministerially with an administrative review permit. No discretionary review or public hearing is required. A building permit application may be submitted concurrently with the administrative review permit application.

(b) The City shall act on an application for a Two-Unit Development within sixty days from the date the City receives a completed permit application. If the applicant requests a delay in writing, the sixty-day time period shall be tolled for the period of the delay. The City has acted on the application if it:

(1) Approves or denies the building permit for the Two-Unit Development; or

(2) Informs the applicant in writing that changes to the proposed project are necessary to comply with this chapter.

(c) The Community Development Director shall deny the Two-Unit Development if either of the following is found:

(1) The Two-Unit Development fails to meet or perform one or more objective requirements imposed by this Chapter. Any such requirement or condition shall be specified.

(2) The building official makes a written finding, based upon a preponderance of the evidence, that the proposed development would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of section 65589.5, upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

(d) The Community Development Director shall not reject an application solely because it proposes adjacent or connected structures provided that the structures meet building and fire code safety standards and are sufficient to allow separate conveyance.

(e) The Community Development Director shall condition approval on the dedication of any easements deemed necessary for the provision of public services to the proposed residential units and any easements deemed necessary for access to the public right-of-way.

(f) The Community Development Director shall not require the correction of nonconforming zoning conditions.

Sec. 14-54.05 Use Requirements

(a) It shall be unlawful to rent, offer to rent or lease, or to advertise for rent or lease, any dwelling unit or portion thereof under this Chapter for a term that is thirty days or less.

(b) It shall be unlawful to use any dwelling unit under this Chapter for any use other than a residential use.

(c) Notwithstanding any other provision of this code, no more than two dwelling units shall be permitted on any parcel created under the provisions of this Chapter.

SECTION 2. RECITALS.

The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this Ordinance.

SECTION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

The City Council finds that this Ordinance is exempt from the provisions of the California Environmental Quality Act (“CEQA”) pursuant to Section 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change in the environment and is not a “project,” as defined in Section 15378 of the CEQA Guidelines.

SECTION 4. SEVERABILITY.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

SECTION 5. PUBLICATION.

This ordinance shall be published in the Watsonville Register-Pajaronian and/or Santa Cruz Sentinel in compliance with the provisions of the Charter of the City of Watsonville.

SECTION 6. EFFECTIVE DATE.

This ordinance shall be in force and take effect thirty (30) days after its final adoption.
