

City Council: Housing Element Implementation: Zoning and Specific Plan Amendments

August 26, 2025



Watsonville
CALIFORNIA



Meeting Purpose

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Review and consider for adoption the following:

- **Changes to the Municipal Code to implement near-term Housing Element Programs**
- **Changes to the Downtown Watsonville Specific Plan (DWSP) to implement near-term Housing Element Programs**

Overview of Near-Term Housing Element Programs

Near Term Housing Element Programs: Muni Code



Program C.7: Transitional Housing

Program C.8: Supportive Housing – By Right

Program D.1: Density Bonus Ordinance

**Program D.4: Accessory Dwelling Units
and Junior Accessory Dwelling Units**

Program D.5: Reasonable Accommodations

Program D.6: Definition of Family

Program D.9: Residential Care Facilities (>7 persons)

Program E.6: Farmworker & Workforce Housing

Near Term Housing Element Programs: Downtown Watsonville Specific Plan (DWSP)



**Program D.8: Require 50% Residential Use
in Downtown Central Core Area**

Program D.13: Building Height Limits

Proposed Changes: WMC Title 14 Zoning

C.7: Transitional Housing



Description:

Adopt a Zoning Ordinance amendment to permit transitional housing in all residential zoning districts under the same restrictions as other residential dwellings of the same type in the same zone.

Proposed Action:

Add transitional housing as appropriate to the use tables in *Chapter 14-16: District Regulations*.

C.8: Supportive Housing



Description:

Adopt a Zoning Ordinance amendment to permit supportive housing in all residential zoning districts under the same restrictions as other residential dwellings of the same type in the same zone.

Proposed Action:

Add supportive housing as appropriate to the use tables in *Chapter 14-16: District Regulations*.

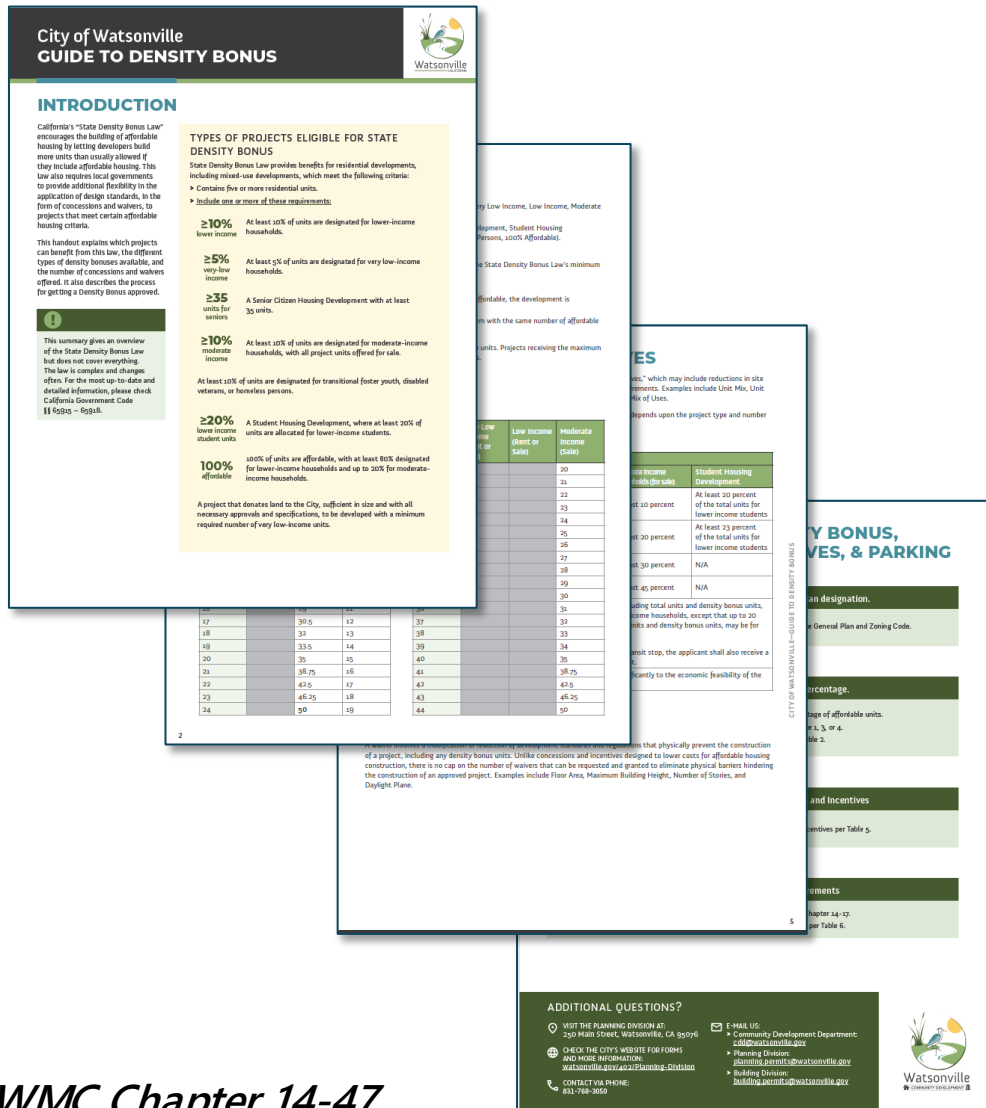
D.1: Density Bonus Ordinance Updates



Description:

The City will review and amend the Municipal Code to ensure consistency with State requirements.

D.1: Density Bonus Ordinance Updates



**City of Watsonville
GUIDE TO DENSITY BONUS**

INTRODUCTION

California's "State Density Bonus Law" encourages the building of affordable housing by letting developers build more units than usually allowed if they include affordable housing. This law also requires local governments to provide additional flexibility in the application of design standards, in the form of concessions and waivers, to projects that meet certain affordable housing criteria.

This handout explains which projects can benefit from this law, the different types of density bonuses available, and the number of concessions and waivers offered. It also describes the process for getting a Density Bonus approved.

TYPES OF PROJECTS ELIGIBLE FOR STATE DENSITY BONUS

State Density Bonus Law provides benefits for residential developments, including mixed-use developments, which meet the following criteria:

- Contains five or more residential units.
- Include one or more of these requirements:

Income Level	Requirement
≥10% lower income	At least 10% of units are designated for lower-income households.
≥5% very low income	At least 5% of units are designated for very low-income households.
≥35 units for seniors	A Senior Citizen Housing Development with at least 35 units.
≥10% moderate income	At least 10% of units are designated for moderate-income households, with all project units offered for sale.
At least 10% of units are designated for transitional foster youth, disabled veterans, or homeless persons.	
≥20% low income student units	A Student Housing Development, where at least 20% of units are allocated for lower-income students.
100% affordable	100% of units are affordable, with at least 80% designated for lower-income households and up to 20% for moderate-income households.

A project that donates land to the City, sufficient in size and with all necessary approvals and specifications, to be developed with a minimum required number of very low-income units.

Low Income (Rent or Sale)	Low Income (Rent or Sale)	Moderate Income (Sale)
20	20	20
21	21	21
22	22	22
23	23	23
24	24	24
25	25	25
26	26	26
27	27	27
28	28	28
29	29	29
30	30	30
31	31	31
32	32	32
33	33	33
34	34	34
35	35	35
36	36	36
37	37	37
38	38	38
39	39	39
40	40	40
41	41	41
42	42	42
43	43	43
44	44	44
45	45	45
46	46	46
47	47	47
48	48	48
49	49	49
50	50	50

ADDITIONAL QUESTIONS?

VISIT THE PLANNING DIVISION AT:
240 MAIN STREET, WATSONVILLE, CA 95096

CHECK THE CITY'S WEBSITE FOR FORMS AND MORE INFORMATION:
WATSONVILLE.DENSITYBONUSPLANNING.DIVISION

CONTACT VIA PHONE:
831-768-3680

E-MAIL US:
Community Development Department
CDD@WATSONVILLE.CA.GOV

Planning Division
planning.permit@watsonville.gov

Building Division
building.permit@watsonville.gov

Watsonville
COMMUNITY DEVELOPMENT

Proposed Action:

Refer to State law except in areas where the City exceeds State minimum requirements

Continue being less restrictive than the State for the following:

- Daycare definition includes both child and adult daycare facilities
- Allow in-lieu fees

Increase the minimum period of deed-restriction for affordability from 40 years to 55 years (to match State law)

Create a user-friendly handout

D.4: Accessory Dwelling Units (ADUs)



Watsonville Housing Element Implementation ADU HANDOUT



INTRODUCTION

Purpose of the ADU handbook

The City of Watsonville allows Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) in areas designated for residential use and religious assembly. In accordance with State law, regulations governing ADUs and JADUs are outlined in Title 14 Zoning Chapter 14-23 of the Watsonville Municipal Code.

This handbook provides an overview of the different types of ADUs, along with the associated regulations and design considerations. Use it as a guide to determine which ADU best suits your needs and property.

Exempt vs Non-Exempt Units

"Exempt Unit" means an ADU or JADU that meets the criteria set forth in Government Code section 66323 and is subject to ministerial review. No additional development standards, design standards, or discretionary review requirements shall be imposed on an Exempt Unit beyond those expressly provided in Government Code section 66323. The development standards are outlined in Table 1.

"Non-Exempt Unit" means an ADU or JADU that does not meet the criteria set forth in Government Code section 66323. The City may impose discretionary review requirements and additional development or design standards on a non-exempt unit. These are outlined in Table 2.

WHAT IS AN ADU?

An Accessory Dwelling Unit (ADU) is a residential unit that provides independent living facilities for one or more persons and includes separate kitchen, sleeping, and bathroom facilities. An ADU may be a part of, attached to, or detached from a single-family, two-family, or multi-family residence and is subordinate to the primary home on the same parcel. An ADU can be created through new construction, building additions, or conversion of existing spaces (e.g., converting a detached garage). Accessory structures are not considered accessory dwelling units. The different types of ADUs are outlined below.

TYPES OF ADUS



Attached ADU—A newly constructed unit that shares at least one wall with an existing home.



Detached ADU—A newly built, free-standing structure separate from a proposed or existing primary home, with full amenities for the resident.



Conversion ADU (Attached)—A unit created by converting part of an existing primary home, such as a garage, attic, or basement.

Conversion ADU (Detached)—A unit created by converting a part or whole existing residential structure or by converting an accessory structure, such as a freestanding garage, pool house, or shed.



Junior ADU (JADU)—A specific type of attached conversion ADU, limited to 500 square feet, created within a single-family home. JADUs may share certain facilities, such as a bathroom, with the primary residence.



Multi-family ADU—a unit that is either newly constructed (attached or detached) or converted within a multi-family building, such as repurposing underutilized storage rooms or garages.

Description:

The City's ADU ordinance must be updated to comply with new state laws that went into effect after 2020. The City will establish a user's guide to assist applicants in the ADU entitlement process.

WMC Chapter 14-23

Govt Code Sections 66310 - 66342

D.4: ADU Ordinance Updates



Proposed Action:

Refer to state law except in areas where the City exceeds state minimum requirements

Continue exceeding state minimums for the following:

- Max # ADUs: Allow 2 ADUs for SF lots 12,000 sf or larger (state requires at least 1 unit)
- ADU Size: Allow up to 1,200 sf unit(s) (state only requires up to 1,000 sf unit(s))

Clarify allowance for increased height

- Where on-site parking is provided below a single ADU
- Stacked ADUs (for large SF lots >12,000 sf or in MF zones)

D.5: Reasonable Accommodations



Example:

*A reasonable accommodation may be necessary to provide flexibility in the application of a local zoning code regulation that limits the size of residences in R1 zones. Reasonable accommodation could be provided to **allow an individual with a disability to exceed that limit to build a wheelchair ramp.***

Description:

The City will adopt reasonable accommodations procedures and provide information on the process to the public.

Proposed Action:

Add new Chapter 14-11 in the Muni-Code to address reasonable accommodations.

Create a user-friendly handout

D.6: Definition of Family



“Family” shall mean a group of people who are related by blood, marriage, or adoption, or who live together in a dwelling unit:

- ***Related by blood, marriage, or adoption.*** All people living in a household who are related by birth, marriage, or adoption.
- ***Live together in a dwelling unit.*** All people who occupy a housing unit, whether they are a single family, multiple families, or unrelated people .

Description:

The City will amend the Zoning Ordinance to adopt a definition of "Family" which meets State requirements.

Proposed Action:

Add the definition to *Chapter 14-18: Definitions*.

D.9: Residential Care Facilities for 7 or more residents



Description:

Amend requirements for residential care facilities for 7 or more persons in residential zones to allow development through administrative review. Remove subjective approval findings that may reduce approval certainty.

Proposed Action:

Permit Residential Care Facilities for 7 or more Residents in residential zones with an AUP in *Chapter 14-16: District Regulations*.

E.6: Farmworker and Workforce Housing



Description:

The City will update its Municipal Code to comply with the Employee Housing Act, ensuring small employee housing (6 or fewer employees) is treated as residential, larger workforce housing (up to 36 beds or 12 units) as agricultural, and exempting them from additional permits, zoning variances, and fees.

Proposed Action:

Add farmworker and employee housing as appropriate to the use tables in *Chapter 14-16: District Regulations*.

Proposed Changes: Downtown Watsonville Specific Plan

D.8: Require 50% Residential Use in Downtown Central Core Area (DWSP)

Table 6-3 Land Use Regulations

Use	Downtown Core			Downtown Neighborhood	Downtown Industrial ¹
	Main Street Overlay	Gateway Overlay	Elsewhere in the Zone		
Alcohol-Related: Group A	AUP required ¹				
Alcohol-Related: Group B	SUP required ¹				
Antique Shop	Not permitted on parcels fronting Main Street; AUP required elsewhere			AUP required	AUP required
Automobile Service	Not permitted			Not permitted	Permitted
Cannabis Facility	Not permitted				
Church	SUP Required				
Drive-through	Not permitted				
Dwelling Unit ²	Permitted on upper floors; Not permitted on ground floors		Permitted	Permitted	SUP Required
Heavy industrial & Manufacturing	Not permitted			Not permitted	Permitted ^{2,3}
Light Industrial / R&D	Not permitted			AUP required ^{2,3}	Permitted ^{2,3}
Office	Permitted on upper floors; Not permitted on ground floors	Permitted on upper floors; AUP required for ground floors	Permitted	Permitted	Permitted
Payday Lenders	Not permitted				
Transit Center	Permitted				
Storage/warehouse	Not permitted			Not permitted	Permitted
Thrift Shop	Not permitted on parcels fronting Main Street; AUP required elsewhere			AUP required	AUP required
Use Code 65	SUP required				
Vehicle fueling facility	Not permitted				

1. Additional requirements for alcohol-related uses found in the City's Alcohol Ordinance, in WMC Chapter 14-25 apply.

2. In mixed-use developments, residential use must be more than 50% of the total building square footage.

2-3. Per WMC § 14-12.400, all new industrial development, as with all new development, will be subject to required findings of compatibility between adjacent uses related to traffic, noise, odors, visual nuisances, and other similar adverse effects.

Description:

Amend requirements for applicable sites in the DWSP to require a minimum of 50 percent of the proposed floor area to be for residential use for mixed-use projects.

Proposed Action:

Modify Table 6-3 to establish this minimum requirements.

D.13: Building Height Limits (DWSP)



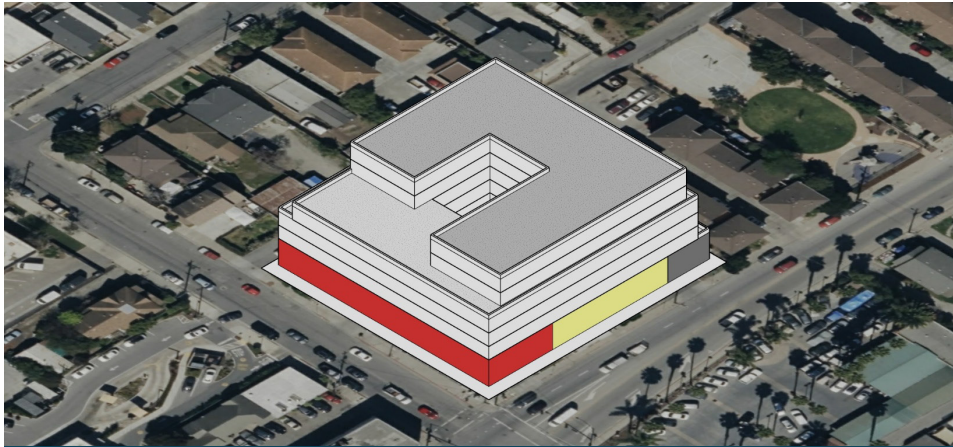
Description:

Adopt an amendment to the DWSP increasing height limits for the Downtown Neighborhood and Downtown Industrial zoning districts up to a maximum of six stories and up to a maximum of eight stories for the Downtown Core zoning district.

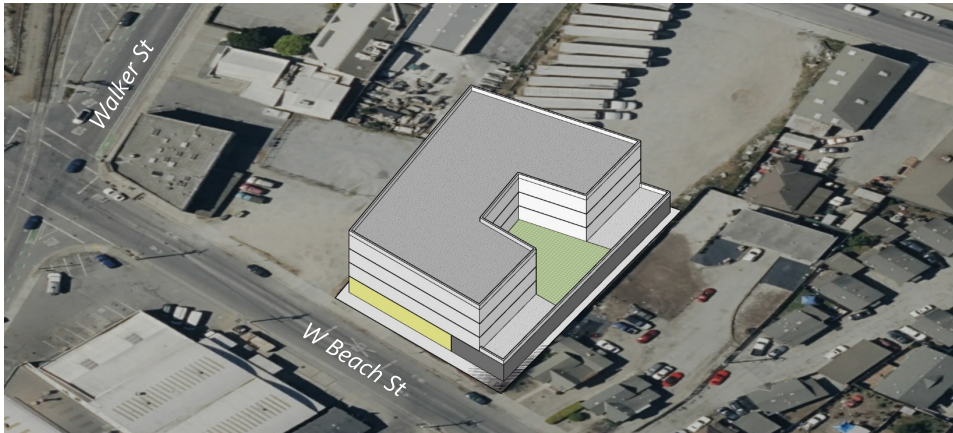
Recommendation:

No change recommended

DWSP Test Fit Analysis



100 & 114 Union St | Downtown Core Zone

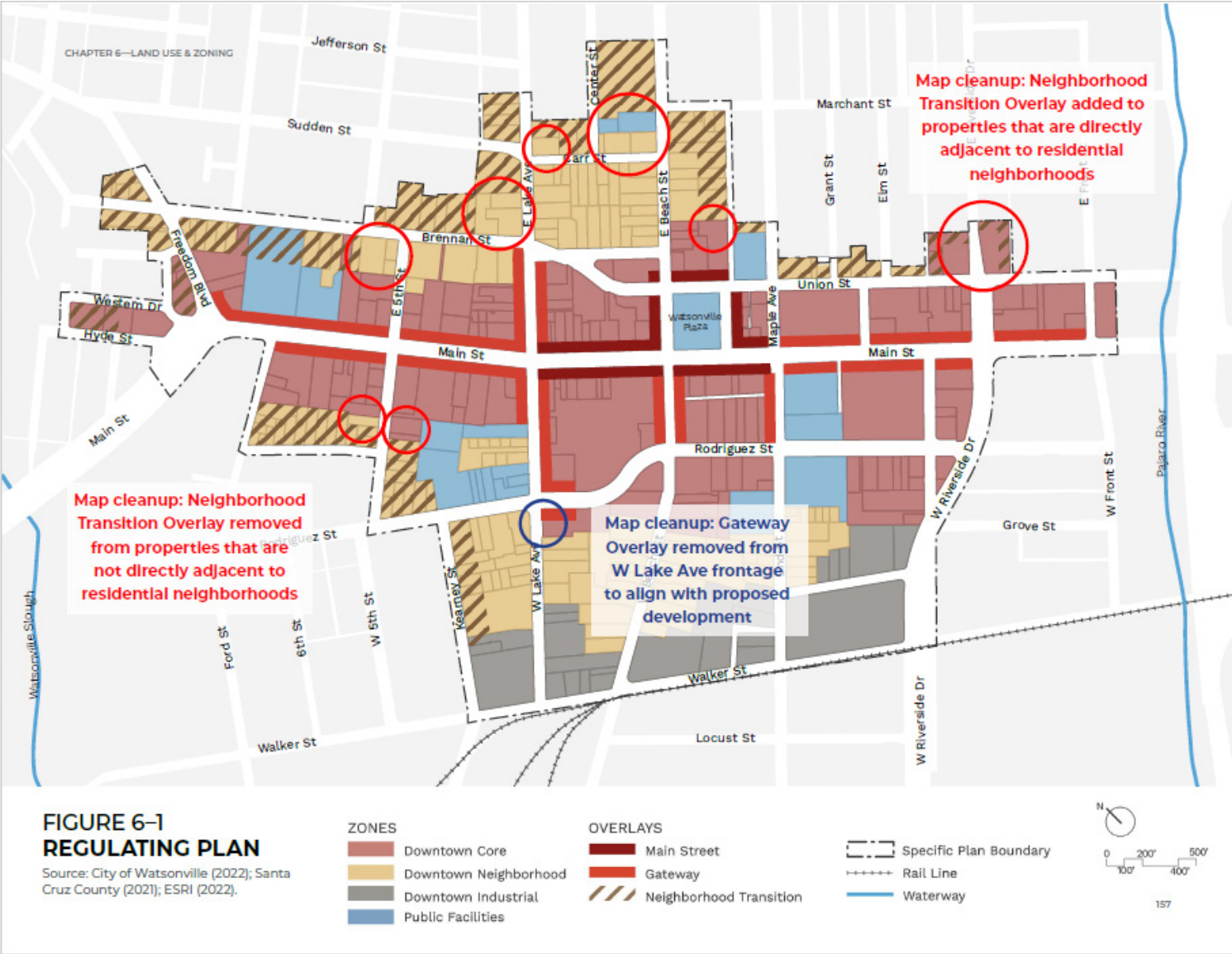


145 W Lake Ave A & B | Downtown Neighborhood Zone

The site tests demonstrated that the **maximum allowable densities of the DWSP zoning districts can be achieved with the current height standards in the DWSP at a unit mix consistent with current market conditions in Downtown Watsonville**

The analysis also identified a few minor **changes and clarifications to some of the DWSP design standards** that will enhance development feasibility

DWSP Regulating Plan [Proposed Action]

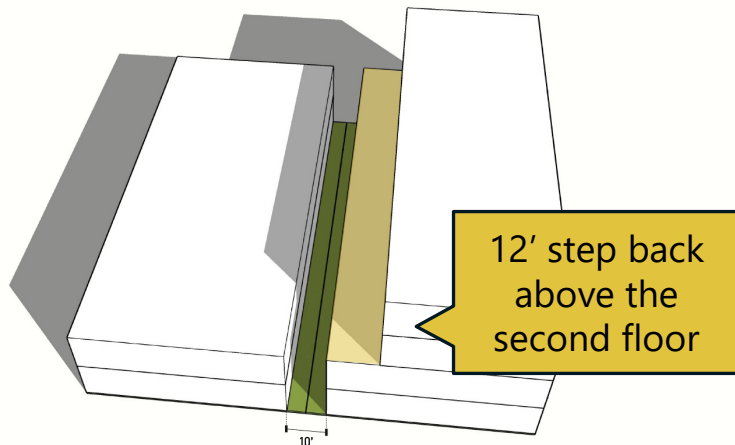
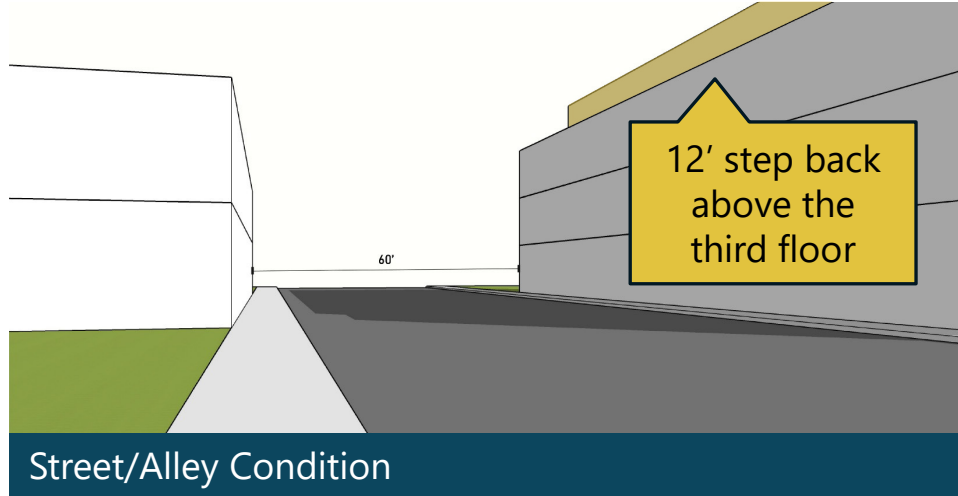


Clarify extent of Neighborhood Transition Overlay:

- Refine overlay on map

Clarify extent of Gateway Overlay:

- Refine the Gateway Overlay at Lake Ave & Rodriguez St. by omitting the small extension along Lake Ave south of Rodriguez St.



Revise Neighborhood Transition Overlay standards

Change overlay standard currently requiring a maximum allowable height of 3 stories for 100' from the nearest property line, to the following:

- Where there is a **street or alley** between the subject parcel and the nearest parcel, the 4th floor shall be **set back 12 feet** from the building face facing the street or alley. If a 5th or 6th floor is provided, these floors will be setback an **additional 12 feet** from the 4th floor building face.
- Where the subject parcel and the nearest parcel are **immediately adjacent** (i.e., no street or alley between the parcels), the 3rd and 4th floors shall be **set back 12 feet** from the building face facing the shared property line. The 5th and 6th floors, if provided, shall be setback an **additional 25 feet** from the 4th floor building face.

DWSP Building Height Standards [Proposed Action]

Table 6-5 Building Height		Downtown Core
Allowed Number of Stories		
A	Street Façade	2 to 4 stories; 30% of the length of the principal façade can be built up to 6 stories (max)
B	Total Number of Floors	6 stories (max); 5th and 6th floors set back from the principal street façade a minimum of 15 feet

Clarify applicability of Downtown Core Building Height Standards:

- Street façade length and setback standard apply only to the principal facade

Planning Commission Recommendation

Adopt an ordinance adopting zoning code text amendments to multiple chapters of the Watsonville Municipal Code Title 14 Zoning related to implementation of programs within the 6th Cycle 2023-2031 Housing Element and find that the amendments are exempt from CEQA.

Adopt an ordinance adopting amendments to the Downtown Watsonville Specific Plan related to implementation of programs within the 6th Cycle 2023-2031 Housing Element and find that the amendments are exempt from CEQA.

Thank you!