



## City Council Staff Report

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**TO:** City Council

**DATE:** June 9, 2025

**DEPARTMENT:** Community Development Department

**PREPARED BY:** MJC

**PRESENTER:** Marie Jones

**AGENDA TITLE:** Receive Report, Hold a Public Hearing and Consider Introduction of Amendments to the City's Urban Lot Split and Urban Unit Development Ordinances (ILUDC and CLUDC) to Comply with Comments Received from staff of the State Housing and Community Development Department (HCD) and staff of the California Coastal Commission.

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### RECOMMENDED ACTIONS

#### INTRODUCE BY TITLE ONLY AND WAIVING FURTHER READING OF:

1. Ordinance XXXX-2025 An Ordinance Amending Division 17 of the Fort Bragg Municipal Code Local Coastal Program Amendment 4-25 (CLUDC 4-25) to Amend Chapter 17.42.200 "Urban Unit Development" and Chapter 17.84.045 "Urban Lot Split" to Incorporate Comments From HCD into Regulations and Standards for Urban Lot Splits and Urban Unit Development Projects in Low Density Residential Zoning Districts Pursuant to Senate Bill 9; and
2. Ordinance XXXX-2025 An Ordinance Amending Division 18 of the Fort Bragg Municipal Code Land Use and Development Code Amendment 4-25 (ILUDC 4-25) to Amend Chapter 18.42.200 "Urban Unit Development" and Chapter 18.84.045 "Urban Lot Split" To Incorporate Comments from HCD into Regulations and Standards for Urban Lot Splits and Urban Unit Residential Development Projects in Low Density Residential Zoning Districts Pursuant to Senate Bill 9.

### BACKGROUND

Senate Bill 9 (SB-9) was the product of a multi-year effort to develop solutions to address the State's housing crisis. The goals of SB-9 are to:

- Provide options for homeowners to: 1) build intergenerational wealth to improve equity and create social mobility; and 2) increase the supply of affordable rental opportunities and home ownership.
- Benefit homeowners NOT institutional investors. By requiring owner occupancy, the program is not available to speculators and developers generally. The program requires a homeowner to submit an affidavit of owner occupancy for three years.
- Requires a roughly equal (no more than a 40/60 percent) lot split, with a minimum resulting lot size of 1,200 SF.
- Only permissible in single family zoning districts.
- Establishes a maximum number of four (4) units, including two primary homes with two additional units (ADU/JADUs) for any lot which has not been split through an urban lot split. Allows up to two units maximum per parcel created through an urban lot split (two primary units, or one primary and one ADU/JADU).
- Requires development standard exceptions to accommodate at least two units of 800 sf each on each subsequent lot.
- Prohibits urban lot splits and urban unit development in a variety of circumstances including: on parcels in environmentally sensitive habitat areas, historic neighborhoods, wetlands, hazardous waste sites, flood zones and tidelands, areas vulnerable to sea level rise, and areas with an earthquake fault among other prohibitions.

## DISCUSSION AND ANALYSIS

The City Council approved these ordinances in March of 2023. MJC submitted the draft ordinances to HCD and the Coastal Commission in April of 2023 for comment and review as required by these State agencies.

- The City received HCD's review/comment letter on February 19, 2025 (Attachment 4). All of HCD's required changes are noted in red text in the attached draft ordinances (attachments 2 and 3).
- The Coastal Commission provided comments in the fall of 2024 and requested that the City include any additional comments from HCD into the LCP submittal and resubmit the CLUDC ordinance as an ordinance for the Coastal Commission's consideration.

HCD's requested revisions include only one substantive changes, namely: the City may not require any design standards related to multifamily development for Urban Unit development projects and therefore the entirety of section 18.42.200.G was struck from the attached draft ordinance. The remainder of the changes clarified legal definitions for factors that limit lot splits (18.84.045.A.4) and urban unit development (18.42.200.C).

## **FISCAL IMPACT**

Eliminating the Capacity Fee for units of 750 SF or less, as required by state law, will result in the City investing more funds from other sources on capital improvements related to sewer and water infrastructure.

## **ENVIRONMENTAL ANALYSIS**

The proposed amendments are not a project under CEQA pursuant to Government code 65852.21 and 66411.7(n) and further the amendment to the Coastal Land Use and Development Code is part of the City's Local Coastal Program and will be submitted to the California Coastal Commission for certification and is therefore statutorily exempt from further environmental review under CEQA Guidelines 15265 Adoption of Coastal Plans and Programs.

## **COMMUNITY OUTREACH**

These ordinances have been discussed at all housing forums at the City of Fort Bragg at the prior Planning Commission and City Council hearing on this topic. Generally, the community is mixed on the relaxation of the code to allow construction of four units per single family home and lot splits in Single family residential zoning districts.

## **ALTERNATIVES**

The City could decide not to adopt City specific ordinances and could instead implement State law by referencing State law in the City's zoning code.

## **CONSISTENCY**

The consistency of the proposed ordinance has been analyzed as part of the ordinance adoption process, please see the General Plan Consistency Analysis (Attachment 3).

## **ATTACHMENTS**

1. An Ordinance Amending Division 17 of the Fort Bragg Municipal Code Local Coastal Program Amendment 4-25 (CLUDC 4-25) to Amend Chapter 17.42.200 "Urban Unit Development" and Chapter 17.84.045 "Urban Lot Split" to Incorporate Comments From HCD into Regulations and Standards for Urban Lot Splits and Urban Unit Development Projects in Low Density Residential Zoning Districts Pursuant to Senate Bill 9; and
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3. Resolution of the Fort Bragg Planning Commission Recommending that the City

Council Amend: 1) An Ordinance Amending Division 17 of the Fort Bragg Municipal Code (CLUDC 4-25) to Amend Chapter 17.42.200 “Urban Unit Development” and Chapter 17.84.045 “Urban Lot Split” to Incorporate Comments From HCD into Regulations and Standards for Urban Lot Splits and Urban Unit Development Projects in Low Density Residential Zoning Districts Pursuant to Senate Bill 9; and 2) An Ordinance Amending Division 18 of the Fort Bragg Municipal Code (ILUDC 4-25) to Amend Chapter 18.42.200 “Urban Unit Development” and Chapter 18.84.045 “Urban Lot Split” To Incorporate Comments from HCD into Regulations and Standards for Urban Lot Splits and Urban Unit Residential Development Projects in Low Density Residential Zoning Districts Pursuant to Senate Bill 9.

4. HCD’s February 19, 2025, Comment Letter

## **NOTIFICATION**

1. “Notify Me” subscriber lists: Fort Bragg Downtown Businesses; and Economic Development Planning.