



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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AB 803: STARTER HOME REVITALIZATION ACT OF 2021

What is Assembly Bill 803 (AB 803)?

In 2021, Governor Newsom signed into law [Assembly Bill 803 \(AB 803\)](#) to encourage the construction of modestly sized single-family homes that may be affordable to first-time homebuyers. AB 803 is in effect starting January 1, 2022. This law allows for subdivision of multifamily-zoned parcels into small lot single-family parcels. For parcels created using AB 803, jurisdictions cannot require minimum parcel size, minimum setbacks between housing units (except as required by the building code), enclosed parking, or formation of a homeowners' association.

What parcels are eligible for AB 803 projects in Santa Cruz County?

Parcels eligible for subdivision under AB 803 must meet the following criteria:

- Parcel size: Maximum existing parcel size 5 acres.
- Zone district: Located in a multifamily zone district (RM).
- Urban infill location: Minimum 75% of parcel perimeter adjoins or is across the street from residential, commercial, public institutional, or transit land use.
- Neighborhood: Residentially-zoned properties within 500 feet have a minimum zone district density of less than 30 dwelling units per acre.
- Not designated affordable: The parcel must not be identified for affordable housing in the General Plan Housing Element.

What development requirements apply to AB 803 projects?

Projects eligible for AB 803 must meet the following criteria:

- Number of single-family homes: If the parcel is listed in the General Plan Housing Element, development must result in at least as many housing units as projected for the parcel in the Housing Element. If the parcel is not listed in the Housing Element, the development must result in at least as many units as the midrange density for the zone district.
- Floor area: Average floor area of the proposed housing units must be maximum 1,750 square feet.
- Ownership structure: Subdivided parcels must be sold as fee simple ownership lots.
- Development standards: Development must meet RM zone district height and setback requirements.
- Demolition: AB 803 projects cannot require demolition of deed restricted affordable housing, rent-controlled housing, housing occupied by a tenant within the last 7 years, or rental housing that was withdrawn within the last 15 years per Chapter 12.75 of Division 7 of the California Government Code.
- Affordability: AB 803 projects are subject to the inclusionary housing requirements of Santa Cruz County Code Chapter 17.10.