

ORDINANCE NO. 1743 (2025 SERIES)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO, CALIFORNIA, APPROVING AN UPDATE TO SUBDIVISION REGULATIONS (TITLE 16) AND ZONING REGULATIONS (TITLE 17) TO IMPLEMENT STATE LEGISLATIVE UPDATES ON ACCESSORY AND JUNIOR ACCESSORY DWELLING UNITS AND URBAN LOT SPLITS; AND AN UPDATE TO THE CITY'S ZONING REGULATIONS (TITLE 17) TO PROVIDE CLARIFICATIONS TO REGULATIONS FOR AFFORDABLE HOUSING PROJECTS WITH AN EXEMPTION FROM ENVIRONMENTAL REVIEW (CEQA) (CODE-0031-2025)

WHEREAS, on October 11, 2023, Governor Newsom approved SB 684 to allow the development of ten or fewer residential lots on urban lots no larger than five acres; and

WHEREAS, on March 25, 2024, Governor Newsom approved SB 477 to reorganize various provisions relating to the creation and regulation of accessory and junior accessory dwelling units; and

WHEREAS, on September 19, 2024, Governor Newsom approved SB 1211 to further encourage development of accessory dwelling units, SB 450 to update the regulatory powers a local agency can exercise on urban lot splits subject to Government Code Section 65852.21 and 66411.7, and SB 1123 to expand upon the provisions introduced in SB 684; and

WHEREAS, the City of San Luis Obispo desires to update Title 16 (Subdivision Regulations) and Title 17 (Zoning Regulations) so that they may be consistent with current state law; and

WHEREAS, a number of minor changes have been identified in order to add clarification to or streamline the development review processes to more efficiently implement policies and programs of the City of San Luis Obispo's General Plan that are implemented through Title 16 (Subdivision Regulations) and Title 17 (Zoning Regulations); and

WHEREAS, the Planning Commission of the City of San Luis Obispo conducted a public hearing in the Council Chamber of City Hall, 990 Palm Street, San Luis Obispo, California on February 12, 2025, and recommended adoption of various amendments to Title 16 and Title 17 of the Municipal Code to ensure consistency with state law and improve the efficiency of development review processes; and

WHEREAS, the City Council of the City of San Luis Obispo conducted a public hearing in the Council Chamber of City Hall, 990 Palm Street, San Luis Obispo, California on March 4, 2025, and voted to introduce various amendments to Title 16 and Title 17 of the Municipal Code to ensure consistency with state law and improve the efficiency of development review processes; and

WHEREAS, notice of said public hearings were made at the time and in the manner required by the law.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of San Luis Obispo as follows:

SECTION 1. Findings. Based upon all evidence, and as recommended by the Planning Commission, the City Council makes the following findings:

1. The proposed amendments to Titles 16 and 17 will not cause significant health, safety, or welfare concerns since the amendments are consistent with the General Plan and directly implement City goals and polices.
2. The proposed amendments to Title 17 are consistent with the 6th Cycle Housing Element in promoting Goal 5 (Housing Variety) and Goal 6 (Housing Production).
3. The proposed amendments to Title 16 and 17 are consistent with state law.
4. Requiring a junior accessory dwelling unit to be rented for a period of at least thirty days ensures housing affordability as well as consistency with other elements of the Ordinance regarding ADUs, which do have term limits under state law. JADUs and ADUs represent a significant portion of the City's new housing stock, and allowing short term rentals for ADUs and JADUs in this region of the State would cause a significant reduction in availability in the local rental market, thereby reducing available housing for working families and individuals in favor of short-term rental income for investors. This requirement is consistent with state law and furthers state law's goals of housing production.

SECTION 2. Environmental Determination. The proposed amendments to Title 16 and Title 17 of the Municipal Code have been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA) and the state CEQA guidelines. Specifically, the proposed amendments have been determined to be exempt from further environmental review pursuant to CEQA Guidelines Section 15061(b)(3), the "Common Sense" exemption, because the proposed actions have no possibility of having a significant effect on the environment. The proposed code amendments pertaining to ADUs and JADUs are also statutorily exempt under Public Resources Code Section 21080.17 (exemption for local ordinances implementing state law related to accessory dwelling units.)

SECTION 3. Title 16 SUBDIVISIONS: Section 16.15.005 Purpose and applicability is hereby amended as follows:

The purpose of this chapter is to appropriately regulate qualifying "urban lot splits" within qualifying locations in residential zones in accordance with state law.

For the purposes of this chapter, urban lot splits subject to California Government Code Sections 65852.21 and 66411.7 (and other comparable provisions which may hereafter be added by the legislature) shall be referred to as “minor urban lot splits.” Urban lot splits subject to California Government Code Sections 65852.28, 65913.4.5, and 66499.41 (and other comparable provisions which may hereafter be added by the legislature) shall be referred to as “major urban lot splits.” The use of the phrase “urban lot split” on its own is in reference to both major and minor urban lot splits.

A. *Applicability.* The standards and limitations set forth in this chapter shall apply to minor urban lot splits within the R-1 zone and major urban lot splits within the R-1 (vacant lots only; no larger than one and one-half acre), R-2, R-3, and R-4 zones, notwithstanding any other conflicting provisions of this code. In the event of a conflict between the provisions of this chapter and any other provision of this code, the provisions of this chapter shall prevail.

B. *Interpretation.* The provisions of this chapter shall be interpreted to be consistent with the provisions of California Government Code Sections 66411.7 and 66499.41, and shall be applied in a manner consistent with state law. The city shall not apply any requirement or development standard provided for in this chapter to the extent prohibited by any provision of state law.

C. *Permitted Locations.* A lot subject to a minor urban lot split must be located within an R-1 zone and meet all qualifying requirements of Section 16.15.020. A lot subject to a major urban lot split must be located within an R-1 (vacant lot only; no larger than one and one-half acre), R-2, R-3, or R-4 zone that is no larger than five acres, substantially surrounded by urban uses, and meet all qualifying requirements of Section 16.15.022. (Ord. 1729 § 4 (Exh. A), 2023).

SECTION 4. Section 16.15.010 Permit application and review procedures is hereby amended as follows:

A. *Application.* Per state law, an applicant for urban lot split shall submit all required items from the tentative map application on file at the community development department. The application shall be accepted if it is completed as prescribed and accompanied by payment for all applicable fees. In addition to all required submittal checklist items for a tentative map, sufficient information shall be provided in the application to demonstrate, through objective review, the following: (1) the lots will accommodate development that complies with development standards and city codes, (2) information is provided to justify any proposed exceptions to objective standards, (3) sufficient access to the public right-of-way is provided or preserved, (4) the lots accommodate needed easements, infrastructure, and emergency access, and (5) any information deemed necessary by the director for objective review as needed evidence that the proposal will not result in any specific adverse impacts.

B. *Review.* Consistent with state law, the director will review and determine compliance of a complete application for an urban lot split pursuant to this Chapter ministerially, without discretionary review or public hearing.

C. *Effectiveness of Approval.* The ministerial approval of a final parcel map for an urban lot split does not take effect until the city has confirmed that all required documents have been recorded at the county clerk-recorder.

D. *Specific, Adverse Impacts.* Notwithstanding anything else in this section, the director shall deem an application for an urban lot split noncompliant upon written findings, based on a preponderance of the evidence, that the proposed housing development project would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of California Government Code Section 65589.5, on public health and safety for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. (Ord. 1729 § 4 (Exh. A), 2023)

E. *Procedural Requirements.* Within sixty days of receiving a complete application for an urban lot split, the city shall ministerially approve any such application which complies with all applicable requirements and development standards identified in this chapter. If the application does not comply with the listed requirements and standards identified in this chapter, the applicant will receive a full set of comments with a list of items that are defective or deficient and a description of how the application can be remedied by said applicant. These procedural requirements shall also apply to the housing development project associated with the urban lot split.

SECTION 5. Section 16.15.020 Qualifying requirements is hereby amended as follows:

Minor and major urban lot splits must meet all of the following requirements, unless otherwise stated in this chapter, in order to be an eligible urban lot split under their respective Government Code sections. It shall be the responsibility of the applicant to demonstrate to the satisfaction of the director that each of these requirements is satisfied. The applicant and/or owner of the property shall provide a sworn statement, in a form approved by the director, attesting to all facts necessary to establish that each requirement is met.

A. *Maximum Number of Dwellings.*

1. A minor urban lot split shall not result in more than two dwelling units of any kind on the resulting parcels. As described by California Government Code Section 66411.7(j), the two-unit limitation applies to any combination of primary dwelling units, ADUs, or JADUs.

2. A major urban lot split shall contain at least one dwelling unit on each resulting parcel (see California Government Code Section 66499.41(e)). A maximum of ten dwelling units may be developed on the parcel to be subdivided. As described by Section 66499.41(g), the City may deny an application which proposes accessory dwelling units and/or junior accessory dwelling units on the resulting parcel(s).

B. *Hazardous and Protected Areas*

1. A minor urban lot split shall not be located on any site identified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of California Government Code Section 65913.4, unless the development satisfies the requirements specified therein. Such sites include, but are not limited to, prime farmland, wetlands, very high fire hazard severity zones, special flood hazard areas, regulatory floodways, and lands identified for conservation or habitat preservation as specifically defined in Government Code Section 65913.4.

2. A major urban lot split shall not be located on any site identified in subparagraphs (A) to (J), inclusive, of paragraph (9) of subdivision (a) of California government Code Section 66499.41, unless the development satisfies the requirements specified therein. Such sites include, but are not limited to, prime farmland, wetlands, very high fire hazard severity zones, special flood hazard areas, regulatory floodways, and lands identified for conservation or habitat preservation.

C. *Historic Properties.* A minor urban lot split shall not be located within a historic district or on property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the California Public Resources Code, or within a site that is designated or listed as a historic resource pursuant to the city's historic preservation ordinance.

D. *Demolition or Alteration of Housing.* A minor urban lot split shall not require the demolition or alteration of the types of housing identified in subparagraph (D), inclusive, of paragraph (3) of subdivision (a) of California Government Code Section 66411.7. A major urban lot split shall not require the demolition or alteration of the types of housing identified in paragraph (8), inclusive, of subdivision (a) of California Government Code Section 66499.41.

E. *Subsequent Urban Lot Splits.* In the case of an urban lot split, the lot proposed to be subdivided shall not have been established through a prior urban lot split.

F. *Adjacent Urban Lot Splits.* In the case of a minor urban lot split, the lot proposed to be subdivided ("subject lot") shall not be adjacent to any lot that was established through a minor urban lot split by the owner of the subject lot or by any person acting in concert with the owner of the subject lot.

G. *Subdivision Map Act.* An urban lot split must conform to all applicable objective requirements of the Subdivision Map Act, including implementing requirements in this code, except as otherwise provided in this chapter. Notwithstanding the foregoing, no dedication of rights-of-way or construction of off-site improvements is required solely for a minor urban lot split.

H. *Lot Requirements and Limits.*

1. A minor urban lot split application may subdivide an existing lot to create no more than two new lots of approximately equal lot area; provided, that one lot shall not be smaller than forty percent of the lot area of the original lot proposed for subdivision. Both newly created lots must each be no smaller than one thousand two hundred square feet.

2. A major urban lot split may subdivide an existing lot to create no more than ten new lots, with each lot being no smaller than six hundred square feet. If the property subject to a major urban lot split is zoned for single-family use, each lot shall be no smaller than one thousand two hundred square feet. The average total area of floorspace for the proposed dwelling units to be located on lots created via a major urban lot split shall not exceed one thousand seven hundred fifty net habitable square feet, as defined by California Government Code Section 66499.41.

I. *Easements.* The owner must enter into an easement agreement with each utility/public-service provider to establish necessary easements that are sufficient for the provision of public services and facilities to each of the resulting lots.

1. Each easement must be shown on the tentative parcel map and the final parcel map.

2. Copies of the unrecorded easement agreements must be submitted with the application. The easement agreements must be recorded against the property prior to or concurrent with final parcel map approval.

J. *Required Affidavit.* The applicant for a final parcel map for a minor urban lot split must sign an affidavit provided by the city stating that the applicant intends to occupy one of the dwelling units on one of the resulting lots as the applicant's principal residence for a minimum of three years from the date of approval of the minor urban lot split, or in the case of a vacant property a minimum of three years from the date of issuance of occupancy certification of any new residential dwellings on either of the resulting lots.

K. *Rental Term.* Rental of any unit created pursuant to this section shall be for a term longer than thirty days. (Ord. 1729 § 4 (Exh. A), 2023)

L. *Housing Unit Specifications.* Housing units on a major urban lot split shall be one of the housing unit types identified in paragraph (4), inclusive, of subdivision (a) of California Government Code Section 66499.41.

M. *Housing Element*. The proposed housing development associated with a major urban lot split shall meet one of the following, as applicable:

1. If the parcel is identified in the city's Housing Element for the current planning period, the housing development will result in at least as many units as projected for that parcel. Additionally, if the parcel is identified to accommodate any portion of the city's share of the regional housing need for low- or very low-income households, the development will result in at least as many low- or very low-income units as projected in the housing element and shall be subject to a recorded affordability restriction of at least 45 years.

2. If the parcel is not identified in the city's Housing Element for the current planning period, the development will result in at least sixty-six percent of the maximum allowable residential density or sixty-six percent of the applicable residential density specified in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2, whichever is greater.

N. *Water and Sewer Requirement*. All parcels created through a major urban lot split shall be served by a public water system and municipal sewer system.

O. *Separately Alienable*. A major urban lot split shall not result in any existing dwelling unit being alienable separate from the title to any other existing dwelling unit on the lot.

P. *Floor Area Ratio*. For major urban lot splits, a floor area ratio standard not less than 1.0 shall apply for housing development projects consisting of three to seven units, inclusive, and a floor area ratio standard not less than 1.25 shall apply for housing development projects consisting of eight to ten units, inclusive.

SECTION 6. Section 16.15.025 Property improvement standards is hereby amended as follows:

A. *Objective Standards*. The design and improvements of any lot created through an urban lot split shall be subject to the standards and criteria set forth in this section. In addition, except as modified or provided by this section or state law, any lot created through an urban lot split shall conform to all objective standards applicable to the lot as set forth in this title and/or in an applicable specific plan or planned unit development ordinance or resolution, along with all applicable objective standards and criteria contained in standard plans and specifications, policies, codes, regulations, and/or standard conditions duly promulgated and/or adopted by the city.

B. *Lot Access*. Each resulting lot must have frontage on the public right-of-way of at least twenty feet or be served by an access easement serving no more than two lots. Access shall be provided in compliance with these standards:

1. Vehicle access easements serving a maximum of two parcels shall meet the following standards:

- i. Easement width shall be a minimum of twenty feet and shall comply with Engineering Standard 2120 for driveway ramp improvements and widths.
- ii. The minimum length for a vehicle access easement is twenty feet. No maximum easement length shall be set. If easement length is more than seventy-five feet, a vehicle turnaround shall be provided.
- iii. No residential structure shall be closer than three feet to the easement.
- iv. Vehicle access easements shall not be located closer than twenty-five feet to an intersection.

2. Where a lot does not abut a public street, and where no automobile parking spaces are required under subsection D of this section, a vehicle access easement is not required. An easement providing pedestrian access to a street from each lot shall be provided meeting the following standards:

- i. Easement width shall be a minimum of ten feet;
- ii. Pedestrian access easements shall not exceed two hundred feet in length.

3. Access and provisions for fire protection consistent with the California Fire Code shall be provided for all structures served by an access easement.

4. Surfacing of easements, pedestrian walkways required within easements, and turnaround dimensions shall meet the requirements of the California Fire Code and the city's engineering standards.

5. Lots taking access by an easement must record a shared maintenance agreement for the driveway/accessway. The agreement shall be recorded prior to or concurrently with the final parcel map.

C. *Lot Line Configurations.* The location of property lines associated with an urban lot split application shall comply with all objective standards as identified in Section 16.18.040 (Location of lot lines), and as described below:

1. Except as otherwise provided in state law, no portion of an urban lot split may result in a lot width or depth of less than twenty feet for any portion of the subdivision.
2. A lot line shall not bisect or be located within four feet of any existing or proposed structure.

D. *Parking Required.* Off-street parking of up to one space per unit shall be provided and comply with the city's parking and driveway design and development standards Section 17.72.090 except when:

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, as defined in Section 16.26.065, located within one block of the parcel. Owner shall enter into an agreement with the city to ensure that a car share vehicle will remain within one block of the parcel in perpetuity, unless and until owner provides off-street parking or development occurs such that subsection (D)(1) of this section applies. (Ord. 1729 § 4 (Exh. A), 2023)

SECTION 7. Section 16.15.030 Exceptions to objective standards is hereby amended as follows:

A. All proposed lots and development proposed pursuant to this chapter shall comply with all city zoning codes and objective policies and guidelines unless an exception is granted. No exception shall be granted for any of the qualifying requirements as outlined in Section 16.15.020. Any proposed exception to any relevant objective standards, policies, guidelines, or codes shall not be granted unless the community development director can affirmatively determine the application meets all of the below requirements. For the purpose of these requirements, existing improvements or development is not considered a physical constraint.

B. The necessity to grant the exception(s) is based on site development feasibility where there are no options for other design alternatives such as modifying the footprint, moving lot lines, adding stories, or reducing floor area (to minimum eight hundred square feet) and where the applicant has demonstrated it is physically not possible to redesign the project to avoid the necessity of exceptions.

C. For a minor urban lot split, the requested exceptions represent the minimum deviation necessary to allow the construction of two units on each resulting parcel and which would not require any of the units to be less than eight hundred square feet. For a major urban lot split, the requested exceptions represent the minimum deviation necessary to allow parcels that are no less than six hundred square feet in size, or parcels that are no less than one thousand two hundred square feet in size when the property is zoned R-1. (Ord. 1729 § 4 (Exh. A), 2023)

SECTION 8. Section 16.15.035 Separate conveyance is hereby amended as follows:

A. Separate conveyance of the two lots resulting from a minor urban lot split is permitted. If dwellings or other structures (such as garages) on different lots are adjacent or attached to each other, the minor urban lot split boundary may separate them for conveyance purposes if the structures meet building code safety standards and are sufficient to allow separate conveyance. If any attached structures span or will span the new lot line, or if the two lots share a driveway, appropriate covenants, easements or similar documentation allocating legal and financial rights and responsibilities between the owners of the two lots (“CC&Rs”) for construction, reconstruction, use, maintenance, and improvement of the attached structures and any related shared drive aisles, parking areas, or other portions of the lot must be recorded before the city will approve a final parcel map for the minor urban lot split. Notwithstanding the provision of such CC&Rs, however, where attached structures and/or related shared facilities span a lot line resulting from a minor urban lot split, all owners of both lots shall be jointly and severally responsible for the use and maintenance of such structures and/or shared facilities in compliance with all provisions of this code.

1. Primary dwelling units located on the same lot may not be owned or conveyed separately from one another. All fee interest in a lot and all dwellings must be held equally and undivided by all individual owners of the lot.
2. Except as provided in state law, accessory dwelling units (ADU) may not be sold or otherwise conveyed separate from the primary residence.
3. Junior accessory dwelling units (JADU) may not be sold or otherwise conveyed separate from the primary residence.

B. A lot created by a final parcel map under this section shall not be further subdivided. Condominium airspace division or common interest subdivisions are not permitted on a lot created through an urban lot split. (Ord. 1729 § 4 (Exh. A), 2023)

SECTION 9. Section 16.17.020 Airspace subdivisions, common interest subdivisions, and flexible lot design subdivisions is hereby amended as follows:

E. *Separate Conveyance.* Separate conveyance of the lots resulting from an airspace or common interest subdivision is permitted. If dwellings or other structures (such as garages) on different lots are adjacent or attached to each other, the subdivision boundary may separate them for conveyance purposes if the structures meet building code safety standards and are sufficient to allow separate conveyance. If any attached structures span or will span the new lot line, or if the lots share a driveway, appropriate covenants, easements or similar documentation allocating legal and financial rights and responsibilities between the owners of the lots (“CC&Rs”) for construction, reconstruction, use, maintenance, and improvement of the attached structures and any related shared drive aisles, parking areas, or other portions of the lot must be recorded before the city will

approve a final map for the common interest subdivision. Notwithstanding the provision of such CC&Rs, however, where attached structures and/or related shared facilities span a lot line resulting from a common interest subdivision, all owners of the lots shall be jointly and severally responsible for the use and maintenance of such structures and/or shared facilities in compliance with all provisions of this code.

1. Except as provided in state law, accessory dwelling units may not be sold or otherwise conveyed separate from the primary residence. (Ord. 1729 § 4 (Exh. A), 2023)

SECTION 10. Section 16.26.065 Car Share vehicle is hereby added as follows:
“Car share vehicle” means a motor vehicle that is operated as part of a regional fleet by a public agency or private car sharing company or organization that possesses a valid business license with the city of San Luis Obispo and provides hourly or daily services. Car share vehicles shall be stored on parking spaces dedicated to car share vehicles when not in use by a client. Execution of a contract between the public agency or private car sharing company or organization and the client, and retrieval of the car share vehicle’s keys, shall take place at the location of the car share vehicle.

SECTION 11. Title 17 ZONING REGULATIONS Section 17.10.020 Table 2-1
Use regulations by zone is hereby partially amended as follows:

Residential Care Facilities—6 or Fewer Residents	A		A	A	A	A		A	M/A		M/A	M/A	MUP				Multiple state statutes
Residential Care Facilities—7 or More Residents			MUP	MUP	MUP	MUP		MUP			MUP	MUP					Multiple state statutes
Supportive and/or Transitional Housing, with On- or Off-Site Services			A	A	A	A	MUP	A	A	A	A	A	A	A	A		Projects that contain supportive and/or transitional housing located within a commercial zone are not required to be a mixed-use development and may be 100% residential except for those projects located in the C-D zone or Downtown Core. This includes projects that combine below market rate housing and supportive and/or transitional housing units.
Farmworker Housing	A	A															

MIXED USES

Mixed-Use Development								A	A	A	A	A	A	A	A		See Sec. 17.70.130 and GC Sec. 65852.24
-----------------------	--	--	--	--	--	--	--	---	---	---	---	---	---	---	---	--	---

SECTION 12. Section 17.69.010 Purpose and application is hereby amended as follows:

B. *Applicability.* The provisions of this chapter apply to all residential projects, in all zones, that qualify for streamlined, ministerial processing per Government Code Section 65913.4, or that are a “use by right” residential project. In addition, eligible residential projects must comply with all objective city policies, thresholds of significance, development standards, and design standards as established in, but not limited to, the general plan, zoning regulations, city standard specifications and engineering standards, active transportation plan, transportation impact study guidelines, climate action plan, and the municipal code.

A “use by right” residential project is a residential project that includes at least twenty percent of the units as affordable to lower income households (low, very low, and extremely low) or residential projects that are otherwise deemed subject to ministerial processing per state or local law.

Residential projects seeking exceptions, waivers, or modifications to any development standards set forth in the city’s zoning regulations or the design standards set forth in this chapter, excluding modifications granted as part of density bonus concession, incentive, parking reduction, or waiver of development standards pursuant to state density bonus law or the city’s density bonus regulations (Chapter 17.140), shall not be eligible for ministerial and/or streamlined processing contemplated by this chapter, and will be subject to the city’s discretionary development review process outlined in Chapter 17.106.

Where these standards conflict with other state law or local code requirements (including but not limited to California Building Code and the city’s standard specifications and engineering standards) the more restrictive provision shall prevail. (Ord. 1703 § 4, 2021)

SECTION 13. Section 17.86.020 Accessory dwelling units, and junior accessory dwelling units, and guest quarters is hereby amended as follows:

A. *Purpose and Applicability.* The purpose of this chapter is to prescribe development and site regulations that apply, except where specifically stated, to accessory dwelling units, junior accessory dwelling units, and guest quarters, as defined in Chapter 17.156 (Land Use Definitions).

B. *Accessory Dwelling Units.* The provisions in this subsection shall apply to accessory dwelling units as defined in Chapter 17.156 (Land Use Definitions) and where allowed in compliance with Chapter 17.10 (Use Regulations).

1. *Purpose.* The purpose of this chapter is to provide for the creation of accessory dwelling units in a manner that is consistent with requirements identified in Chapter 13 of Division 1 of Title 7 of the California Government Code, as amended from time to time. Implementation of this section is meant to expand housing opportunities by increasing the number of smaller units available within existing neighborhoods.
2. *General Requirements.*
 - a. *Application.* Where this section does not contain a particular type of standard or procedure, conventional zoning standards and procedures shall apply.
 - b. *No Subdivision of Property.* Except as provided in state law, no subdivision of property shall be allowed where an accessory dwelling unit has been established and the resulting subdivision does not maintain the primary residence on the same lot as the accessory dwelling unit(s).
 - c. *Sale of Property.* This section shall apply to new owners of property where an accessory dwelling unit has been established. All conditions of director's action (if applicable), restrictive covenants and other contractual agreements with the city shall apply to the property and the new owners, except as allowed or prohibited by state law.
 - d. *Applicability of Building Codes.* Accessory dwelling units shall conform to all applicable building and construction codes.
3. *Specific Requirements and Standards.*
 - a. *Zones Where Allowed.* An accessory dwelling unit, as defined in Chapter 17.156 (Land Use Definitions), can be created in the AG, C/OS, C-N, C-C, C-R, C-D, C-T, C-S, M, R-1, R-2, R-3, R-4, or O (Office) zone on lots with an existing or proposed residential structure
 - b. *Size of Accessory Dwelling Unit.* Except as provided in state law, the gross floor area of an accessory dwelling unit shall be no less than one hundred fifty square feet and shall not exceed eight hundred fifty square feet for a studio or one-bedroom unit, or one thousand square feet for a unit containing two or more bedrooms.
 - i. The director may authorize an exception to the square footage standards to allow an accessory dwelling unit up to one thousand two hundred square feet through the director's action process. In the R-1 zone, this exception can only be approved on lots that are at least twelve thousand square feet in area. In all other zones, exceptions shall be based on compatibility with the development pattern of the neighborhood.

c. *Design Standards.* Accessory dwelling units shall conform to all applicable development standards of the underlying zone, including but not limited to height, setback area, parking, and building coverage, unless otherwise stated in this section or prohibited by state law.

i. No passageway, defined as a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit, shall be required in conjunction with the construction of an accessory dwelling unit.

ii. No setback shall be required for an existing permitted structure that is converted to an accessory dwelling unit, or for an accessory dwelling unit that is constructed in replacement of an existing permitted structure, provided it is in the same location and has the same dimensions including height.

iii. A setback of no more than four feet from the side and rear lot lines is required for an accessory dwelling unit, for walls up to sixteen feet in height.

iv. Accessory dwelling units that include the creation of new square footage shall be limited to sixteen feet in height. Up to one hundred fifty square feet of new square footage may be exempted from this requirement in connection to a conversion of existing upper floor square footage, but only as needed to accommodate ingress and egress.

(a) In order to provide additional design options for accessory dwelling units, units that include the creation of new square footage can be constructed up to twenty-five feet in height if consistent with the setback standards provided in Article 2 of this title (Zones, Allowable Uses and Development and Design Standards).

v. The minimum required setback for any balcony or terrace above the first floor shall be increased to ten feet from the adjacent property line(s). Upper level private or common open space areas provided as accessory to an accessory dwelling unit shall not exceed an aggregate area of fifty square feet. Roof decks or rooftop open spaces are prohibited.

vi. Exceptions to these design standards can be approved by the director, through director's action, subject to required findings (Section 17.108.040).

d. *Fire Sprinklers.* Accessory dwelling units shall not be required to provide fire sprinklers if fire sprinklers are not required for the primary residence. The construction of an accessory dwelling unit shall not require fire sprinklers to be installed in the existing primary dwelling.

- e. *Parking Requirements.* No additional parking spaces shall be required for an accessory dwelling unit. If a garage or carport is converted or removed to accommodate an accessory dwelling unit, replacement parking is not required.
 - f. *Historic Resources.* Accessory dwelling units on listed historic properties and in historic districts shall be consistent with the historic preservation ordinance, including historic preservation guidelines and Secretary of the Interior standards for the treatment of historic properties.
 - g. *Utility Connection Fees.* Where an accessory dwelling unit is created within an existing structure (primary or accessory), no new utility connection or payment of impact fees shall be required. For all other accessory dwelling units, a new utility connection for the accessory dwelling unit and payment of impact fees may be required if the accessory dwelling unit is seven hundred fifty square feet or more. New accessory dwelling units located in sewer capacity constrained areas are subject to Section 13.08.396 (Wastewater flow offset).
 - h. *Additional Accessory Dwelling Unit Configurations.* Accessory dwelling units that are consistent with Government Code Section 66323 shall receive ministerial approval. Building permit applications to create accessory dwelling units consistent with Government Code Section 66323 shall clearly be labeled as such (e.g., “ADU-66323”).
4. *Procedural Requirements.* An accessory dwelling unit that meets the standards contained in this section shall be subject to ministerial review (building permit) and approval without discretionary review (i.e., use permit, architectural review, etc.) or public hearing.
- a. Within sixty days of receiving a complete application, the city shall approve any such application which complies with all applicable requirements and development standards identified in this chapter or deny any such application that does not. If the proposed accessory dwelling unit(s) does not comply with the requirements and standards identified in this chapter, the applicant shall receive a full set of comments with a list of items that are defective or deficient and a description of how the application can be remedied by said applicant. When an accessory dwelling unit is proposed within a new residential structure, this sixty-day requirement shall only apply once all other aspects of the permit are approved.
 - b. Building permit applications for accessory dwelling units on lots containing an existing primary dwelling or dwellings shall not include other changes or improvements to the property unless those improvements are required to facilitate the creation of the accessory dwelling unit.

c. Building permit applications that propose the expansion/alteration of an existing single-family or multifamily dwelling, or the conversion of existing space within a single-family or multifamily dwelling, for the purpose of creating an accessory dwelling unit or junior accessory dwelling unit are permissible under this Chapter. Said expansion or alteration to an existing single-family or multifamily dwelling shall be consistent with the City's objective design standards and any applicable zoning regulations. The number of ADUs within the existing or proposed converted space of a multifamily dwelling shall not exceed 25 percent of the existing number of multifamily units. The provisions of this section do not apply to new construction multifamily dwellings.

5. *No Short-Term Rental.* An accessory dwelling unit cannot be rented for a period of less than thirty days. Homestay use of an accessory dwelling unit is prohibited.

6. *Violations.* Violation of any of the provisions of this chapter shall be subject to basic code enforcement action as provided in Title 1.

C. *Junior Accessory Dwelling Units.* The provisions in this subsection shall apply to junior accessory dwelling units as defined in Chapter 17.156 (Land Use Definitions) and where allowed in compliance with Chapter 17.10 (Use Regulations).

1. *Purpose.* The purpose of this chapter is to provide for the creation of junior accessory dwelling units in a manner that is consistent with requirements identified in Chapter 13 of Division 1 of Title 7 of the California Government Code, as amended from time to time. Implementation of this section is meant to expand housing opportunities by increasing the number of smaller units available within existing neighborhoods.

2. *General Requirements.*

a. *Application.* Where this section does not contain a particular type of standard or procedure, conventional zoning standards and procedures shall apply.

b. *Areas Where Junior Accessory Dwelling Units Are Allowed.* Upon meeting the requirements of this section, junior accessory dwelling units may be established in any zone where the use of the property is a single-unit dwelling, either existing or proposed.

c. *Sale of Property.* A junior accessory dwelling unit shall not be sold independently of the primary dwelling on the parcel.

d. *Location.* A junior accessory dwelling unit must be created within the walls of a proposed or existing primary dwelling.

- i. Conversion of an existing garage into a junior accessory dwelling unit shall only be permitted if replacement parking is provided consistent with Sections 17.70.170 (Setbacks) and 17.76.040 (Front yard parking). No setback exception shall be approved to accommodate replacement parking.
 - e. *Size of Junior Accessory Dwelling Unit.* The gross floor area of a junior accessory dwelling unit shall not exceed five hundred square feet.
 - f. *Limitation on Number.* Only one junior accessory dwelling unit may be located on any lot zoned for single-family residences with existing or proposed single-family residence(s). A junior accessory dwelling unit may be located on the same lot as an accessory dwelling unit under one of the following circumstances:
 - i. The accessory dwelling unit was constructed at the same time as the single-family residence.
 - ii. The accessory dwelling unit was created through the conversion of existing space within a single-family residence or accessory structure.
 - iii. The accessory dwelling unit, either new or existing, is a detached unit, and the detached accessory dwelling unit is no larger than eight hundred square feet, no taller than sixteen feet in height and has setbacks of no less than four feet from side and rear lot lines.
 - g. *Applicability of Building Codes.* Junior accessory dwelling units shall conform to all applicable building and construction codes.
3. *Performance Standards and Compatibility.*
- a. *Design Standards.* Junior accessory dwelling units shall conform to all applicable development standards of the underlying zone, including but not limited to height, setback area, parking, and building coverage and shall be subject to the provisions below. A junior accessory dwelling unit that conforms to this section shall not be considered a dwelling unit for the purpose of calculating density.
 - i. A separate exterior entry shall be provided to serve a junior accessory dwelling unit.
 - ii. A separate entrance from the main entrance to the primary structure, with an interior entry to the main living area, shall be provided if the junior accessory dwelling unit does not include a separate bathroom.
 - iii. At a minimum, junior accessory dwelling units shall include an efficiency kitchen, which shall contain a cooking facility, food preparation counter, and storage cabinets.

- iv. Junior accessory dwelling units shall not be required to provide fire sprinklers if fire sprinklers are not required for the primary residence. The construction of a junior accessory dwelling unit shall not require fire sprinklers to be installed in the existing primary dwelling.
 - v. No additional parking spaces shall be required for a junior accessory dwelling unit.
 - b. *Utility Connection Fees.* Where a junior accessory dwelling unit is created no new utility connection or payment of impact fees shall be required.
 - c. *Fire and Life Protection.* For purposes of any fire or life protection ordinance or regulation, a junior accessory dwelling unit shall not be considered a separate or new dwelling unit.
4. *Procedural Requirements.* A junior accessory dwelling unit that meets the standards contained in this section shall be subject to ministerial review (building permit) and approval without discretionary review (i.e., use permit, architectural review, etc.) or public hearing.
- a. Within sixty days of receiving a complete application, the city shall approve any such application which complies with all applicable requirements of this section.
 - b. Building permit applications for junior accessory dwelling units on lots containing an existing single-family residence shall not include other changes or improvements to the property unless those improvements are required to facilitate the creation of the junior accessory dwelling unit.
5. *Owner Occupancy.* Except as provided by state law, the owner of the property shall occupy either the primary residence or the junior accessory dwelling unit.
6. *Covenant Agreement.* Except as provided by state law, prior to the issuance of building permits for a junior accessory dwelling unit, a covenant agreement shall be recorded which discloses the structure's approved floor plan and status as a "junior accessory dwelling unit" and agreeing that the owner of the property will occupy either the primary residence or the junior accessory dwelling unit. This agreement shall be recorded in the office of the county recorder to provide constructive notice to all future owners of the property.
7. *No Short-Term Rental.* A junior accessory dwelling unit cannot be rented for a period of less than thirty days. Homestay use of a junior accessory dwelling unit is prohibited.
8. *Violations.* Violation of any of the provisions set forth in this chapter shall be subject to code enforcement action as provided in Title 1.

SECTION 14. A summary of this ordinance, together with the names of Council members voting for and against, shall be published at least five (5) days prior to its final passage, in The New Times, a newspaper published and circulated in this City. This ordinance shall go into effect at the expiration of thirty (30) days after its final passage.

INTRODUCED on the 4th day of March 2025, **AND FINALLY ADOPTED** by the Council of the City of San Luis Obispo on the _____ day of _____ 2025, on the following vote:

AYES:
NOES:
ABSENT:

Mayor Erica A. Stewart

ATTEST:

Teresa Purrington
City Clerk

APPROVED AS TO FORM:

J. Christine Dietrick
City Attorney

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Luis Obispo, California, on _____.

Teresa Purrington
City Clerk