



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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SB 478: MISSING MIDDLE HOUSING LEGISLATION

What is “missing middle” housing?

“Missing middle” housing refers to housing types such as duplexes, triplexes, quadplexes, bungalow courts, patio homes and townhouses that have densities between those of single-family homes and mid-rise apartments. Missing middle housing types were common prior to World War II when fewer people drove cars and communities were designed to be more compact. These housing types are recognized as an effective way to reduce suburban sprawl and add housing diversity. Missing middle housing structures can blend into existing single-family areas without compromising scale and neighborhood character. The increased population density associated with missing middle housing also enables economic viability of local businesses and transit service, improving neighborhood quality of life.

What is Senate Bill 478 (SB 478)?

In 2021, Governor Newsom signed into law [Senate Bill 478 \(SB 478\)](#) to encourage the construction of missing middle housing. SB 478 is in effect starting January 1, 2022. This law allows for a larger ratio of building floor area to parcel area (called “floor area ratio” or FAR) for housing development projects with 3-10 units in multifamily or mixed-use zone districts. In particular, SB 478 requires jurisdictions to allow an FAR of at least 1.0 for projects with 3 to 7 units, and 1.25 for projects with 8 to 10 units, and prohibits jurisdictions from imposing lot coverage requirements that would preclude these FARs. The law also overrides any homeowners’ association rules or property covenants or restrictions that would preclude these FARs.

What projects are eligible for SB 478 in Santa Cruz County?

Projects eligible for increased FAR under SB 478 must meet the following criteria:

- Located in a zone district allowing multifamily or mixed-use development (RM, C-1, C-2, PA, PF)
- Not located in a historic district (L)
- Located within the boundaries of a census-designated urbanized area
- At least two-thirds of the proposed project square footage is residential
- Project includes 3-10 primary dwelling units (ADUs and JADUs do not count toward this total)

How could SB 478 impact development potential in Santa Cruz County?

SB 478 primarily has the potential to impact small-scale housing projects in the “RM” (multifamily residential) zone district, where current Santa Cruz County Code limits FAR to 0.5. One result of this limitation is that small RM-zoned parcels often are developed with only one or two homes. By increasing the allowed FAR on small RM parcels by 100 – 150%, SB 478 may serve to increase the financial and logistical feasibility for missing middle multifamily housing development on these parcels.