

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
EMAIL: CENTRALCOAST@COASTAL.CA.GOV
WEB: WWW.COASTAL.CA.GOV



W18a

Prepared August 28, 2026 for September 9, 2026 Hearing

To: Commissioners and Interested Persons

From: Kevin Kahn, Central Coast District Manager
Rainey Graeven, Central Coast District Supervisor
Nolan Clark, Coastal Planner

Subject: Santa Cruz County LCP Amendment Number LCP-3-SCO-26-0035-1-Part A (ADU Updates)

SUMMARY OF STAFF RECOMMENDATION

Santa Cruz County proposes to amend its Local Coastal Program (LCP) Implementation Plan (IP) by updating its provisions related to accessory dwelling units (ADUs)¹ to maintain consistency with recent state ADU law changes and updated guidance from the Department of Housing and Community Development (HCD).² Specifically, the County proposes to amend IP Chapter 13.10 (Zoning Regulations), including IP Sections 13.10.680 (Tiny Homes on Wheels) and 13.10.681 (ADUs), as well as accompanying use charts and definitions. Additionally, the County proposes to amend the portions of IP Chapter 13.20 (Coastal Zone Regulations) related to ADU approvals and appeal procedures in the coastal zone.

The Commission is aware that the state has a serious housing crisis, and in particular an affordable housing crisis that can be particularly acute in the state's coastal zone. To address this critical need, the state legislature has enacted a number of housing laws in the last several years that are designed to eliminate barriers to housing and help foster additional housing units – including critically needed affordable units – where they can be appropriately accommodated by adequate public services and where, in the coastal zone, they will not adversely affect coastal resources. These laws have spurred local governments in the coastal zone to update their LCPs to address such changes. Importantly, the changes to state law continue to explicitly require that the Coastal Act (and by extension LCP) coastal resource protections are not suspended in the construction of ADUs, and thus updated local government ADU provisions must

¹ Santa Cruz County has had provisions related to ADUs in its LCP for many years, and these were most recently updated March 11, 2022 when the Commission certified LCP amendment LCP-3-SCO-21-0085-2-Part A (ADU Updates).

² In March 2026, HCD updated its ADU Handbook to provide technical guidance on the implementation of state ADU laws in effect through March 1, 2025. This ADU Handbook is available at: <https://www.hcd.ca.gov/sites/default/files/docs/policy-and-research/adu-handbook-update.pdf>.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

continue to protect coastal resources.³ In short, the goal of updating LCPs related to ADUs is to harmonize state ADU housing law changes with the Coastal Act in a way that continues to protect coastal resources while also reducing and eliminating barriers to ADUs.

Here, the proposed updates to the LCP ADU provisions seek to do just that, including by incorporating a number of recommended changes requested by HCD after its review of the amendment language. The proposed ADU amendment will provide the County with additional tools to concentrate new and inherently more affordable residential development in areas with adequate services to support it, consistent with LUP directives calling for same. Importantly, the County's proposal seeks to ensure adequate coastal resource protection by requiring that all new construction ADUs are consistent with all of the objective environmental and resource protection standards of the IP, which include the required setbacks and development standards for coastal hazard areas, ESHA, wetlands, and agricultural lands, among other core coastal resource protection requirements. Further, the County proposes additional prescriptive requirements related to coastal hazards, ESHA, and agricultural lands. Notably, new construction and conversion ADUs would be prohibited within the 100-year geologic site stability setback on coastal bluffs and in Coastal Hazards Areas⁴ seaward of coastal bluffs. Similarly, the proposed amendment prohibits new construction ADUs in ESHA, allows conversion ADUs in ESHA only when the converted structure does not increase in size or building footprint, and allows JADUs in legally permitted existing structures in ESHA because such projects are located wholly within the space of an existing building. Finally, the proposed amendment clearly spells out agricultural protections for ADU projects, including by requiring that all ADU development: is ancillary to the primary agricultural use of the property; is clustered with existing development on the site to avoid and minimize the removal of land from production; and minimizes impervious surfaces, utilizes existing road surfaces, and minimizes/consolidates driveways and any related infrastructure to the maximum extent feasible. With these provisions, the proposed amendment can be found consistent with and adequate to carry out the LUP's coastal resource protection requirements.

In sum, the proposed LCP amendment will continue to promote and should further facilitate sustainable ADU production in the County's coastal zone while also avoiding

³ State ADU laws do not supersede the Coastal Act, and ADU projects are required to be consistent with the Act (see Government Code Section 66329), except that local governments are not required to hold public hearings for CDP applications for ADUs. However, Assembly Bill (AB) 462 recently amended Government Code Section 66329 such that CDPs approved by local governments for ADU-only projects are no longer appealable to the Commission pursuant to Section 30603 of the Coastal Act (see, specifically, Government Code Section 66329(c)). AB 462 went into effect on October 10, 2025. Importantly, Government Code Section 66329(c) applies only to projects that "create or serve an accessory dwelling unit or a junior accessory dwelling unit." In other words, a CDP application for development in addition to an ADU or JADU, and the infrastructure that is immediately ancillary to the habitation of the ADU(s) (such as dedicated driveways, utilities, etc.), would still be appealable to the Commission (e.g., a project that, in addition to constructing one or more ADU, would also construct or remodel a single-family residence or multifamily units).

⁴ The LCP defines Coastal Hazard Areas as "areas which are subject to physical hazards as a result of coastal processes such as landsliding, erosion of a coastal bluff, and inundation or erosion of a beach by wave action."

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

any potentially significant coastal resource impacts. Staff thus recommends that the Commission find the proposed amendment consistent with and adequate to carry out the policies of the LUP, and that the Commission approve the amendment as submitted. The motion and resolution are found on page **5** below.

Staff Note: LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on August 7, 2026. The proposed amendment affects the LCP's IP, and the 60-working-day action deadline is November 2, 2026. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until November 2, 2026 to take a final action on this LCP amendment.

Therefore, if the Commission fails to take a final action in this case (e.g., if the Commission instead chooses to postpone/continue LCP amendment consideration), then staff recommends that, as part of such non-final action, the Commission extend the deadline for final Commission action on the proposed amendment by one year. To do so, staff recommends a YES vote on the motion below. Passage of the motion will result in a new deadline for final Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Alternate Time Extension Motion: *I move that the Commission extend the time limit to act on Santa Cruz County Local Coastal Program Amendment Number LCP-3-SCO-26-0035-1-Part A to November 2, 2027, and I recommend a yes vote.*

TABLE OF CONTENTS

1. MOTIONS AND RESOLUTIONS	5
2. FINDINGS AND DECLARATIONS	5
A. Description of Proposed LCP amendment	5
B. Evaluation of Proposed LCP Amendment	8
C. California Environmental Quality Act (CEQA).....	16
3. APPENDICES	16

EXHIBITS

Exhibit 1: Proposed IP Amendment (shown in strikethrough and underline)

CORRESPONDENCE

1. MOTIONS AND RESOLUTIONS

Staff recommends that the Commission, after public hearing, **certify the proposed LCP amendment as submitted**. The Commission needs to make one motion in order to act on this recommendation, and staff recommends a **NO** vote on the motion below. Failure of this motion will result in certification of the Implementation Plan amendment as submitted and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion to Certify: *I move that the Commission reject Implementation Plan Amendment LCP-3-SCO-26-0035-1-Part A as submitted by Santa Cruz County, and I recommend a **no** vote.*

Resolution to Certify: *The Commission hereby certifies Implementation Plan Amendment LCP-3-SCO-26-0035-1-Part A for Santa Cruz County and adopts the findings set forth below on the grounds that the amended Implementation Plan conforms with, and is adequate to carry out, the provisions of the certified Land Use Plan. Certification of the amended Implementation Plan complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the amended Implementation Plan on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.*

2. FINDINGS AND DECLARATIONS

A. Description of Proposed LCP amendment

Santa Cruz County proposes to amend its Local Coastal Program (LCP) Implementation Plan (IP) by updating its provisions related to accessory dwelling units (ADUs)⁵ to maintain consistency with recent state ADU law changes and updated guidance from the Department of Housing and Community Development (HCD).⁶ Specifically, the County proposes to amend IP Chapter 13.10 (Zoning Regulations), including IP Sections 13.10.680 (Tiny Homes on Wheels) and 13.10.681 (ADUs), as well as accompanying use charts and definitions. Additionally, the County proposes to amend the portions of IP Chapter 13.20 (Coastal Zone Regulations) related to ADU approvals and appeal procedures in the coastal zone. The proposed IP changes include:

- Updating the use charts for the Commercial Agriculture (CA); Parks, Recreation and Open Space (PR); and Timber Production (TP) zoning districts to denote that ADUs and Junior ADUs (JADUs) are principally permitted uses in these districts, and

⁵ Santa Cruz County has had provisions related to ADUs in its LCP for many years, and these were most recently updated March 11, 2022 when the Commission certified LCP amendment LCP-3-SCO-21-0085-2-Part A (ADU Updates).

⁶ In March 2026, HCD updated its ADU Handbook to provide technical guidance on the implementation of state ADU laws in effect through March 1, 2025. This ADU Handbook is available at: <https://www.hcd.ca.gov/sites/default/files/docs/policy-and-research/adu-handbook-update.pdf>.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

clarifying which sections of the IP govern specific requirements for ADUs and JADUs in these zoning districts.

- Updating the definitions for new construction ADUs, conversion ADUs, and JADUs, including clarifying that: (1) JADUs are fully contained within the space of an existing or proposed single-family residence, are no more than 500 square feet in size, and may share a sanitation facility with the main residence if an internal entrance from the JADU to the main residence is provided; (2) conversion ADUs are converted from any portion of a legal accessory structure, any portion of an existing single-family residence, or any garage for the purpose of creating an ADU, may include the demolition and reconstruction of a structure within the same footprint and building envelope, and may also include the addition of up to 150 square feet to accommodate ingress and egress; and, (3) new construction ADUs are either detached from or attached to an existing or proposed primary residential structure, that do not meet the definition of a JADU or conversion ADU.
- Updating provisions related to tiny homes on wheels to reflect that tiny homes on wheels may not be used as ADUs in accordance with guidance provided by the HCD.
- Increasing the allowed number of ADUs on single-family residential parcels from two (one ADU and one JADU) to four (one new construction ADU, one conversion ADU, one JADU, and one detached ADU not more than 800 square feet in size with minimum four-foot side and rear setbacks (also known as “Section 66323 units”)⁷ in addition to the new construction ADU).
- Updating the allowed number of ADUs on multifamily residential parcels to reflect that up to two detached ADUs are allowed on lots where new multifamily residential development is proposed, that up to eight detached ADUs are allowed on lots with existing multifamily residential development so long as the number of ADUs does not exceed the number of existing units, and that up to 25 percent of the available floor area of existing multifamily units not used as livable space (e.g., storage rooms, passageways, attics, garages, etc.) may be converted to ADU use if each unit complies with state building standards for habitation.
- Updating the size requirements for attached new construction ADUs to clarify that such ADUs may be up to 850 square feet (for studios and one-bedroom units), 1,000 square feet (for units with two or more bedrooms), or up to 50 percent of the habitable square footage of the existing primary dwelling on the site, whichever is larger.⁸

⁷ Section 66323 units would be considered new construction ADUs under the County’s proposed updates.

⁸ The proposed amendment does not affect the size limits for detached new construction ADUs, which are based on parcel size. For parcels less than one acre in size, the maximum unit size is 850 square feet for studios and one-bedroom units and 1,000 square feet for two bedrooms or more. For parcels greater than one acre in size, the maximum unit size is 1,200 square feet, regardless of the number of bedrooms.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

- Clarifying that side and rear yard setbacks shall be a minimum of 4 feet except in cases where that would preclude an 800 square-foot ADU, in which case the setbacks may be reduced as necessary to accommodate an 800 square-foot ADU.
- Updating and applying specific coastal resource protection requirements for ADUs by requiring consistency with all objective standards of Title 16 of the County's IP (Environmental and Resource Protection), which include protections related to coastal hazards, environmentally sensitive habitat areas (ESHA), wetlands, and agricultural lands. For example, the amendment would make clear that new construction and conversion ADUs would be prohibited within the LCP required coastal blufftop geologic setback and seaward of coastal bluffs in areas subject to significant coastal hazards, that new construction ADUs would be prohibited within ESHA, that conversion ADUs would be allowed in ESHA only if the structure to be converted remains in its existing footprint without expansion in size, and that all ADU development must avoid, and minimize if unavoidable, impacts on agricultural lands.
- Updating the allowed height of new construction ADUs within one-half mile walking distance of a major transit stop⁹ or high-quality transit corridor¹⁰ to 18 feet in height for one-story ADUs or 24 feet in height at roof peak if the ADU is built on top of an existing detached accessory structure.
- Requiring the correction of nonconforming conditions or existing LCP violations on a site where an ADU project is proposed, unless the scope of development is limited only to the ADU itself, such violations are not related to coastal resource protection requirements (e.g., ESHA, wetland, and geologic hazard setbacks and associated requirements), and LCP-required coastal development permit findings can be made.
- Prohibiting short-term rentals on properties with an ADU or JADU.
- Requiring owner-occupancy of either the primary dwelling or JADU for parcels with a JADU that has shared sanitation facilities with the primary dwelling, unless the property is owned by a government agency, land trust, or public or nonprofit housing organization.
- Requiring the County to approve a permit for an unpermitted ADU or JADU that was constructed prior to January 1, 2020, unless the ADU or JADU is in violation of State Health and Safety Code building standards or LCP coastal resource protection requirements and requires corrective action.

⁹ A "major transit stop" is defined in Public Resources Code Section 21064.3 as a site containing either: (1) an existing rail or bus rapid transit station; (2) a ferry terminal served by either a bus or rail transit service; or, (3) the intersection of two or more major bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods.

¹⁰ A "high-quality transit corridor" is defined in Public Resources Code Section 21155(b) as a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

- Updating the coastal development permit (CDP) review and appeal procedures for ADUs to reflect that ADU-only projects in the coastal zone are no longer appealable to the Commission, pursuant to recent changes to State law.¹¹

Please see **Exhibit 1** for the proposed IP amendment text.

B. Evaluation of Proposed LCP Amendment

Standard of Review

The proposed amendment affects the LCP's IP, and the standard of review for IP amendments is that they must be consistent with and adequate to carry out the certified LUP.

Applicable Land Use Plan Provisions

Broadly, the LUP seeks to provide for infill development in urban areas with adequate services/facilities and in a manner that protects and preserves coastal resources, similar to the Coastal Act (see Section 30250).¹² In addition, the LUP contains objectives, policies, and implementation strategies that specifically encourage a mix of housing types clustered together in existing developed neighborhoods, recognize ADUs as one such tool to achieve more typically affordable housing, and further encourage the provision of low and moderate income housing opportunities in the coastal zone. Additionally, the LUP precludes the use of ADUs as short term rentals, which means that ADUs are limited to providing non-visitor-serving housing related functions. Applicable LUP policies include, for example:

LUP Policy BE-1.1.4: Siting New Development. *Require new urban residential, commercial, or industrial development to locate within, next to, or near existing developed areas with adequate public services and where development will not have significant adverse effects on agricultural land or natural resources.*

LUP Policy BE-2.3.1: Accessory Dwelling Units (ADUs). *Encourage the provision of context-appropriate ADUs associated with single-family and multifamily dwellings, recognizing that ADUs not only increase housing affordability (both for homeowners and tenants), but also create a wider range of housing options within neighborhoods, enable seniors to age in place, allow for extended families to live together, and facilitate efficient land use in established neighborhoods.*

¹¹ Assembly Bill (AB) 462, signed into law on October 10, 2025, amended Government Code Section 66329 such that ADU-only projects (i.e., CDP applications to build only an ADU and the necessary improvements to support the ADU) in the coastal zone are no longer appealable to the Commission.

¹² Section 30250 states, in applicable part, that "New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources."

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

LUP Implementation Strategy BE-2.3a: Implement ADU use and development standards in [IP Chapter] 13.10 and update as necessary to align with state law and County housing production goals.

LUP Policy BE-2.5.2: Short-Term Rentals and ADUs. Do not allow short-term rentals in ADUs or on properties where ADUs are located, recognizing the importance of ADUs in addressing housing needs as small units that are affordable by design.

LUP Policy BE-5.1.8: Low and Moderate-Income Housing in the Coastal Zone. Encourage the provision of housing for low and moderate-income households in the Coastal Zone. Restrict conversion or demolition of existing residential units occupied by persons or families of lower or moderate income, unless provision has been made for replacement units for persons of lower or moderate income. If units that are converted or demolished are in the Coastal Zone, replacement units should be located elsewhere in the Coastal Zone, if feasible.

Additionally, the LUP includes provisions specifically protecting coastal bluffs and beaches by requiring that development be safe from coastal hazards risk through appropriate setbacks (for a minimum 100 years of site stability, or a minimum of 25 feet from the bluff edge, whichever is a greater distance) without shoreline armoring, for example:

LUP Policy 6.2.10: Site Development to Minimize Hazards. Require all developments to be sited and designed to avoid or minimize hazards as determined by the geologic hazards assessment or geologic and engineering investigations.

LUP Policy 6.2.12: Setbacks from Coastal Bluffs. All development activities, including those which are cantilevered, and non-habitable structures for which a building permit is required, shall be set back a minimum of 25 feet from the top edge of the bluff. A setback greater than 25 feet may be required based on conditions on and adjoining the site. The setback shall be sufficient to provide a stable building site over the 100- year lifetime of the structure, as determined through geologic and/or soil engineering reports. The determination of the minimum 100-year setback shall be based on the existing site conditions and shall not take into consideration the effect of any proposed shoreline or coastal bluff protection measures.

LUP Policy 6.2.15: New Development on Existing Lots of Record. Allow development activities in areas subject to storm wave inundation or beach or bluff erosion on existing lots of record, within existing developed neighborhoods, under the following circumstances: (a) A technical report (including a geologic hazards assessment, engineering geology report and/or soil engineering report) demonstrates that the potential hazard can be mitigated over the 100-year lifetime of the structure. Mitigations can include, but are not limited to, building setbacks, elevation of the structure, and foundation design; (b) Mitigation of the potential hazard is not dependent on shoreline or coastal bluff protection

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

structures, except on lots where both adjacent parcels are already similarly protected; and (c) The owner records a Declaration of Geologic Hazards on the property deed that describes the potential hazard and the level of geologic and/or geotechnical investigation conducted.

LUP Policy 6.2.17: Prohibit New Building Sites in Coastal Hazard Areas. *Do not allow the creation of new building sites, lots, or parcels in areas subject to coastal hazards, or in the area necessary to ensure a stable building site for the minimum 100-year lifetime, or where development would require the construction of public facilities or utility transmission lines within coastal hazard areas or in the area necessary to ensure a stable building site for the minimum 100-year lifetime.*

Next, the LUP seeks to protect sensitive habitats by allowing only resource-dependent uses within such areas, requiring development otherwise to be adequately set back, requiring that all development avoid significant disruption of habitats, and requiring that any allowable impacts be commensurately mitigated, for example:

LUP Policy ARC-3.1.3: Environmentally Sensitive Habitat Area (ESHA). *[in relevant part] Evaluate sites proposed for development within the coastal zone for the presence of ESHA...Areas confirmed to be ESHA may only be developed for uses dependent on such resources in these habitats within the Coastal Zone, unless other uses are: (1) Consistent with sensitive habitat protection policies and serve a specific purpose beneficial to the public; (2) Determined through environmental review that any adverse impacts on the resource will be completely mitigated and there is no feasible less-damaging alternative; and (3) Legally necessary to allow for a reasonable economic use of the land, and there is no feasible less-damaging alternative.*

LUP Policy ARC-3.1.6: Development Within Sensitive Habitats. *Sensitive habitats shall be protected against any significant disruption of habitat values, and any proposed development within or adjacent to these areas must maintain or enhance the functional capacity of the habitat. Reduce in scale, redesign, or, if no other alternative exists, deny any project that cannot sufficiently mitigate significant adverse impacts on sensitive habitats unless approval of a project is legally necessary to allow a reasonable use of the land.*

LUP Policy ARC-3.3.3: Activities Within Riparian Corridors and Wetlands. *Development activities, land alteration, and vegetation disturbance within riparian corridors and wetlands and required buffers shall be prohibited unless an exception permit is granted per the Riparian Corridor and Wetlands Protection ordinance. As a condition of a riparian exception permit, require evidence of compliance with applicable permit or review requirements of the U.S. Army Corps of Engineers, California Department of Fish and Wildlife, and other federal or state agencies that may have regulatory authority over activities within riparian corridors and wetlands.*

Finally, the LUP serves to protect and preserve agricultural lands within the County's more rural coastal zone, including through preventing the conversion of agricultural

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

lands to non-agricultural uses, and by reducing conflicts caused by residential development on or in close proximity to agricultural lands, for example:

Objective ARC-1.1: Preserve Commercial Agricultural Land. *To maintain for exclusive agricultural uses those lands identified on the County Agricultural Resources Map as best suited to the commercial production of food, fiber and ornamental crops and livestock, and to prevent conversion of commercial agricultural lands to non-agricultural uses that are not associated with farming and/or are necessary to support the agricultural economy. To recognize that agriculture is a priority land use and to resolve policy conflicts in favor of preserving and promoting agriculture on designated commercial agricultural lands.*

LUP Policy ARC-1.4.1: Agricultural Buffers Required. *In order to prevent or minimize potential land use conflicts, nonagricultural habitable uses such as residences (excluding farmworker housing), habitable accessory structures and non-agricultural commercial businesses that are located on land adjacent to a parcel in the Commercial Agriculture or Agricultural Preserve zone districts are required to provide a 200-foot buffer setback to the property line of the adjacent commercial agricultural parcel, unless an exception, as provided in ARC-1.4.2, is approved to reduce the extent of the agricultural buffer.*

LUP Policy ARC-1.4.2: Reduced Agricultural Buffer Setbacks. *Any reduction in the 200-foot agricultural buffer setback may only occur as approved by the [Agricultural Policy Advisory Committee] or other County decision-maker, as established by the Agricultural Land Preservation and Protection ordinance.*

LUP Policy ARC-1.4.5: Siting to Minimize Conflicts. *Structures shall be sited to minimize possible conflicts with productive commercial agricultural lands in the area. Where structures are located on commercial agricultural land, the structures shall be sited in such a manner to remove as little land as possible from production while still meeting supportable project objectives.*

LUP Policy ARC-1.4.7: Accessory Dwelling Units on Commercial Agricultural Land within the Coastal Zone. *Allow one accessory dwelling unit (ADU) on parcels in the Commercial Agriculture (CA) Zone District as accessory to a single-family dwelling, subject to locational requirements and other requirements in the Zoning Ordinance.*

Consistency Analysis

The Commission is aware that the state has a serious housing crisis, and in particular an affordable housing crisis, which can be particularly acute in the state's coastal zone. To address this critical need, the state legislature has enacted a number of housing laws in the last several years that are designed to eliminate barriers to providing housing and to help foster additional housing units – including critically needed affordable units – where they can be appropriately accommodated by adequate public services and where, in the coastal zone, they will not adversely affect coastal resources. These laws have spurred local governments in the coastal zone to update their LCPs to

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

address such changes. Importantly, the changes to state law continue to explicitly require that the Coastal Act (and by extension LCP) coastal resource protections are not suspended in the construction of ADUs, and thus updated local government ADU provisions must continue to protect coastal resources.¹³ In short, the goal of updating LCPs related to ADUs is to harmonize state ADU housing law changes with the Coastal Act in a way that continues to protect coastal resources while also reducing and eliminating barriers to ADUs.

Here, Santa Cruz County's proposed updates to its ADU provisions seek to do just that with this LCP amendment, including by incorporating a number of recommended changes requested by HCD after its review of the LCP amendment language. At its core, the proposal provides the County with additional tools to concentrate new, typically more affordable residential development in areas with adequate services to support it, consistent with LUP directives calling for same (see LUP Policies BE-1.1.4, BE-2.3.1, and BE-5.1.8 and Implementation Strategy BE-2.3a).

For example, the proposed increase in the number of ADUs allowed on any given parcel (from two to four for parcels with either existing or proposed single-family dwellings and up to eight on parcels with existing multifamily dwellings) allows for a relatively significant increase in housing in already developed areas. Further, the proposed updates relax certain development standards for ADUs, including allowing larger attached ADUs, allowing reduced yard setbacks, and allowing increased heights for ADUs on sites in the vicinity of available public transit, all of which should make ADU construction more attractive and give property owners additional development options. Additionally, consistent with LUP Policy BE-2.5.2, the proposed updates will continue to reserve ADUs for residential use by prohibiting short-term rentals on properties with ADUs. Finally, the proposed updates provide, in accordance with state ADU law, a considerable level of amnesty for properties with nonconforming conditions and/or violations, including requiring after-the-fact approval of unpermitted ADUs constructed prior to January 1, 2020, also serving to maintain housing availability without penalizing property owners.¹⁴ For these reasons, the County's proposed updates to its LCP ADU provisions can be found consistent with and adequate to carry out the LUP's goals, objectives, and policies related to the built environment by concentrating new and more

¹³ State ADU laws do not supersede the Coastal Act, and ADU projects are required to be consistent with the Act (see Government Code Section 66329), except that local governments are not required to hold public hearings for CDP applications for ADUs. However, Assembly Bill (AB) 462 recently amended Government Code Section 66329 such that CDPs approved by local governments for ADU-only projects are no longer appealable to the Commission pursuant to Section 30603 of the Coastal Act (see, specifically, Government Code Section 66329(c)). AB 462 went into effect on October 10, 2025. Importantly, Government Code Section 66329(c) applies only to projects that "create or serve an accessory dwelling unit or a junior accessory dwelling unit." In other words, a CDP application for development in addition to an ADU or JADU, and the infrastructure that is immediately ancillary to the habitation of the ADU(s) (such as dedicated driveways, utilities, etc.), would still be appealable to the Commission (e.g., a project that, in addition to constructing one or more ADU, would also construct or remodel a single-family residence or multifamily units).

¹⁴ As noted above, the proposed updates do require corrective action for LCP violations on a site unless the scope of proposed development is limited to the ADU itself, such violations are not related to coastal resource protection requirements (e.g., ESHA, wetland, and geologic hazard setbacks and associated requirements), and LCP-required coastal development permit findings can be made.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

naturally affordable – relative to the Santa Cruz area – residential development in areas with adequate services to support it.

Additionally, the County's proposal seeks to ensure adequate coastal resource protection by requiring that all new construction ADUs are consistent with all objective standards in Title 16 of the IP (Environmental and Resource Protection), which include the required setbacks and development standards for coastal hazard areas, ESHA, wetlands, and agricultural lands, among other core coastal resource protection requirements. Further, the County proposes additional prescriptive requirements for ADU projects in the coastal zone (see proposed IP Section 13.10.681(D)(11) in **Exhibit 1**) related to coastal hazards, ESHA, and agricultural lands.

With respect to coastal hazards, the LUP is clear that all development must be sited and designed to avoid or minimize hazards (see LUP Policy 6.2.10) and that no development is allowed on bluffs seaward of the minimum required 100-year setback line (see LUP Policy 6.2.12). These requirements are intended to allow for development that will not lead to shoreline armoring and its attendant impacts on beaches and shoreline area resources. These policies, in conjunction with the corresponding provisions in IP Chapter 16.10 (Geologic Hazards), have been consistently interpreted by the Commission to require that all development be located outside (i.e., inland) of the LCP-required 100-year site stability setback from the top edge of a coastal bluff without reliance on any existing or proposed shoreline armoring. Accordingly, the County proposes to require that new construction and conversion ADUs are sited inland of the 100-year site blufftop stability setback line without the reliance on existing or proposed shoreline protection structures, consistent with the LUP policies referenced above. On the other hand, the proposed amendment would still allow a JADU to be located within an existing residence with a legal nonconforming bluff setback as long as the JADU meets all other requirements of the County's JADU provisions, given that JADU projects would also be confined to the existing space within the residence, and ordinarily would not trigger correction of any existing nonconformities..¹⁵ As a result, the proposed IP amendment can be found consistent with and adequate to carry out the LUP coastal hazards requirements related to blufftop development.

The proposed amendment also considers several locations along the County's shoreline where residential development is currently sited at beach level seaward of the coastal bluff,¹⁶ which is potentially an even more precarious location for new development, and certainly for additional residential units.¹⁷ In such locations, residential development is sandwiched between an eroding coastal bluff and the

¹⁵ It is important to note that should proposed JADU development cause a residential structure to become redeveloped such that 50% or more of the structure would be replaced (per Section 13252(b) of the Commission's regulations), the entire structure would be required to meet all LCP-required coastal hazards requirements, including the 100-year site stability requirement.

¹⁶ Within the County's coastal zone, there are a number of beach level residential areas at Potbelly Beach Road, Las Olas Drive, Beach Drive, Via Gaviota, Oceanview Drive, and Pajaro Dunes, each of which original subdivisions pre-date the Coastal Act.

¹⁷ For example, during the severe winter storms of January 2023, a house at 535 Beach Drive was lifted completely from its cement pier foundation and rafted 30 feet towards the coastal bluff and has since been demolished. See <https://www.santacruzsentinel.com/2023/01/06/ocean-surges-rocks-río-del-mar/>.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

beach/ocean. This pattern of development has resulted in a situation where many private homes, public roads, and public infrastructure are periodically and increasingly impacted by both wave action (during high tide and large storm and swell events) as well as by bluff sloughing, and even landslides, including during heavy rain and runoff events. Put another way, these beach-level parcels can face coastal hazards from both inland and seaward forces, and an increase in residential density in these areas would only expose more residents and development to significant risk. Notably, LUP Policy 6.2.10 requires that all development be sited and designed to avoid or minimize hazards, and LUP Policy 6.2.17 specifically prohibits “the creation of new building sites, lots, or parcels in areas subject to coastal hazards.”¹⁸ In other words, the LCP requires that all development avoid and minimize risk, and also prohibits the creation of new building sites, lots, or parcels in coastal hazards areas, including sites proposed as locations for new development, in order to do so. While facilitating proposed ADU development to help serve statewide and local goals of densification, diversified housing supply, and affordability in non-hazardous areas is a clear policy goal of the Commission, allowing new ADU development in beach-level areas where coastal hazards risks are inherently maximized would only place more individuals and residential development at risk, and usually at significant private and public expense. Therefore, consistent with the LUP requirements, the proposed amendment makes clear that new construction ADUs and conversion ADUs in Coastal Hazards Areas,¹⁹ including areas seaward of, on, and immediately adjacent to coastal bluffs (such as the residential development pattern along the County’s beaches in the Aptos area) are prohibited.^{20,21}

In terms of the proposed amendment’s consistency with LUP provisions governing ESHA, the LUP requires that all ESHA and wetlands be protected, including through proper setbacks and buffers from sensitive habitat, riparian corridors, and wetlands (see, for example, LUP Policies ARC-3.1.3, ARC-3.1.6, and ARC-3.3.3). Accordingly, the proposed amendment requires that all coastal zone ESHA and wetlands are protected by prohibiting new construction ADUs in ESHA, allowing conversion ADUs in ESHA if the development is limited to the existing building envelope and there is no additional encroachment into ESHA, and allowing JADUs within the existing space of a

¹⁸ Although the LUP does not define “building site”, IP Section 13.10.700-B defines “building site” as “an area of land occupied by or proposed as a location for a building or for a manufactured or mobile home on a permanent foundation” (emphasis added).

¹⁹ The LCP defines Coastal Hazard Areas as “areas which are subject to physical hazards as a result of coastal processes such as landsliding, erosion of a coastal bluff, and inundation or erosion of a beach by wave action.”

²⁰ To be clear, the Commission notes that the LUP already prohibits new ADUs in these areas, including from LUP Policy 6.2.17’s prohibition on new building sites in high hazard areas. The proposed IP language herein should thus be understood as making this point clearer and more explicit for all parties involved, rather than introducing any significant new policy interpretation.

²¹ And similar to the 100-year site stability setback requirement discussed previously, the proposed amendment still allows JADUs within the existing space of legal single-family residential structures located in coastal hazards areas for similar reasons and subject to the same caveats.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

single-family residence sited in ESHA as JADUs inherently do not increase a structure's size.²²

With respect to agricultural resources, the LUP strictly protects commercial agricultural lands,²³ including preventing the conversion of productive agricultural soils to non-agricultural uses, requiring that development is appropriately set back from agricultural areas, and minimizing land use conflicts by siting new development on commercial agricultural lands in a manner that removes as little land as possible from agricultural production, while also recognizing that ADUs may be an appropriate ancillary use to agricultural operations (see, for example, LUP Objective ARC-1.1 and Policies ARC-1.4.1, ARC-1.4.5, and ARC-1.4.7). The proposed amendment clearly spells out agricultural protections for ADU projects, including requiring that all ADU development: is ancillary to the primary agricultural use of the property; is clustered with existing development on the site to avoid – and minimize where unavoidable – the removal of land from production; and minimizes impervious surfaces, utilizes existing road surfaces, and minimizes/consolidates driveways and any related infrastructure to the maximum extent feasible, consistent with the LUP agricultural protections listed above.

With respect to the LCP's tiny homes on wheels provisions (see IP Section 13.10.680 in **Exhibit 1**), the County's proposal modifies these IP provisions in several ways. Notably, as proposed, the IP would no longer allow such structures to be used as ADUs (per guidance provided by HCD to the County).²⁴ In effect, this means that tiny homes on wheels would only be allowed for use as a primary residence. This does not change the allowed number of ADUs on a parcel (which would be up to four, as previously explained), but it would modify how each unit is identified. Namely, a parcel with a tiny home on wheels as its primary residence may be eligible for four ADUs as well, so long as all requirements of the County's ADU provisions and LCP coastal resource protections, including as updated by the subject LCP amendment, can be met. In addition, the proposal updates accompanying use charts and definitions for tiny homes on wheels (see IP Sections 13.10.312, 13.10.352, 13.10.372, and 13.10.700). These proposals do not raise coastal resource concerns.

Finally, the proposal would update the applicable CDP review procedures and appeal provisions for ADU projects,²⁵ all for internal consistency purposes and for consistency

²² However, it is important to note that should proposed conversion ADU or JADU development cause a residential structure to become redeveloped such that 50% or more of the structure would be replaced (per Section 13252(b) of the Commission's regulations), the entire structure would be required to meet all LCP-required ESHA requirements, including that such residential development would need to be moved outside of ESHA and its required setbacks.

²³ Most notably, those parcels in the County's agricultural areas in the Commercial Agriculture (CA) and in the Agricultural Preserve Combining (-P) zoning districts.

²⁴ HCD indicates that because an ADU is required to have "permanent provisions for living, sleeping, eating, cooking, and sanitation" (see Government Code Section 66313(a)), a tiny home on wheels cannot be used as an ADU. In other words, because tiny homes on wheels are moveable, they cannot serve as an ADU. On the other hand, a tiny home on a fixed foundation may be used as an ADU.

²⁵ Assembly Bill (AB) 462, signed into law on October 10, 2025, amended Government Code Section 66329 such that ADU-only projects (i.e., CDP applications to build only an ADU and the necessary improvements to support the ADU) in the coastal zone are no longer appealable to the Commission.

LCP-3-SCO-26-0035-1-Part A (ADU Updates)

with State law. These procedural changes should help streamline and make clear applicable CDP provisions in a way that can help facilitate ADU development without significantly adversely affecting coastal resources.

In sum, the proposed LCP amendment will continue to promote sustainable housing production in the County's coastal zone via ADU development while also avoiding any potentially significant coastal resource impacts. Accordingly, for all of the reasons above, the proposed IP amendment can be found consistent with and adequate to carry out the certified LUP as submitted.

C. California Environmental Quality Act (CEQA)

CEQA Section 21080.5(d)(2)(A) prohibits a proposed LCP or LCP amendment from being approved if there are feasible alternatives and/or feasible mitigation measures available that would substantially lessen any significant adverse effect that the LCP or LCP amendment may have on the environment. Although local governments are not required to satisfy CEQA in terms of local preparation and adoption of LCPs and LCP amendments, many local governments use the CEQA process to develop information about proposed LCPs and LCP amendments, including to help facilitate Coastal Act review. In this case, the County exempted the proposed amendment from environmental review (citing CEQA Section 21080.17, which exempts the adoption of an ordinance that implements State ADU law).

The Coastal Commission is not exempt from satisfying CEQA requirements with respect to LCPs and LCP amendments, but the Commission's LCP/LCP amendment review, approval, and certification process has been certified by the Secretary of the Natural Resources Agency as being the functional equivalent of the environmental review required by CEQA (CCR Section 15251(f)). Accordingly, in fulfilling that review, this report has discussed the relevant coastal resource issues with the proposal, has addressed all comments received, and has concluded that approval of the proposed LCP amendment is not expected to result in any significant environmental effects, including as those terms are understood in CEQA.

Accordingly, it is unnecessary for the Commission to suggest modifications (including through alternatives and/or mitigation measures) as there are no significant adverse environmental effects that approval of the proposed amendment would necessitate. Thus, the proposed amendment will not result in any significant adverse environmental effects for which feasible mitigation measures have not been employed, consistent with CEQA Section 21080.5(d)(2)(A).

3. APPENDICES

A. Substantive File Documents

- LCP Amendment File for LCP-3-SCO-26-0035-1-Part A

B. Staff Contact with Agencies and Groups

- Santa Cruz County Department of Community Development and Infrastructure
- California Department of Housing and Community Development