



**CITY OF PACIFIC GROVE**  
**300 Forest Avenue, Pacific Grove, California 93950**

**AGENDA REPORT**

**TO:** Chair Fredrickson and Members of the Planning Commission

**FROM:** Terri C. Schaeffer, Program Manager

**MEETING DATE:** May 3, 2018

**SUBJECT:** Accessory Dwelling Unit Update

**CEQA:** Does not constitute a “Project” under California Environmental Quality Act (CEQA) Guidelines

**RECOMMENDATION**

Receive report and provide staff direction.

**BACKGROUND**

Housing staff has been responsible for monitoring legal unrestricted and restricted second units in residential zones. A “second unit” is any attached or detached dwelling unit on the same parcel as a single family dwelling unit in a residential zone. Housing Monitoring Reports have been provided in the past.

Some, but not all second units (accessory dwelling units) are deed restricted. Some were established at different times, and may have been developed through a use permit or variance. In 2003, Ordinance # 03-08 required deed restrictions for newly developed second units. Many second “accessory” units built before 2003 and developed legally, may have a variety of approvals and conditions through a Use Permit.

With the adoption of the Accessory Dwelling Unit (ADU) Ordinance # 17-013 last year, the City, in line with State requirements, relaxed significant regulatory conditions of approval for second “accessory” units. The primary changes include that no longer requirements for owner occupancy and tenant rental restrictions.

**DISCUSSION**

Of the units monitored by the City, there were 64 accessory housing units on single family parcels. Of those units, 13 were approved under the Second Unit Ordinance of 2003. Those properties received ministerial second unit permits and required a Deed Restriction. Four properties also were approved through a Use Permit. Accessory housing units approved prior to 2003, were approved through a Use Permit. There are 38 properties that

**5/3/18 Planning Commission**

received Use Permits and in some instances Variances for property development that included an accessory dwelling unit. In 12 cases there were Deed Restrictions recorded on the property.

In general, Deed Restrictions secured specific conditions on a property to run with the land and to transfer to future property owners. The specific conditions related to accessory dwelling units were to insure the unit would not be sold separately; to insure owner occupancy of the unit; and to require certain rent restrictions by either income eligibility requirements or tenant age or ability.

Since the current Accessory Dwelling Ordinance no longer requires owner occupancy and rental restrictions, staff proposes relinquishing those requirements for all property owners with existing accessory dwelling units (formerly, second units and auxiliary units) however, it is unclear what path to take. Staff seeks direction from the Planning Commission as to how to relax restrictions in line with the current code.

Can the City remove restrictions ministerially?

Can the City require each property owner to make application to convert the existing units to Accessory Dwelling Units with all the rights and conditions afforded under the current regulations?

Should each property owner make application to the City to amend any existing Use Permit?

If the City is willing to remove Deed Restrictions what requirements should be met first?

Should the City require inspection of the Accessory Dwelling Unit prior to any amendments or changes in a Use Permit?

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**OPTIONS**

- 1. Take no action.
- 2. Provide direction to the staff.

**RESPECTFULLY SUBMITTED BY:**



Terri C. Schaeffer, Program Manager