



CITY OF CARMEL-BY-THE-SEA

ADU Policy Discussion

City Council Meeting

August 4, 2026



CITY OF CARMEL-BY-THE-SEA

Presentation Option 1



Recommendation

Staff Recommends:

the City Council conduct a policy discussion regarding Accessory Dwelling Units. The Council may also utilize this discussion to:

1. Provide policy direction to staff regarding direction on an updated ordinance; and/or
2. Treat this discussion as a study session to identify specific policy topics for staff to research further before returning for formal direction at a later date.

The Council may also opt to maintain the status quo and take no action at this time beyond conducting a general discussion.





ADU Policy Discussion – in brief

Overview

- Ordinance 2017-010
 - Local Coastal Program (LCP) updated in 2018
- ADU legislation since 2019
 - Preemption clause created ambiguity regarding local authority
- City processed applications using state statutes

State ADU Mandates (in part)

- Prohibits local limits below 800 sq ft for ADUs statewide.
- Requires approvals without public hearings or discretion.

Coastal Resource Protection (in part)

- **Gov Code 66329**
 - Expressly preserves the authority of the California Coastal Act.
- Coastal Resource protections within certified LCPs remain.
 - *Nothing in this article shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976*



ADU Policy Discussion – in brief

Local Coastal Program

- Provided protection for character resources
- Character debated at length during adoption of LCP
- Multiple LUP Policies related to protection of community character consistent with the Coastal Act



ADU Policy Discussion – in brief

SB 1077

- If an LCP does contain ADU regulations, but those regulations are outdated, **the Commission recommends that jurisdictions should continue to carry out LCP policies to the extent needed to protect coastal resources.**
- Commission encourages jurisdictions to be flexible in carrying out and interpreting their LCPs so that they can streamline the construction of ADUs without compromising coastal resource protections.
- Development standards, such as setbacks, that are designed to protect sensitive habitats or to ensure that development is safe from erosion or other coastal hazards should not be modified, as this would lessen the effect of the Coastal Act's resource protection policies.



Takeaways

- Gov Code 66329 & SB 1077 Guidance support implementation of LCP, as adopted.
 - Floor area, setbacks, tree protection, historic preservation, etc.
- City should be flexible in carrying out and interpreting their LCPs so that they can streamline the construction and permit variances and/or exceptions where coastal conflicts do not exist.
 - Examples: 12' height limit; no JADU provisions
- City should plan to continue to amend LCP (zoning code and/or LUP) where conflicts with coastal resources do not exist.



ADUs by the numbers

Unit Type	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Attached	2		1	2	4	4	5	6	5	3	32
Conversion	4	2	2	3	2	4	4	5	2	6	34
Detached	2			4	2	5	6	5	6	1	31
Total	8	2	3	9	8	13	15	16	13	10	97

"Potential Review Track"	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Denied	1										1
Type 1	3		2	1		2	2	5	1	4	20
Type 2	3	1		7	6	4	3		6	1	31
Type 3	1	1	1	1	2	7	10	11	6	5	45
Total	8	2	3	9	8	13	15	16	13	10	97

"Potential Review Track" vs Unit Types	Detached	Attached	Conversion	Total
Denied		1		1
Type 1			20	20
Type 2	16	8	7	31
Type 3	15	23	7	45
Total	31	32	34	97



Recommendation

Staff Recommends:

the City Council conduct a policy discussion regarding Accessory Dwelling Units. The Council may also utilize this discussion to:

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2. Treat this discussion as a study session to identify specific policy topics for staff to research further before returning for formal direction at a later date.

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CITY OF CARMEL-BY-THE-SEA

Presentation Option 2



Recommendation

Staff Recommends:

the City Council conduct a policy discussion regarding Accessory Dwelling Units. The Council may also utilize this discussion to:

1. Provide policy direction to staff regarding direction on an updated ordinance; and/or
2. Treat this discussion as a study session to identify specific policy topics for staff to research further before returning for formal direction at a later date.

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What is an ADU?

An ADU is...

- “An attached or a detached residential dwelling unit that provides **complete independent living facilities** for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated.”
 - aka second unit, in-law unit or granny flat
 - Effectively a second unit or apartment on a parcel.
 - An ADU is an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot
- JADU
 - contained entirely within a single-family residence;
 - no more than 500 square feet in size;
 - include an efficiency kitchen;
 - may share sanitation facilities.





Background

CITY OF CARMEL-BY-THE-SEA

CITY COUNCIL

ORDINANCE NO. 2017-010

AN ORDINANCE (SECOND READING) AMENDING MUNICIPAL CODE SECTIONS 17.08 (RESIDENTIAL ZONING DISTRICT) AND 17.68 (USE CLASSIFICATIONS) PERTAINING TO ACCESSORY DWELLING UNITS IN RESPONSE TO RECENTLY ADOPTED STATE LEGISLATION

WHEREAS, The City of Carmel-by-the-Sea is a unique community that prides itself in its community character; and

WHEREAS, In 2016 the California Legislature enacted Assembly Bill 2299 and Senate Bill 1069 amending Government Code section 65852.2 pertaining to local government regulation of accessory dwelling unit (ADU) construction; and

WHEREAS, it is the intent of the state amendments to Government Code section 65852.2 to create more affordable rental housing opportunities and it is the intent of these revisions to provide those affordable rental housing opportunities; and

WHEREAS, SB 1069 and AB2299 amend Government Code section 65852.2 effective January 1, 2017 and provide that to the extent that an accessory dwelling unit ordinance fails to meet the requirements of SB1069 and AB2299, its ordinance will be null and void unless and until the agency adopts an ordinance that complies with Government Code Section 65852.2, as amended; and

WHEREAS, the City's existing ordinances pertaining to accessory dwelling units is not consistent with the provisions of SB1069 and AB2922 and must be amended; and

WHEREAS, the City's Zoning Ordinance is also its Local Coastal Program; and

WHEREAS, the City certifies that the amendments are intended to be carried out in a manner fully in conformance with the Coastal Act; and



Background

Changes to ADU Law in 2019:

- Prohibits local agencies from including requirements on minimum lot size in development standards for ADUs (Gov. Code, § 66314, subd. (b)(1)).
- Allows local agencies to designate areas where ADUs may be located based on the adequacy of water and sewer services, as well as on impacts on traffic flow and public safety (Gov. Code, § 66314, subd. (a)).
- Eliminates all owner occupancy requirements by local agencies for ADUs approved between January 1, 2020, and January 1, 2025 (Gov. Code, § 66315).
- Prohibits a local agency from establishing a maximum size of an ADU of less than 850 square feet, or 1,000 square feet if the ADU contains more than one bedroom and requires approval of a permit to build an ADU of up to 800 square feet (Gov. Code, § 66321, subds. (b)(2), (b)(3)).
- Prohibits a local agency from requiring replacement of off-street parking spaces for ADUs created through the conversion of a garage, carport, or covered parking structure (Gov. Code, § 66314, subd. (d)(11)).
- Reduces the maximum ADU and JADU application review time from 120 days to 60 days (Gov. Code, §§ 66317, subd. (a); 66335, subd. (2)).
- Clarifies that "public transit" includes various means of transportation that charge set fees, run on fixed routes, and are available to the public (Gov. Code, § 66313, subd. (m)).
- Adds impact fee exemptions and limitations based on the size of the ADU. ADUs up to 750 square feet are exempt from impact fees, and ADUs that are 750 square feet or larger may be charged impact fees but those fees must be proportional in size (by square foot) to fees charged for the primary dwelling unit (Gov. Code, § 66324, subd. (c)(1)).
- Defines of an "accessory structure" to mean a structure that is accessory and incidental to a dwelling on the same lot (Gov. Code, § 66313, subd. (b)).
- Permits JADUs even where a local agency has not adopted an ordinance expressly authorizing them (Gov. Code, § 66320).
- Allows for a permitted JADU to be constructed within the walls of the proposed or existing single-family residence and eliminates the required inclusion of an existing bedroom and an interior entry into the single-family residence (Gov. Code, § 66333, subd. (d)).
- Requires, upon application and approval, a local agency to delay enforcement against a qualifying substandard ADU for five years to allow the owner to correct the violation, so long as the violation is not a health and safety issue, as determined by the enforcement agency (Gov. Code, § 66331; HSC, § 17980.12).
- Makes covenants, conditions, and restrictions that either effectively prohibit or unreasonably restrict the construction or use of an ADU or JADU on a lot zoned for single-family residential use void and unenforceable (Civ. Code, § 47511).

Changes to ADU Law in 2020:

- Requires that an application for the creation of an ADU or JADU is deemed approved (not just subject to ministerial approval) if the local agency has not approved or denied the completed application within 60 days (Gov. Code, § 66317, subd. (a)).
- Requires ministerial approval of an application for a building permit within a residential or mixed-use zone to create one ADU and one JADU per lot (not one or the other), within the proposed or existing single-family dwelling, if certain conditions are met (Gov. Code, § 66323, subd. (a)(1)(A)).
- Allows for rental or leasing of a separate interest ADU or JADU in a common interest development, notwithstanding governing documents that otherwise appear to prohibit renting or leasing of a unit, and without regard to the date of the governing documents (Civ. Code, §§ 4740, subd. (a); 4741, subd. (a)).
- Allows a homeowner to create "any of the following": one converted or attached ADU; one detached, new construction ADU; and one JADU (Gov. Code, § 66323, subds. (a)(1)-(2)). More information can be found in HCD's 2025 ADU Handbook.

Changes to ADU Law in 2021:

- Allows local agencies to permit the separate conveyance of ADUs from the primary dwelling under Government Code section 66341 in certain circumstances.

Changes to ADU Law in 2023:

- Sunsets a former prohibition on a local agency imposing an owner occupancy requirement on any ADU and instead prohibits a local agency from requiring owner occupancy for an ADU (Gov. Code, § 66315).
- Allows a local agency to adopt a local ordinance to allow the separate conveyance of the primary dwelling unit and ADU(s) as condominiums, subject to certain conditions (Gov. Code, §§ 66340-66342).

Changes to ADU Law in 2024:

- SB 477 (Chapter 7, Statutes of 2024) made changes to the numbering of the sections of the Government Code for State ADU and JADU Laws.
- Prohibits a local agency from denying a permit for an unpermitted ADU or JADU that was constructed before January 1, 2020, for building code violations, unless the local agency makes a finding that correcting the violation is necessary to comply with conditions that would otherwise deem a building substandard (Gov. Code, § 66332, subds. (a)-(c)).
- Defines "livable space" as a space in a dwelling intended for human habitation, as the term appears in Government Code sections 66313, subdivision (e), and 66323, subdivision (a)(3)(A).
- Provides that uncovered, off-street parking spaces demolished in conjunction with the construction of an ADU do not need to be replaced (Gov. Code, § 66314, subd. (d)(11)).
- Changes the allowable number of detached ADUs on a lot with an existing multifamily dwelling to eight detached ADUs, provided that the number of ADUs does not exceed the number of existing units on the lot (Gov. Code, § 66323, subd. (a)(4)(A)(iii)).
- Prohibits a local agency from imposing any objective development standards on 66323 Units that are not authorized by the provisions of Government Code section 66323, subdivision (a) (Gov. Code, § 66323, subd. (b)).

Updates to the [ADU Handbook \(2025\)](#)

- Clarifies that ADU Law prohibits deed restrictions on ADUs. A deed restriction would be an "additional standard" and thus cannot be imposed on ADUs (Gov. Code, § 66315).
- Clarifies that homeowners' associations (HOAs), as a third party, cannot influence the approval of an application to create an ADU. Third party reviews by an HOA or their representatives or agents would violate State ADU Law. (Gov. Code, § 66315.) No other local ordinances, policies, or regulations may be applied in the approval or denial of an ADU or junior ADU (JADU) permit application (Gov. Code, § 66317, subd. (c)).
- Clarifies that local agencies may not require parking as a condition to permitting a JADU, even when the JADU is converted from an attached garage (Gov. Code, § 66334, subd. (a)).



Background

Assembly Bill No. 881

CHAPTER 659

An act to amend, repeal, and add Section 65852.2 of the Government Code, relating to housing.

[Approved by Governor October 09, 2019. Filed with Secretary of State October 09, 2019.]

LEGISLATIVE COUNSEL'S DIGEST

AB 881, Bloom. Accessory dwelling units.

65852.2. (a) (1) A local agency may, by ordinance, provide for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The ordinance shall do all of the following:

(4) An existing ordinance governing the creation of an accessory dwelling unit by a local agency or an accessory dwelling ordinance adopted by a local agency shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units, except as otherwise provided in this subdivision. If a local agency has an existing accessory dwelling unit ordinance that fails to meet the requirements of this subdivision, that ordinance shall be null and void and that agency shall thereafter apply the standards established in this subdivision for the approval of accessory dwelling units, unless and until the agency adopts an ordinance that complies with this section.



Background

- City was led to believe ordinance was null, void, no longer enforceable.
- City “does not have ADU Ordinance”
- Began processing ADU applications consistent with state law.
- Summer 2020
 - Ordinance update stalled
 - Competing priorities w/ pandemic
- Spring 2021
 - PC approved 1st ADU to exceed floor area limitations
 - Building Permit issued Oct. 2021
- Winter 2021/2022->2023
 - Momentum on revised draft ordinance.
 - Key provision in state law previously overlooked identified.



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(l) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units.



Background

STATE OF CALIFORNIA – CALIFORNIA NATURAL RESOURCES AGENCY

GAVIN NEWSOM, GOVERNOR

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400



To: Planning Directors of Coastal Cities and Counties
From: John Ainsworth, Executive Director, California Coastal Commission
Date: January 21, 2022

RE: Updates Regarding the Implementation of New ADU Laws

- Outside of an LCP context, existing or new J/ADU provisions that do not meet the requirements of the new legislation are null and void and will be substituted with the provisions of Section 65852.2(a) until the local government comes into compliance with new provisions. (Gov. Code § 65852.2(a)(4).) However, existing J/ADU provisions contained in certified LCPs are not superseded by Government Code Section 65852.2 and continue to apply to Coastal Development Permit (CDP) applications for J/ADUs until the LCP is modified. Coastal jurisdictions without any J/ADU provisions or with existing J/ADU provisions that were adopted prior to January 1, 2020 are encouraged to update their LCPs to comply with the State's new laws. Such new or updated LCP provisions need to ensure that new J/ADUs will protect coastal resources in the manner required by the Coastal Act and LCP, including, for example, by ensuring that new J/ADUs are not constructed in locations where they would require the construction of shoreline protective devices, in environmentally sensitive habitat areas and wetlands, or in areas where the J/ADU's structural stability may be compromised by bluff erosion, flooding, or wave uprush over the structure's lifetime.

Guidance on Processing Local Coastal Program Amendments for Accessory Dwelling Units in the Coastal Zone

July 1, 2026



In the coastal zone, local governments must carry out State ADU Law in a manner that conforms with the Coastal Act.⁵ Because ADU ordinances affect zoning, design standards (e.g., height, setbacks, floor area), and other regulatory provisions governing development, local governments in the coastal zone should include them in their certified LCP in order to ensure protection of coastal resources. ADU ordinances are generally incorporated into the Implementation Plan, or IP, portion of the LCP. State ADU Law has changed frequently in recent years, but not all LCPs have been updated as frequently. As a result, many LCPs now have ADU provisions that are out of step with current State ADU Law. It is therefore imperative that local governments promptly review their LCPs and add or update ADU policies, as needed, to carry out the objectives of State ADU Law while also protecting significant coastal resources as required by the Coastal Act.

If an LCP does contain ADU regulations, but those regulations are outdated, the Commission recommends that jurisdictions should continue to carry out LCP policies to the extent needed to protect coastal resources. However, the Commission encourages jurisdictions to be flexible in carrying out and interpreting their LCPs so that they can streamline the construction of ADUs without compromising coastal resource protections. For example, if LCPs allow for variances from standards that make ADU construction more difficult, jurisdictions should consider granting the variances unless they would result in impacts to sensitive coastal resources or public coastal access or put residents at risk of coastal hazards.

By contrast, development standards, such as setbacks, that are designed to protect sensitive habitats or to ensure that development is safe from erosion or other coastal hazards should not be modified, as this would lessen the effect of the Coastal Act's resource protection policies.



ADU statute & Coastal Act Conflicts

- **Gov. Code Section 66321:**

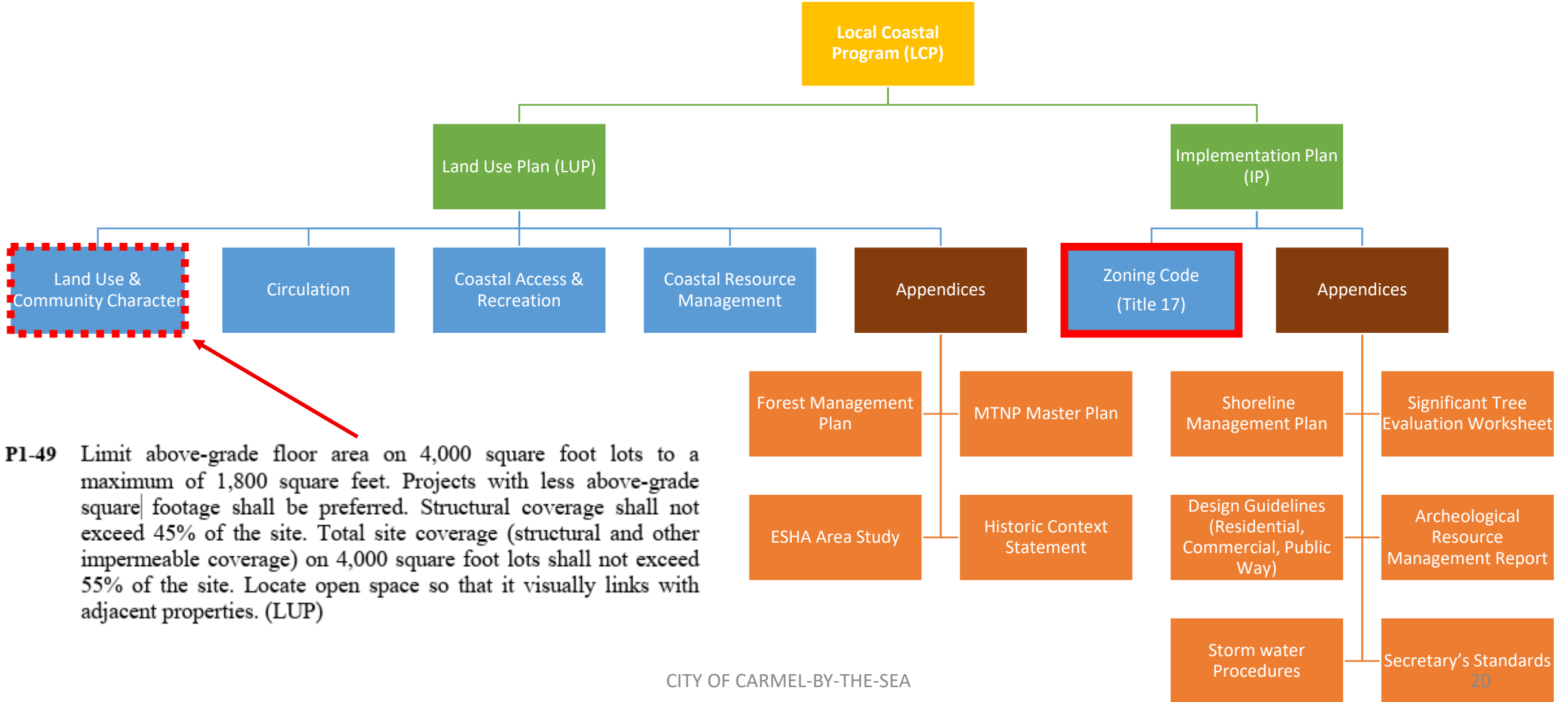
“... a local agency shall not establish by ordinance any of the following:

...

(3) Any requirement for a zoning clearance or separate zoning review or any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size, for either attached or detached dwellings **that does not permit at least an 800 square foot accessory dwelling unit** with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.



Carmel-by-the-Sea LCP





Carmel LUP – Coastal Commission Modifications

impacts. Overall, to achieve consistency with section 30253, the Commission recommends the following modification to the City's submitted LUP document:

Modification 7 Limit above grade floor area on single lots (i.e, 4,000 square feet) to a maximum of 1,600 square feet. Projects with less above grade square footage shall be preferred. Structural coverage shall not exceed 40% of the site. Total site coverage (structural and other impervious coverage) on 4,000 square foot lots shall not exceed 50% of the site. Locate open space so that it visually links with adjacent properties.

Thus, with the above required modifications, the Commission finds that the LUP Community Character policies are consistent with section 30253 of the Coastal Act.

quality protection over the long run. Therefore, to assure consistency with Coastal Act sections 30230 and 30231, Modification 7 is necessary to require the 50% coverage limit on the 4000 square foot lot.

7. Add the following new policy to page 37. Limit above grade floor area on single lots (i.e, 4,000 square feet) to a maximum of 1,600 square feet. Projects with less above grade square footage shall be preferred. Structural coverage shall not exceed 40% of the site. Total site coverage (structural and other impervious coverage) on 4,000 square foot lots shall not exceed 50% of the site. Locate open space so that it visually links with adjacent properties.



Carmel LUP – Coastal Commission Modifications

II. SUGGESTED MODIFICATIONS

The Commission suggests that the following changes to the submitted City of Carmel-by-the-Sea Land Use Plan are necessary to make the requisite findings. If the local government accepts the suggested modifications within six months of Commission action, by formal resolution of the City Council, the Land Use Plan will become effective upon Commission concurrence with the Executive Director finding that this has been properly accomplished.

COMMUNITY CHARACTER

1. Add the following new policy under the Residential Development Objective O9-3 on page 36.

Each site shall contribute to neighborhood character including the type of forest resources present, the character of the street, the response to local topography and the treatment of open space resources such as setbacks and landscaping. It is intended by this policy that diversity in architecture be encouraged while preserving the broader elements of community design that characterized the streetscape within each neighborhood.

Site improvements shall be compatible with, and sensitive to, the natural features and built environment of the site and of the surrounding area. Design solutions should relate to and take advantage of site topography, vegetation and slope. Designs shall recognize the limitations of the land and work with these limitations rather than ignoring them or trying to override them.

2. Add the following new policy under the Residential Development Objective O9-3 on page 36.

Residential designs shall maintain Carmel's enduring principles of modesty and simplicity and preserve the City's tradition of simple homes set amidst a forest landscape. Buildings shall not present excess visual mass or bulk to public view or to adjoining properties. Buildings shall relate to a human scale in their forms, elements and in the detailing of doors, window, roofs, and walkways. Oversized design elements make structures appear dominating and monumental. This out-of-scale character represents a poor fit to the human form, vitiates the more intimate, rural charm and village character of Carmel-by-the-Sea and should be

P1-42

3. Add the following new policy under the Residential Development Objective O9-3 on page 36.

Prior to submittal of design plans for new development that will alter the building footprint, add a second story or involve excavation, a site plan shall be prepared by a qualified professional to document topography, drainage features, existing trees and structures, street edge, and existing conditions on adjacent properties. Using this site plan, the City's planning staff and City Forester shall prepare a preliminary site assessment that includes an evaluation of the design character, streetscape attributes, potential historic resources, and forest resources of the block and neighborhood as well as the resource constraints of the site. Submittal of a Forest Enhancement and Maintenance Plan shall be required from project applicants in response to the site assessment. The Plan shall address the impacts of the proposed development on the existing forest conditions of the site. Site Plan designs shall recognize the constraints of the land and work within these limitations. Minimize the extent of excavation and fill on a site to avoid adverse impacts on trees and to ensure that new development follows the natural contours of the site.

4. Add the following new policy under the Residential Development Objective O9-3 on page 36. Maintain and enhance the informal, vegetated, open space character of the City's right-of-way. Trees in the right-of-way shall not be removed to provide parking. With the exception of driveways, installation of new paving in the right-of-way by private property owners is prohibited.

P1-43

5. Add the following new policy under the Residential Development Objective O9-3 on page 36. Prohibit the removal of significant trees (i.e., as determined by the City Forester) unless it would prevent a reasonable economic use of the site or pose a threat to health and safety. Locate buildings and other site structures to avoid removal and pruning and otherwise minimize damage to existing significant trees. Avoid impacts to trees by avoiding/minimizing impacts to the root protection zone identified by the City Forester during the preliminary site assessment. Establish continuity of landscape elements throughout each neighborhood. Replace trees removed for construction with appropriate trees of the urbanized forest. Require that they be nurtured until well established.

6. Add the following new policy under the Residential Development Objective O9-3 on page 36. All demolitions, rebuilds, remodels, and substantial alterations shall be consistent with the following findings:

- The design uses simple/modest building forms and a limited number of roof planes, and a restrained employment of offsets and appendages consistent with the City's Design Objectives.
- Mass of the building relates to the context of other homes in the vicinity.
- The development is similar in size, scale, and form to buildings on the immediate block and neighborhood.
- The development does not require removal of any significant trees unless necessary to provide a viable economic use of the property or protect public health and safety. All buildings and structures will be setback a minimum of 6 feet from significant trees.

7. Add the following new policy under the Residential Development Objective O9-3 on page 36. Limit above grade floor area on single lots (i.e., 4,000 square feet) to a maximum of 1,600 square feet. Projects with less above grade square footage shall be preferred. Structural coverage shall not exceed 40% of the site. Total site coverage (structural and other impermeable coverage) on 4,000 square foot lots shall not exceed 50% of the site. Locate open space so that it visually links with adjacent properties.



Carmel LUP – Coastal Commission Modifications

3. Scenic Resources

Carmel is one of those special communities for which Coastal Act section 30253 was written. Though much is made of the eclectic cottages in the forest and brilliant white sand beach, world-renowned shopping, proximity to Pebble Beach and gateway to Big Sur, the LUP does not designate Carmel a “special community” worthy of protection. Modification 27 acknowledges the significance of City’s unique character and designates Carmel a special community and highly scenic area for the purposes of Coastal Act Sections 30251, 30253, and 30610 along with corresponding regulation 13250. This designation provides the basis for requiring coastal development permit review of development proposals that potentially impact historic and/or character resources.

Other than the need to protect character through implementation of land use and landscape policies, the scenic views and resources of Carmel’s beach, parks, and open space are adequately protected in the LUP. The re-submitted LUP proposes the adoption of policies that would impose an 18-foot height limit on houses that front North San Antonio and Scenic Drive (P9-18). Additionally, the City’s tree and vegetation maintenance program policies require regular pruning to protect views to and along the coast as seen from Scenic Road and the blufftop path (P9-188). New development along Scenic Road, Junipero Avenue, and Torres Street at 3rd Avenue is required to protect the unique scenic quality and public views, minimize landform alteration, and be visually compatible with the character of surrounding areas (P9-201). The LUP also contains a general policy to preserve and protect areas, which due to their outstanding aesthetic quality, historical value, wildlife habitats or scenic viewsheds, should be maintained in permanent open space (P9-199). As such the resubmitted LUP policies are adequate to carry out the intent of Coastal Act section 30251.

VISUAL/COMMUNITY CHARACTER

27. Add the following text to page 5, end of the second paragraph: The incorporated City of Carmel-by-the-Sea shall be designated a special community and a highly scenic area within the meaning of Coastal Act sections 30251 and 30253 and for the purposes of implementing section 30610 and corresponding regulation section 13250 of the California Code of Regulations. New development shall protect this special community and its unique characteristics.

B. Community Character/Visual Coastal Act Provisions

One of the primary objectives of the Coastal Act is the protection of scenic and visual resources, particularly as viewed from public places. Section 30251 requires that:

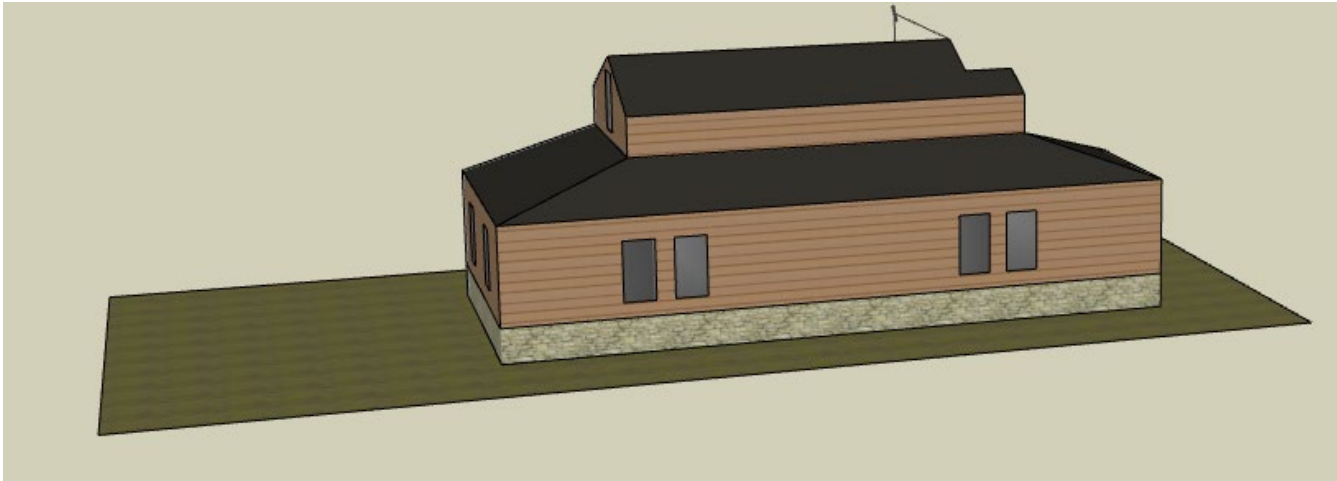
The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Another Coastal Act objective is to protect the character of special communities. Section 30253(5) states:

New development shall...(5) Where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.



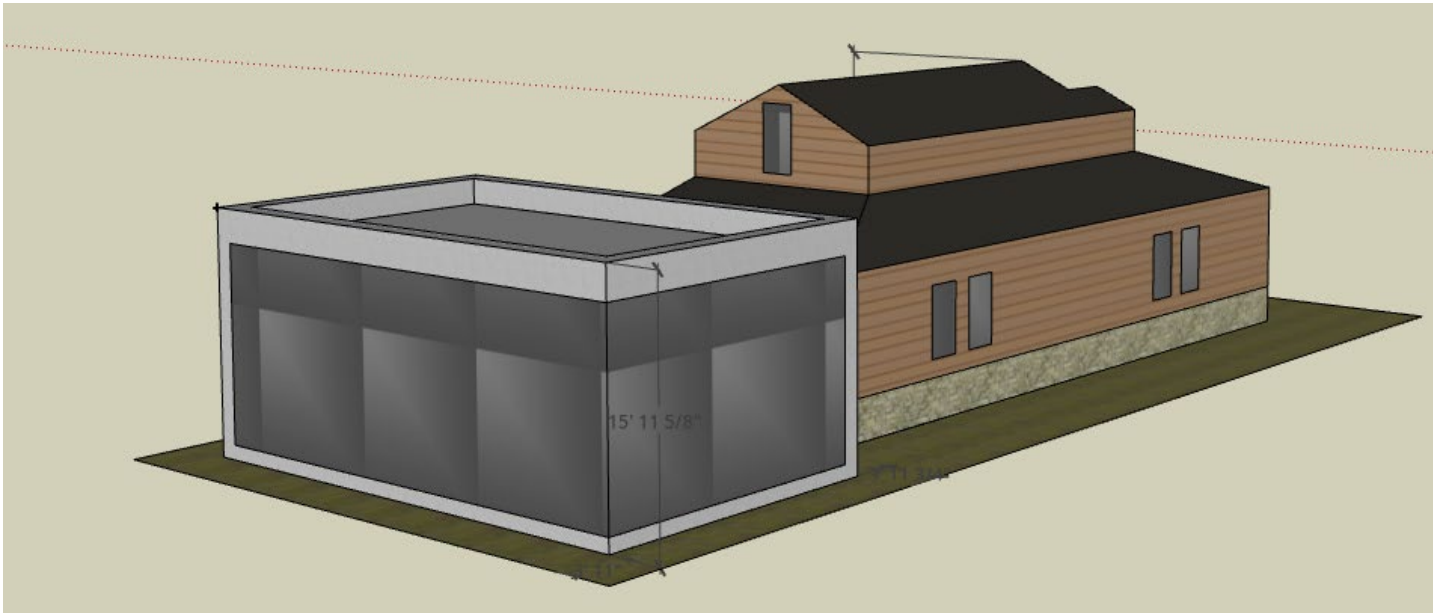
Illustrative Example



- Gov. Code 66323:
 - a) ...a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following units, or any combination of the following units:
 - ...
 - 2. One detached, new construction, accessory dwelling unit that does not exceed **four-foot side and rear yard setbacks** for a lot with a proposed or existing single-family dwelling. **A local agency may impose the following conditions** on the accessory dwelling unit:
 - A. A total floor area limitation** of not more than 800 square feet of livable space.
 - B. A height limitation** as provided in subparagraph (A), (B), or (C) of paragraph (4) of subdivision (b) of Section 66321, as applicable.
 - b) **A local agency shall not impose any objective development or design standard that is not authorized by this section** upon any unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a).



Illustrative Example



- Gov. Code 66323:

a) ...a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following units, or any combination of the following units:

...

2. One detached, new construction, accessory dwelling unit that does not exceed **four-foot side and rear yard setbacks** for a lot with a proposed or existing single-family dwelling. **A local agency may impose the following conditions** on the accessory dwelling unit:

A. A total floor area limitation of not more than 800 square feet of livable space.

B. A height limitation as provided in subparagraph (A), (B), or (C) of paragraph (4) of subdivision (b) of Section 66321, as applicable.

b) **A local agency shall not impose any objective development or design standard that is not authorized by this section** upon any unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a).



LCP Response

Guidance on Processing Local Coastal Program Amendments for Accessory Dwelling Units in the Coastal Zone

July 1, 2026



In the coastal zone, local governments must carry out State ADU Law in a manner that conforms with the Coastal Act.⁵ Because ADU ordinances affect zoning, design standards (e.g., height, setbacks, floor area), and other regulatory provisions governing development, local governments in the coastal zone should include them in their certified LCP in order to ensure protection of coastal resources. ADU ordinances are generally incorporated into the Implementation Plan, or IP, portion of the LCP. State ADU Law has changed frequently in recent years, but not all LCPs have been updated as frequently. As a result, many LCPs now have ADU provisions that are out of step with current State ADU Law. It is therefore imperative that local governments promptly review their LCPs and add or update ADU policies, as needed, to carry out the objectives of State ADU Law while also protecting significant coastal resources as required by the Coastal Act.

If an LCP does contain ADU regulations, but those regulations are outdated, the Commission recommends that jurisdictions should continue to carry out LCP policies to the extent needed to protect coastal resources. However, the Commission encourages jurisdictions to be flexible in carrying out and interpreting their LCPs so that they can streamline the construction of ADUs without compromising coastal resource protections. For example, if LCPs allow for variances from standards that make ADU construction more difficult, jurisdictions should consider granting the variances unless they would result in impacts to sensitive coastal resources or public coastal access or put residents at risk of coastal hazards.

By contrast, development standards, such as setbacks, that are designed to protect sensitive habitats or to ensure that development is safe from erosion or other coastal hazards should not be modified, as this would lessen the effect of the Coastal Act's resource protection policies.

Gov. Code 66329 (a) Except as provided in subdivision (b), **nothing in this article shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976** (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall, pursuant to Section 66317, either approve or deny a coastal development permit application for an accessory dwelling within 60 days of receiving a completed application, and shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units. The process to approve or deny a coastal development permit application under this subdivision shall happen concurrently with the process to approve or deny an application for an accessory dwelling unit under Section 66317.



LCP Response

Responding to Change

With its aging housing stock, the City is undergoing a remarkable turnover of housing that is likely to continue over the next several decades as older homes are replaced or remodeled to meet the needs of current owners. The City is charged with protecting and preserving the established design character of Carmel as well as its historic resources. The City must plan for this change in a way that preserves the community character. This does not mean that changes should be avoided, but that when change occurs, it should not be out of character and, indeed, can be welcomed as a neighborhood improvement. To achieve this there must be community consensus on the elements essential to the City's character. Citizens must have confidence that building, zoning, and design ordinances will preserve these essential elements through new construction and remodels. (LUP)

... Scale, Site Design, Sensitivity...

These brief descriptions are only a beginning. If the character of the residential districts is to be conserved through the coming years of rebuilding and remodeling, the City's implementing ordinances must guide rebuilding, rehabilitation and remodeling processes to ensure that new construction fits in with the design traditions and historical character that are already established. Policies in this element provide guidance to achieve this result. (LUP)



Takeaways

- Gov Code 66329 & SB 1077 Guidance support implementation of LCP, as adopted.
 - Floor area, setbacks, tree protection, historic preservation, etc.
- City should be flexible in carrying out and interpreting their LCPs so that they can streamline the construction and permit variances and/or exceptions where coastal conflicts do not exist.
 - Examples: 12' height limit; no JADU provisions
- City should plan to continue to amend LCP (zoning code and/or LUP) where conflicts with coastal resources do not exist.



ADUs by the numbers

Unit Type	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Attached	2		1	2	4	4	5	6	5	3	32
Conversion	4	2	2	3	2	4	4	5	2	6	34
Detached	2			4	2	5	6	5	6	1	31
Total	8	2	3	9	8	13	15	16	13	10	97

"Potential Review Track"	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Denied	1										1
Type 1	3		2	1		2	2	5	1	4	20
Type 2	3	1		7	6	4	3		6	1	31
Type 3	1	1	1	1	2	7	10	11	6	5	45
Total	8	2	3	9	8	13	15	16	13	10	97

"Potential Review Track" vs Unit Types	Detached	Attached	Conversion	Total
Denied		1		1
Type 1			20	20
Type 2	16	8	7	31
Type 3	15	23	7	45
Total	31	32	34	97



Recommendation

Staff Recommends:

the City Council conduct a policy discussion regarding Accessory Dwelling Units. The Council may also utilize this discussion to:

1. Provide policy direction to staff regarding direction on an updated ordinance; and/or
2. Treat this discussion as a study session to identify specific policy topics for staff to research further before returning for formal direction at a later date.

The Council may also opt to maintain the status quo and take no action at this time beyond conducting a general discussion.

