

**SANTA CRUZ COUNTY
BOARD OF SUPERVISORS INDEX SHEET**

Creation Date: 6/6/07

Source Code: PLANN

Agenda Date: 6/12/07

INVENUM: 59388

Resolution(s): 190-2007

Ordinance(s): [1] 4878

[2] 4879

Contract(s):

Continue Date(s): [1] 11/20/07

- Index:**
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 - Resolution Adopting Amendments to the General Plan/LCP and Approving and Forwarding Amendments of Chapter 13.10 to the Coastal Commission
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SANTA CRUZ COUNTY
BOARD OF SUPERVISORS INDEX SHEET

- Item: 36.** Continued consideration of the addition of the Regional Housing Need "R' Combining District to the County Code and related General Plan/LCP and Affordable Housing Ordinance amendments necessary to implement the rezoning program of the County's Housing Element;
- (1) ADOPTED RESOLUTION NO. 190-2007 approving: a) the proposed General Plan/LCP amendments (shown on Exhibit A to Attachment 1), effective outside the Coastal Zone immediately and inside the Coastal Zone once certified by the Coastal Commission; including a request to include minor revisions cross referencing, in the titles, the changes to Policy 2.10.1 in the General Plan, and b) the proposed amendments to Chapter 13.10 (Exhibit B to Attachment 1) and forwarding those changes to the Coastal Commission;
 - (2) ADOPTED ORDINANCE NO. 4878 (Attachment 2) amending Chapter 13.10, effective upon the 31st day outside the Coastal Zone and upon certification by the Coastal Commission in the Coastal Zone; with an additional direction to change the minimum cubic feet of private storage space per unit to 218 ;
 - (3) ADOPTED ORDINANCE NO. 4879 (Attachment 3) amending County Code Sections 17.10.020, 17.10.030 of Chapter 17.10 of the Santa Cruz County Code regarding Affordable Housing;
 - (4) certified the CEQA Notices of Exemption for the General Plan and Chapter 13.10 amendments (Attachment 5) and the Chapter 17.10 amendments (Attachment 6) and directed the Clerk of the Board to file the CEQA exemptions;
 - (5) directed the Planning Department to forward the proposed amendments to the General Plan and Chapter 13.10 to the Coastal Commission for their consideration as part of the next Rounds package; with an additional direction staff hold community meetings prior to the Planning Commission Hearings;
 - (6) directed staff to contract with a qualified outside firm to assist in the review of pro-formas from market-rate developers requesting financial assistance from the RDA as part of this program;
 - (7) directed staff to bring a future report to the Board on providing incentives for the incorporation of green building features as part of this program; and
 - (8) directed staff to report back to the Board on November 20, 2007 with options for expanding affordable housing opportunities in the rural areas of the County

COUNTY OF SANTA CRUZ
STATE OF CALIFORNIA



AT THE BOARD OF SUPERVISORS MEETING

On the Date of June 12,2007

REGULAR AGENDA

Item No. 36

Continued consideration of the addition of the Regional Housing Need "R" Combining District to the County Code and related General Plan/LCP and Affordable Housing Ordinance amendments necessary to implement the rezoning program of the County's Housing Element;

Upon the motion of Supervisor Pirie, duly Seconded by Supervisor Stone, with Supervisor Campos abstaining, the Board, (I) ADOPTED RESOLUTION NO. 190-2007 approving: a) the proposed General Plan/LCP amendments (shown on Exhibit A to Attachment 1), effective outside the Coastal Zone immediately and inside the Coastal Zone once certified by the Coastal Commission; including a request to include minor revisions cross referencing, in the titles, the changes to Policy 2.10.1 in the General Plan, and b) the proposed amendments to Chapter 13.10 (Exhibit B to Attachment 1) and forwarding those changes to the Coastal Commission;

(2) ADOPTED ORDINANCE NO. 4878 (Attachment 2) amending Chapter 13.10, effective upon the 31st day outside the Coastal Zone and upon certification by the Coastal Commission in the Coastal Zone; with an additional direction to change the minimum cubic feet of private storage space per unit to 218;

(3) ADOPTED ORDINANCE NO. 4879 (Attachment 3) amending County Code Sections 17.10.020, 17.10.030 of Chapter 17.10 of the Santa Cruz County Code regarding Affordable Housing;

(4) certified the CEQA Notices of Exemption for the General Plan and Chapter 13.10 amendments (Attachment 5) and the Chapter 17.10 amendments (Attachment 6) and directed the Clerk of the Board to file the CEQA exemptions;

(5) directed the Planning Department to forward the proposed amendments to the General Plan and Chapter 13.10 to the Coastal Commission for their consideration as part of the next Rounds package; with an additional direction staff hold community meetings prior to the Planning Commission Hearings;

(6) directed staff to contract with a qualified outside firm to assist in the review of pro-formas from market-rate developers requesting financial assistance from the RDA as part of this program;

(7) directed staff to bring a future report to the Board on providing incentives for the incorporation of green building features as part of this program; and

COUNTY OF SANTA CRUZ
STATE OF CALIFORNIA



AT THE BOARD OF SUPERVISORS MEETING

On the Date of June 12,2007

(8) directed staff to report back to the Board on November 20, 2007 with options for expanding affordable housing opportunities in the rural areas of the County

cc:

CAO

Planning

County Counsel

Owners of Sites

State of California, County of Santa Cruz-ss.

I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed tthe seal of said Board of Supervisors.

by _____ , Deputy Clerk ON June 15,2007



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123
TOM BURNS, PLANNING DIRECTOR

June 7, 2007

AGENDA DATE: June 12, 2007

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Subject: Addition of Regional Housing Need "R" Combining District to County Code and Related General Plan and Affordable Housing Ordinance Amendments

Members of the Board:

On June 5 your Board considered policy revisions to implement the Housing Rezoning Program contained in the Housing Element. At the conclusion of public testimony and a lengthy Board discussion, you approved the changes in-concept and directed staff to return with final wording for formal Board action at this time.

The attached materials reflect the Board's actions on the various policy proposals. In addition, as directed by the Board, staff has included a specific recommendation with regard to the amount of exterior storage provided for units that would not have garages (see 13.10.477(a) 3 vi). As well, we have included one additional general plan language modification for internal policy consistency (Policy 2.10.1). Finally, we have also included the various additional directions provided by the Board as part of the final actions on this item to ensure that they were properly understood.

Implementation of this key program of the Housing Element has and will continue to be a matter of public interest and debate. Nonetheless, the actions recommended in this letter will allow the County to proceed with the commitment that was made as part of the Housing Element -- to re-designate a minimum of 30 acres of infill sites in a manner that addresses the critical need for workforce housing in our community.

It is therefore RECOMMENDED that your Board take the following actions:

1. Adopt the attached Resolution (Attachment 1) approving:
 - a. the proposed General Plan/LCP amendments (as shown on Exhibit A to Attachment 1), effective outside the Coastal Zone immediately and inside the Coastal Zone once certified by the Coastal Commission; and
 - b. the proposed amendments to Chapter 13.10 (Exhibit B to Attachment 1) and forwarding those changes to the Coastal Commission;

- 2. Adopt the attached Ordinance (Attachment 2) amending Chapter 13.10, effective upon the 31st day outside the Coastal Zone and upon certification by the Coastal Commission in the Coastal Zone;
- 3. Adopt, as a second reading, the proposed ordinance amendments to Chapter 17.10 (Attachment 3);
- 4. Certify the CEQA Notices of Exemption for the General Plan and Chapter 13.10 amendments (Attachment 5) and the Chapter 17.10 amendments (Attachment 6) and direct the Clerk of the Board to file the CEQA exemptions;
- 5. Direct the Planning Department to forward the proposed amendments to the General Plan and Chapter 13.10 to the Coastal Commission for their consideration as part of the next Rounds package;
- 6. Direct staff to contract with a qualified outside firm to assist in the review of pro-formas from market-rate developers requesting financial assistance from the RDA as part of this program;
- 7. Direct staff to bring a future report to the Board on providing incentives for the incorporation of green building features as part of this program; and
- 8. Direct staff to report back to the Board on November 20, 2007 with options for expanding affordable housing opportunities in the rural areas of the County.

Sincerely,



Tom Burns
Planning Director

RECOMMENDED:



Susan A. Mauriello
County Administrative Officer

Attachments:

- 1. Resolution Adopting Amendments to the General Plan/LCP and Approving and Forwarding Amendments of Chapter 13.10 to the Coastal Commission
- 2. Proposed Ordinance Amending Chapter 13.10 (clean copy)
- 3. Proposed Ordinance Amending Chapter 17.10 (clean copy)
- 4. Proposed Chapter 17.10 Amendments (strike-out version in full ordinance)
- 5. CEQA Exemption – General Plan and Chapter 13.10 Amendments
- 6. CEQA Exemption – Chapter 17.10 Amendment

cc. Owners of Sites
County Counsel

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 190-2007

On the motion of Supervisor: Pirie
Duly seconded by Supervisor: Stone
The following Resolution is adopted:

RESOLUTION ADOPTING AMENDMENT TO GENERAL PLAN/LOCAL COASTAL PROGRAM LAND USE PLAN OBJECTIVE 2.10, FIGURE 2.3, POLICY 8.6.3. POLICY 2.10.1 AND THE ADDITION OF POLICY 2.10.6; AND ADOPTING COUNTY CODE SECTIONS 13.10.475, 13.10.476, 13.10.477, AND 13.10.478.

WHEREAS, the availability of housing is of vital importance in the County of Santa Cruz (the "County"), and the attainment of decent housing and a suitable living environment is a priority of the highest order;

WHEREAS, attainment of this goal requires the cooperative participation of local government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of all economic levels of the community;

WHEREAS, housing prices continue to rise while the median income is not increasing at the same rate;

WHEREAS, the County of Santa Cruz has adopted a General Plan;

WHEREAS, State General Plan guidelines require that the state mandated Housing Element (the "Housing Element") be revised periodically to incorporate new information and reflect changes in community needs and values;

WHEREAS, the Housing Element of the General Plan adopted in November 2006, was certified by the California Department of Housing and Community Development, and includes a program by which the County will accommodate a shortfall of suitably zoned sites;

WHEREAS, the Board of Supervisors directed that General Plan/Local Coastal Program Land Use Plan ("LCP"), and County Code amendments be drafted and developed to create a policy framework to allow residential development at densities of 20 units per acre;

WHEREAS, in accordance with State law, these General Plan/LCP and County Code amendments will allow development "by-right" as to density and use where applicable;

WHEREAS, the General Plan/LCP and County Code must be amended to accommodate such density;

WHEREAS, amendments to the General Plan and County Code set forth the manner in which this program will be carried out;

WHEREAS, the Planning Commission held a public hearing on May 9, 2007, received and considered all concerns and comments of all segments of the community and staff, and considered the public record as a whole;

WHEREAS, public hearing notices for the Planning Commission hearing on the amendments to the General Plan and County Code were published in local newspapers as required by law and provided on the County's website; and

WHEREAS, the Planning Commission found that the proposed General Plan/LCP amendments and proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan/LCP and other provisions of the County Code, and will contribute to the provision of affordable housing throughout the community;

WHEREAS, the Board of Supervisors held public hearings on June 5, 2007 and June 12, 2007, received and considered all concerns and comments of all segments of the community and staff, and considered the public record as a whole;

WHEREAS, public hearing notices for the Board of Supervisors hearing on the amendments to the General Plan and County Code were published in local newspapers as required by law and provided on the County's website;

WHEREAS, the Board of Supervisors finds that the proposed General Plan/Local Coastal Program amendments and proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code, and will contribute to the provision of affordable housing throughout the community;

WHEREAS, Chapter 13.10 of the County Code is an implementing ordinance of the Local Coastal Program (LCP) and the proposed amendments to Chapter 13.10 constitute an amendment to the Local Coastal Program;

WHEREAS, the proposed amendments are consistent with the California Coastal Act;

WHEREAS, the adoption of the amendments to the General Plan/LCP and County Code are exempt from the California Environmental Quality Act because no direct environmental impact will result from the adoption of these textual changes, which are not applied to any particular property and do not cause any change to the physical environment and therefore do not constitute a "project" under CEQA;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors hereby finds this action exempt from the California Environmental Quality Act and applicable State and County Guidelines;

BE IT FURTHER RESOLVED, that the Board of Supervisors hereby adopts amendments to Objective 2.10, Policy 2.10.1, Figure 2.3, Policy 8.6.3 and the addition of Policy 2.10.6 to the Santa Cruz County General Plan (Exhibit A) to be effective outside the Coastal Zone immediately and effective inside the Coastal Zone upon certification by the California Coastal Commission;

BE IT FURTHER RESOLVED, that the Board of Supervisors hereby adopts the addition of Sections 13.10.475, 13.10.476, 13.10.477 and 13.10.478 to the County Code (Exhibit B) to allow development at 20 units per acre,

BE IT FURTHER RESOLVED, that the Board of Supervisors hereby certifies the Notice of Exemption from the California Environmental Quality Act as set forth in (Exhibit C), and incorporated herein by reference; and

BE IT FURTHER RESOLVED, that the Board of Supervisors hereby directs that amendments to Objective 2.10, Figure 2.3, Policy 8.6.3, Policy 2.10.1 and the addition of Policy 2.10.6 to the Santa Cruz County General Plan (Exhibit A), and the addition of Sections 13.10.475, 13.10.476, 13.10.477 and 13.10.478 to the County Code (Exhibit B) be submitted to the California Coastal Commission as part of the Local Coastal Program Update.

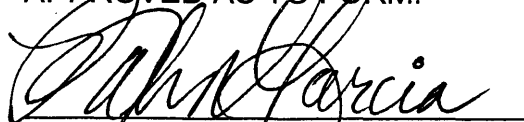
PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 12th day of June, 2007 by the following vote:

AYES:	SUPERVISORS	Pirie, Coonerty, Stone and Beautz
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None
ABSTAIN:	SUPERVISORS	Campos

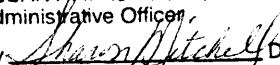
JANET K. BEAUTZ
Chairperson of the Board of Supervisors

ATTEST: GAIL T. BORKOWSKI
Clerk of the Board

APPROVED AS TO FORM:


COUNTY COUNSEL

cc: County Counsel
Planning Department

CTATE OF CALIFORNIA) COUNTY OF SANTA CRUZ) ss I SUSANA MAURIELLO, County Administrative Officer and ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California do hereby certify that the foregoing is a true and correct copy of the resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on <u>June 12</u> 20 <u>07</u> . SUSAN A. MAURIELLO, County Administrative Officer By:  Deputy

PROPOSED AMENDMENTS TO GENERAL PLAN OBJECTIVE 2.10, FIGURE 2.3
POLICY 2.10.1 AND POLICY 8.6.3, AND ADDITION OF POLICY 2.10.6

GENERAL PLAN AMENDMENTS

AMEND:

Objective 2.10 Urban High Density Residential Designation (R-UH)

To provide higher density residential development (10.9 to 17.4 units per net developable acre, except for those sites in the "R" Combining District where the density would be 20 units per net developable acre) in areas within the Urban Services Line (USL). These areas shall be located where increased density can be accommodated by a full range of urban services and in locations near collector and arterial streets, transit service, and neighborhood, community, or regional shopping facilities. Housing types appropriate to the Urban High Density designation may include: small lot detached houses, "zero lot line" houses, duplexes, townhomes, garden apartments, mobile home parks, and congregate senior housing.

Figure 2.3:

Urban Designation	Density ¹	Lot Size Requirements ^{2,3}
Urban Very Low	1.0 – 4.3 units per acre	10,000sf – 1 acre
Urban Low	4.4 – 7.2 units per acre	6,000 sf – 10,000 sf
Urban Medium	7.3 – 10.8 units per acre	4,000 sf – 6,000sf
Urban High	10.9 – 17.4 ⁴ units per acre	2,500' sf – 4,000 sf

Policy 2.10.1 Minimum Parcel Size

Allow residential development at densities equivalent to 2,500 to 4,000 square feet of net developable parcel area per unit. Include increased density incentives for projects with a large percentage of very low or lower income housing and for senior housing projects in accordance with State law. For those sites in the "R" Combining District, allow residential development at densities equivalent to 2,000 square feet of net developable parcel area per unit. (See section 2.11)

Policy 8.6.3 Story Limitation

Residential structures shall be limited to two stories in the urban areas and on parcels smaller than one acre in the rural areas except where explicitly stated in the Residential Site and Development Standards ordinance or Combining District site standards.

ADD:

Policy 2.10.6 Addressing Regional Housing Need

Recognize that sites will be designated to meet the Regional Housing Need for the County. These sites also carry a 40% affordability requirement. Under certain circumstances, these sites may be subject to a reduced review process as required by State law.

8

Ordinance No. _____

ORDINANCE ADDING COUNTY CODE SECTIONS 13.10.475,
13.10.476, 13.10.477, AND 13.10.478 TO CHAPTER 13.10 OF
THE SANTA CRUZ COUNTY CODE REGARDING THE
REGIONAL HOUSING NEED "R" COMBINING DISTRICT

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

The Santa Cruz County Code is hereby amended by adding Section 13.10.475 through 13.10.478 entitled "Regional Housing Need Combining District" to read as follows:

13.10.475 Purposes of the Regional Housing Need "R" Combining District. The purpose of the Regional Housing Need "R" Combining District is to increase the supply of affordable housing by designating sites for development at 20 units per acre in order to meet the requirements of the Regional Housing Needs Allocation as required by State Government Code Section 65584. Development projects on sites designated with the Regional Housing Need "R" Combining District shall be required to provide 40% of the units as affordable housing, as defined in section 17.10.030(b)(1) and 17.10.030(b)(6) of this Code.

13.10.476 Designation of the Regional Housing Need "R" Combining District. The Regional Housing Need "R" Combining District shall only be applied to those parcels designated by the Board of Supervisors in advance of housing element adoption, as part of the housing element or as part of the implementation of housing element policies.

13.10.477 Use and development standards in the Regional Housing Need "R" Combining District.

(a) Site Selection Criteria. For sites to be designated under the Regional Housing Need "R" Combining District, the site must meet the following criteria:

1. Site must be identified by the County to satisfy the Regional Housing Need. A private landowner may not apply for designation under the Regional Housing Need "R" Combining District without the concurrence of the Board of Supervisors prior to application.

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(b) Development Standards

1. Density. Sites designated under the Regional Housing Need “R’ Combining District shall be developed at 20 units per acre. For the purposes of calculating density under these provisions, the developable area of each site designated under the Regional Housing Need “R’ Combining District shall be determined at the time the site is designated. Such developable acreage shall be calculated in accordance with 13.10.700-D definition of “Developable Land” and 13.10.700-S definition of “Site Area, Net” except that roadways and driveways shall be included in the developable acreage calculation for the purposes of determining net developable acreage. The number of potential units will be determined by multiplying the developable acreage by 20. Where such calculation results in a fractional number, the number of units shall be determined by rounding down to the nearest whole number.

2. Master Planning. Where contiguous or adjacent parcels are designated under the Regional Housing Need “R’ Combining District, any development proposal for one parcel may be required to include a Master Plan for development of all contiguous or adjacent parcels which are also designated under the Regional Housing Need “R” Combining District. The purpose of the Master Plan is to define interior circulation patterns, exterior site access, fire access to all parcels, infrastructure improvements, common area location and amenities.

3. Incentives and Concessions. Development projects proposed under the Regional Housing Need Combining District will be entitled to all of the following alternative development standards:

- (i) Parking requirements: 1.5 spaces per studio or one bedroom units; 2.0 spaces for two bedroom; 2.5 spaces for three bedroom units; 3.0 spaces per 4 bedroom unit. An additional 20% of the total number of parking spaces is required to accommodate guest parking. Modifications of these standards can be approved for individual sites in the “R” Combining District as part of an approved PUD for each site, based on unique site and design factors.
- (ii) Height (up to 35 feet measured from pre-construction natural grade) and up to 3 stories exclusive of subsurface parking. Modifications of these standards can be approved for individual sites in the “R’ Combining District as part of an approved PUD for each site, based on unique site and design factors.
- (iii) Lot coverage and Floor Area Ratio do not apply; and

- (iv) Reduced size of affordable units (see 17.10.032(a)(4)), and reduction in number of bedrooms (see 17.10.032(a)(3)).
- (v) Clustering of affordable units.
- (vi) Where garages are provided for market rate units, garages are not required for affordable units, but in such cases affordable units shall have a minimum of 90 cubic feet of private storage space per unit which shall be accessed from the outside of the unit.
- (vii) Maintain standard riparian buffer but eliminate 10 foot additional riparian construction buffer.
- (viii) For projects eligible for concessions under State density bonus law, a project developer may request additional concessions as set forth in Chapter 17.12.

4. Affordability Requirements under the Regional Housing Need "R" Combining District. All development proposals on parcels designated under the Regional Housing Need "R" Combining District shall be required to provide forty (40) percent of the total number of units as affordable: 15% shall be affordable under the requirements for all development projects in Chapter 17.10.030(b) (1) and an additional 25% shall be affordable under the requirements for Enhanced Affordable units as described Chapter 17.10.030(b)(6). The number of affordable units at each affordability level will be calculated upon determination of the developable acreage of a site. Where fractional numbers result, a fractional in lieu fee will be required for the fractional amount that is attributable to the 15% affordability requirement. For fractional numbers in the 25% Enhanced Affordable category, affordable housing obligation will be derived by rounding to the nearest whole number, such that 0.5 will be rounded up.

5. Encourage energy efficiency, and environmentally sensitive design and building materials.

13.10.478 By-Right Development. When required by State law, notwithstanding the requirements of the residential uses chart in Section 13.10.322, in the event that the current adopted Housing Element includes a program to rezone sites to appropriate densities to address the inadequacy of suitably zones sites required to meet the Regional Housing Need, those sites identified to fulfill that program shall be developed by-right, in that the use and density for the site are not discretionary. For these sites, following standards and alternative process shall also apply:

(a) The developable acreage of the site will be determined and the site will be assigned a number of units equivalent to 20 units per acre at the time

the site is designated under the Regional Housing Need "R" Combining District.

(b) Environmental review, as required by the California Environmental Quality Act, will be completed as part of the process for rezoning of such sites into the Regional Housing Need "R" Combining District. No further environmental review is necessary except for development projects requiring a Coastal Permit or those requiring approval of a tentative map (see 13.10.478(e)(1) and (e)(2) below).

(c) A Planned Unit Development permit outlining site specific development standards and any CEQA mitigation measures will be adopted, in accordance with Section 18.10.180 et seq., for each site at the time the site is rezoned.

(d) Development proposals shall undergo a Design Review process and public hearing limited to design issues only. No discretionary permit is necessary for the density or use of the site. For development proposals under these "by-right" provisions, applicants must apply for a Level VII design review.

(e) If a Coastal Permit or tentative map approval is required, they must be included in the application.

(1) Coastal Permit Requirements. Where a site is located in the Coastal Zone and requires a Coastal Permit for development, the provisions of Chapter 13.20 apply. Wherever possible, the environmental review performed at the time the site was designated under the Regional Housing Need "R" Combining District will be utilized in the processing of the Coastal Permit.

(2) Subdivisions. Development that includes approval of a Tentative Map is subject to the provisions of the Subdivision Map Act and Chapter 14.01. Where a tentative map is proposed, the public hearing may be expanded to address findings necessary under the Subdivision Map Act. Wherever possible the environmental review performed at the time the site was designated under the Regional Housing Need "R" Combining District will be utilized in the processing of the subdivision.

SECTION II

This Ordinance shall take effect on the 31st day after the date of final passage outside the Coastal Zone and upon certification by the California Coastal Commission within the Coastal Zone.

PASSED AND ADOPTED this _____ day of _____, 2007,
by the Board of Supervisors of the County of Santa Cruz by the following vote:

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**ATTACHMENT 1
EXHIBIT B**

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairperson, Board of Supervisors

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:

Auth. Filed for

County Counsel

Copies to: Planning
County Counsel

36

Ordinance No. 4878

ORDINANCE ADDING COUNTY CODE SECTIONS 13.10.475,
13.10.476, 13.10.477, AND 13.10.478 TO CHAPTER 13.10 OF
THE SANTA CRUZ COUNTY CODE REGARDING THE
REGIONAL HOUSING NEED "R" COMBINING DISTRICT

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SECTION I

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13.10.475 Purposes of the Regional Housing Need "R" Combining District. The purpose of the Regional Housing Need "R" Combining District is to increase the supply of affordable housing by designating sites for development at 20 units per acre in order to meet the requirements of the Regional Housing Needs Allocation as required by State Government Code Section 65584. Development projects on sites designated with the Regional Housing Need "R" Combining District shall be required to provide 40% of the units as affordable housing, as defined in section 17.10.030(b)(1) and 17.10.030(b)(6) of this Code.

13.10.476 Designation of the Regional Housing Need "R" Combining District. The Regional Housing Need "R" Combining District shall only be applied to those parcels designated by the Board of Supervisors in advance of housing element adoption, as part of the housing element or as part of the implementation of housing element policies.

13.10.477 Use and development standards in the Regional Housing Need "R" Combining District.

(a) Site Selection Criteria. For sites to be designated under the Regional Housing Need "R" Combining District, the site must meet the following criteria:

1. Site must be identified by the County to satisfy the Regional Housing Need. A private landowner may not apply for designation under the Regional Housing Need "R" Combining District without the concurrence of the Board of Supervisors prior to application.

(b) Development Standards

1. Density. Sites designated under the Regional Housing Need “R” Combining District shall be developed at 20 units per acre. For the purposes of calculating density under these provisions, the developable area of each site designated under the Regional Housing Need “R” Combining District shall be determined at the time the site is designated. Such developable acreage shall be calculated in accordance with 13.10.700-D definition of “Developable Land” and 13.10.700-S definition of “Site Area, Net” except that roadways and driveways shall be included in the developable acreage calculation for the purposes of determining net developable acreage. The number of potential units will be determined by multiplying the developable acreage by 20. Where such calculation results in a fractional number, the number of units shall be determined by rounding down to the nearest whole number.

2. Master Planning. Where contiguous or adjacent parcels are designated under the Regional Housing Need “R” Combining District, any development proposal for one parcel may be required to include a Master Plan for development of all contiguous or adjacent parcels which are also designated under the Regional Housing Need “R” Combining District. The purpose of the Master Plan is to define interior circulation patterns, exterior site access, fire access to all parcels, infrastructure improvements, common area location and amenities.

3. Incentives and Concessions. Development projects proposed under the Regional Housing Need Combining District will be entitled to all of the following alternative development standards:

- (i) Parking requirements: 1.5 spaces per studio or one bedroom units; 2.0 spaces for two bedroom; 2.5 spaces for three bedroom units; 3.0 spaces per 4 bedroom unit. An additional 20% of the total number of parking spaces is required to accommodate guest parking. Modifications of these standards can be approved for individual sites in the “R” Combining District as part of an approved PUD for each site, based on unique site and design factors.
- (ii) Height (up to 35 feet measured from pre-construction natural grade) and up to 3 stories exclusive of subsurface parking. Modifications of these standards can be approved for individual sites in the “R” Combining District as part of an approved PUD for each site, based on unique site and design factors.
- (iii) Lot coverage and Floor Area Ratio do not apply; and

- (iv) Reduced size of affordable units (see 17.10.032(a)(4)), and reduction in number of bedrooms (see 17.10.032(a)(3)).
- (v) Clustering of affordable units,
- (vi) Where garages are provided for market rate units, garages are not required for affordable units, but in such cases affordable units shall have a minimum of 218 cubic feet of private storage space per unit which shall be accessed from the outside of the unit,
- (vii) Maintain standard riparian buffer but eliminate 10 foot additional riparian construction buffer,
- (viii) For projects eligible for concessions under State density bonus law, a project developer may request additional concessions as set forth in Chapter 17.12.

4. Affordability Requirements under the Regional Housing Need “R” Combining District. All development proposals on parcels designated under the Regional Housing Need “ R Combining District shall be required to provide forty (40) percent of the total number of units as affordable: 15% shall be affordable under the requirements for all development projects in Chapter 17.10.030(b)(1) and an additional 25% shall be affordable under the requirements for Enhanced Affordable units as described Chapter 17.10.030(b)(6). The number of affordable units at each affordability level will be calculated upon determination of the developable acreage of a site. Where fractional numbers result, a fractional in lieu fee will be required for the fractional amount that is attributable to the 15% affordability requirement. For fractional numbers in the 25% Enhanced Affordable category, affordable housing obligation will be derived by rounding to the nearest whole number, such that 0.5 will be rounded up.

5. Encourage energy efficiency, and environmentally sensitive design and building materials.

13.10.478 By-Right Development. When required by State law, notwithstanding the requirements of the residential uses chart in Section 13.10.322, in the event that the current adopted Housing Element includes a program to rezone sites to appropriate densities to address the inadequacy of suitably zones sites required to meet the Regional Housing Need, those sites identified to fulfill that program shall be developed by-right, in that the use and density for the site are not discretionary. For these sites, following standards and alternative process shall also apply:

- (a) The developable acreage of the site will be determined and the site will be assigned a number of units equivalent to 20 units per acre at the time

the site is designated under the Regional Housing Need "R" Combining District.

(b) Environmental review, as required by the California Environmental Quality Act, will be completed as part of the process for rezoning of such sites into the Regional Housing Need "R" Combining District. No further environmental review is necessary except for development projects requiring a Coastal Permit or those requiring approval of a tentative map (see 13.10.478(e)(1) and (e)(2) below).

(c) A Planned Unit Development permit outlining site specific development standards and any CEQA mitigation measures will be adopted, in accordance with Section 18.10.180 et seq., for each site at the time the site is rezoned.

(d) Development proposals shall undergo a Design Review process and public hearing limited to design issues only. No discretionary permit is necessary for the density or use of the site. For development proposals under these "by-right" provisions, applicants must apply for a Level VII design review.

(e) If a Coastal Permit or tentative map approval is required, they must be included in the application.

(1) Coastal Permit Requirements. Where a site is located in the Coastal Zone and requires a Coastal Permit for development, the provisions of Chapter 13.20 apply. Wherever possible, the environmental review performed at the time the site was designated under the Regional Housing Need "R" Combining District will be utilized in the processing of the Coastal Permit.

(2) Subdivisions. Development that includes approval of a Tentative Map is subject to the provisions of the Subdivision Map Act and Chapter 14.01. Where a tentative map is proposed, the public hearing may be expanded to address findings necessary under the Subdivision Map Act. Wherever possible the environmental review performed at the time the site was designated under the Regional Housing Need "R" Combining District will be utilized in the processing of the subdivision.

SECTION II

This Ordinance shall take effect on the 31st day after the date of final passage outside the Coastal Zone and upon certification by the California Coastal Commission within the Coastal Zone.

PASSED AND ADOPTED this 12th day of June, 2007,
by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS Pirie, Stone, Coonerty and Beautz
NOES: SUPERVISORS None
ABSENT: SUPERVISORS None
ABSTAIN: SUPERVISORS campos

GAIL T. BORKOWSKI
Chairperson, Board of Supervisors

I HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON FILE IN THE OFFICE ATTEST MY HAND AND SEAL THIS 12th DAY OF June 2007
SUSAN A. MAURIELLO, COUNTY ADMINISTRATIVE OFFICER AND EX-OFFICIO CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ, CALIFORNIA.
BY Sharon Mitchell DEPUTY

ATTEST: JANET K. BEAUTZ
Clerk of the Board

APPROVED AS TO FORM: [Signature]
County Counsel

Copies to: Planning
County Counsel

Ordinance No. 4879

ORDINANCE AMENDING COUNTY CODE SECTIONS 17.10.020,
17.10.030 OF CHAPTER 17.10 OF THE SANTA CRUZ COUNTY
CODE REGARDING AFFORDABLE HOUSING

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

Section 17.10.020 of the Santa Cruz County Code is hereby amended by adding the categories “Enhanced Affordable”, “Enhanced Low Income” and “Enhanced Moderate Income” to “Definitions” to read as follows:

“Enhanced Affordable” refers to the additional 25% affordable units required in the Regional Housing Need “R” Combining District. These units may be rented at Enhanced Low Income levels or sold at Enhanced Moderate Income levels.

“Enhanced Low Income” means a household earning up to 100% of median income. Rental pricing for units designated as affordable to Enhanced Low Income households is based on 80% of median income, as adjusted for household size.

“Enhanced Moderate Income” means a household earning up to 150% of median income. Sales pricing for units designated as affordable to Enhanced Moderate Income households is based on 120% of median income, as adjusted for household size.

SECTION II

Subdivision (5) of Subdivision (b) of Section 17.10.030 of the Santa Cruz County Code “Non-Residential to Residential Rezoning and/or General Plan Amendment.” is hereby amended to read as follows:

(5) Non-residential to Residential Rezoning and/or General Plan Amendment. Non-residential parcels which as a result of a rezoning and/or General Plan Amendment are rezoned or designated as residential shall be required to provide forty (40) percent of the total number of units as affordable in accordance with Section 13.10.215(a)(1) of this Code, except that rezonings into the Regional Housing Need “R” Combining District per Section 13.10.475 through 13.10.478 of this Code are exempt from this requirement. A minimum of one-half of the affordable units shall be affordable to below average (lower) income households. All affordable units must be constructed on-site. Development under these provisions shall only qualify for incentives and concessions relating to site standards as identified in Section 17.12.040 of this Code but are not eligible for additional Density Bonus units. If the calculation of the affordable housing obligation under subsection (b) of this section results in any fractional obligation above a whole unit, the project developer shall contribute funds equivalent to the fractional

amount to the Measure J Trust Fund as provided in Section 17.10.034 of this chapter. No alternative options for satisfying the affordable requirement is allowed.

SECTION III

Subdivision (6) of Subdivision (b) of Section 17.10.030 of the Santa Cruz County Code "Regional Housing Need "R" Combining District." is hereby added to read as follows:

(6) Regional Housing Need "R" Combining District.

(a) The following requirements apply to sites designated in the Regional Housing Need "R" Combining District:

- (i) Sites shall first meet the requirements of 17.10.030(b)(1).
- (ii) An additional affordable housing requirement of 25% of the total number of new dwelling units is required. Units meeting the 25% requirement will be considered Enhanced Affordable units and shall meet the requirements of 17.10.030(b)(6).
- (iii) Notwithstanding subsections (i) and (ii) above, in the event that a Developer believes that the affordable housing requirements for a project proposed for a site designated in the Regional Housing Need "R" Combining District renders the project financially infeasible, the developer may request relief from a proportional amount of the affordability requirements. That request shall be submitted to the Planning Director with all supporting information, including the development pro forma for the project. The Planning Director shall analyze that request and make suitable recommendations to the Board of Supervisors. In the event that the Board finds that the developer has provided evidence that fulfillment of the affordable housing requirements renders the project financially infeasible, the Board shall grant an increase in the allowed unit resale price, above the price restrictions contained in Sections 17.10.030(b)(1) and 17.10.030(b)(6), in an amount equal to that required to render the project financially feasible. In the event that such price modifications are granted, the developer shall grant the County Redevelopment Agency the option to purchase units at the revised sales price for the purpose of writing them down to suitable levels of affordability.
- (iv) All affordable units must be constructed on-site.
- (v) Developments under these provisions are eligible for concessions relating to site standards as identified in County Code Section 13.10.477(b)3.
- (vi) Developments under these provisions are eligible for incentives and concessions relating to site standards as identified in County Code Section 17.12.040 where the percentage of affordable units provided exceeds 40%, but are not eligible for additional Density Bonus units.

(vii) No alternative options , including those-set forth in subsection (c) for satisfying the affordable housing requirement are-allowed for projects within the Regional Housing Need "R" Combining District.

SECTION IV

Subdivision (d) of Section 17.10.030 of the Santa Cruz County Code "Unit Affordability Requirements." is hereby amended to read as follows:

(d) Unit Affordability Requirements.

(1) Term of Restrictions. Affordable ownership and rental units shall be subject to the requirements of this chapter for the life of the unit.

(2) Sales Price. The maximum allowable sales price for affordable housing units created pursuant to 17.10.030(b)(1) shall be limited to be affordable to moderate income households, unless otherwise required to be affordable to lower income or very low income households in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For affordable units in the Regional Housing Need "R" Combining District, the Enhanced Affordable units shall have a maximum allowable sales price limited to be affordable to Enhanced Moderate income households unless otherwise required to be affordable at a lower income level. The County shall establish maximum allowable affordable unit sales prices pursuant to the pricing guidelines in the Affordable Housing Guidelines adopted by the Board of Supervisors.

(3) Rental Price. The maximum allowable rental price for affordable housing units created pursuant to 17.10.030(b)(1) shall be limited to be affordable to lower income households unless otherwise required to be affordable to very low income households in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For affordable units in the Regional Housing Need "R" Combining District, the Enhanced Affordable units shall have a maximum allowable rental price that shall be affordable to Enhanced Low income households unless otherwise required to be affordable at a lower income level. The County shall establish maximum allowable affordable unit rental prices pursuant to the pricing guidelines in the Affordable Housing Guidelines adopted by the Board of Supervisors.

(4) Unit Occupancy. For units developed pursuant to 17.10.030(b)(1), the income and assets of owner-occupant households shall not exceed the limits for a moderate income household, and for tenant households shall not exceed the limits for a lower income household, unless more stringent limits are required in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For Enhanced Affordable units (17.10.030(b)(6)), the income and assets of owner-occupant households shall not exceed the limits for an Enhanced Moderate income household, and for tenant households, shall not exceed the limits for an Enhanced Low income household, unless more stringent limits are required by funding sources. The County shall establish maximum allowable household income and asset levels in

the Affordable Housing Guidelines adopted by the Board of Supervisors. Sales and rental contracts for affordable units shall not be enforceable, and sale and occupancy of units shall not be allowed until the purchasing and/or occupying household is certified by the County as meeting the established income and asset limits.

SECTION V

Subdivision (a) of Section 17.10.032 of the Santa Cruz County Code "Affordable Unit Standards." is hereby amended to read as follows:

(a) Affordable Unit Standards. Except as otherwise defined in 13.10.477(b)(3) for projects in the Regional Housing Need "R" Combining District, affordable dwelling units may include reduced interior amenities compared to the market rate units provided that the affordable units comply with all requirements in the Affordable Housing Guidelines as well as the following standards:

1. Unit location. The affordable dwelling units shall be distributed throughout the development project. This distribution requirement may only be waived by the decision-making body upon a finding that such distribution is infeasible for one or more of the following reasons:

- (i) Significant topographic or other constraints exist rendering such distribution infeasible; or
- (ii) Substantially improved site design will result from such waiver; or
- (iii) Substantially improved building design and an approved unit amenity level will result from such waiver; or
- (iv) Significant economic hardship that does not apply to other projects in the County will result from such distribution.

2. Parcel Size. The parcels on which the affordable units are located shall be no smaller than the smallest parcel on which market rate units in the project are to be located.

3. Bedroom Count. The average bedroom count in the affordable units shall not be less than the average bedroom count in the market rate units in the project. Affordable units located in projects in the Regional Housing Need "R" Combining District shall be allowed to average 0.5 of a bedroom less than the average number of bedrooms in the market rate units.

4. Exterior Design. The exterior design of the affordable units shall be consistent with the market rate units in the development based on exterior design details, materials and number of stories, with no significant identifiable differences between the units visible from the street. In addition, the size of affordable units shall be reasonably consistent with the rest of the project, with an affordable unit size not less than seventy-

five (75) percent of the average size of market rate units, except that all affordable units in the Regional Housing Need "R" Combining District shall not be less than seventy (70) percent of the average size of the market rate units, unless a smaller unit size is allowed by the decision-making body at the time of project approval and with the written findings that a smaller size will provide adequate and decent affordable housing, the affordable units will provide housing units compatible with the remainder of the development, and that a larger unit size would impose a financial hardship on the project developer. In no case shall an affordable unit size be less than the minimum specified by the Affordable Housing Guidelines.

SECTION VI

This Ordinance shall take effect on the 31st day after the date of adoption by the Board of Supervisors.

PASSED AND ADOPTED this 12th day of June, 2007, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES:	SUPERVISORS	Pirie, Stone, Coonerty and Beautz
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None
ABSTAIN:	SUPERVISORS	Campos

IANET K. BEAUTZ
Chairperson, Board of Supervisors

ATTEST: GAIL T. BORKOWSKI
Clerk of the Board

I HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON FILE IN THE OFFICE ATTEST MY HAND AND SEAL THIS 12th DAY OF June 20 07
SUSAN A. MAURIELLO, COUNTY ADMINISTRATIVE OFFICER AND EX-OFFICIO CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ, CALIFORNIA.
BY Sharon Mitchell DEPUTY

APPROVED AS TO FORM:
Chris Alford
County Counsel

Copies to: Planning
County Counsel

17.10.020 Definitions.

For the purpose of this chapter, the following words and phrases shall be defined as set forth in this section.

“Administering Agency” means the Redevelopment Agency of the County of Santa Cruz, the Santa Cruz County Planning Department or any other agency as determined by the Board of Supervisors, which is involved in the administration of the County’s Affordable Housing Program.

“Affordable housing” means housing which is affordable to average or below average income households, as required, regulated and allowed by this Chapter. Affordable housing units are the same as inclusionary units for the purposes of this Ordinance.

“Affordable housing guidelines” means the Santa Cruz County Affordable Housing Guidelines adopted by the Board of Supervisors to implement this Chapter (previously entitled the “Santa Cruz County Affordable Housing Program Income, Asset, and Unit Price Guidelines”).

“Applicant” means any person, firm, partnership, association, joint venture, corporation, entity, or combination of entities seeking County permits and approval.

“Assisted housing” means any project receiving all or a portion of its development funding from any local, State or Federal governmental or non-profit funding source which meets the criteria for affordable housing specified in the Affordable Housing Guidelines.

“At one location” means all adjacent land owned or controlled by the applicant, the property lines of which are contiguous at any point, or the property lines of which are separated only by a public or private street, road, or other public or private right-of-way, or separated only by other lands owned or controlled by the applicant.

“Average (moderate) income households” means households with incomes between eighty and one hundred twenty percent of the median household income for the Santa Cruz Primary Metropolitan Statistical Area (PMSA), as determined periodically by the U.S. Department of Housing and Urban Development (HUD). The definition for average income households for the purposes of the ordinance codified in this chapter corresponds to the definition of moderate income households for State and Federally assisted housing programs.

“Below average (lower) income households” means households with annual incomes less than eighty percent of median household income for the Santa Cruz PMSA. The definition for below average income households for the purposes of this ordinance corresponds to the definition of low income households used for State and Federally assisted housing programs.

“Congregate senior housing” means senior housing with individual living units which provides residents with central management, a minimum of two meals per day in a central dining facility, and transportation services. Congregate housing also provides recreational and social activities and facilities. Maid and linen service, sundries, beautician, banking and other similar services may also be made available where they are appurtenant to the congregate use on the site.

Another term used for congregate housing is Life Care Facility, which is a congregate development as described above in conjunction with a nursing and medical facility.

“Dwelling Unit” means a dwelling designed for occupancy by one family or household.

“Eligible purchaser” means a household which is qualified by the administering agency, according to procedures established by the County, as meeting the requirements of this chapter for the purchase of affordable units; or a public body providing affordable housing; or an investor-owner as defined in Subsection (r) of this Section.

“Eligible renter” means a household qualified by the administering agency, according to procedures established by the County, as meeting the requirements of this Chapter for the rental of affordable units.

“Enhanced Affordable” refers to the additional 25% affordable units required in the Regional Housing Need “R” Combining District. These units may be rented at Enhanced Low Income levels or sold at Enhanced Moderate Income levels.

“Enhanced Low Income” means a household earning up to 100% of median income. Rental pricing for units designated as affordable to Enhanced Low Income households is based on 80% of median income, as adjusted for household size.

“Enhanced Moderate Income” means a household earning up to 150% of median income. Sales pricing for units designated as affordable to Enhanced Moderate Income households is based on 120% of median income, as adjusted for household size.

“Final inspection” means an inspection performed by the administering agency to verify completion of the housing project per approved plans and to allow occupancy of housing units.

“Housing costs” means the monthly mortgage, principal and interest, property taxes, association fees, and required homeowner’s insurance for ownership units, and the monthly rent for rental units.

“HUD” means the U.S. Department of Housing and Urban Development.

“Inclusionary housing units” means housing units which are affordable to average or below average income households as required, regulated, and allowed by this Chapter. Inclusionary housing units are the same as affordable housing units for the purposes of this Chapter.

“Investor-owner” means an individual, partnership or corporation which develops or purchases affordable housing units for rental to below average income households.

“Market rate unit” means a dwelling unit which is not subject to the rental, sale or resale regulations of this Chapter.

“Median income” means the median income for the Santa Cruz PMSA, unless otherwise stipulated, as periodically determined by HUD. The current County median income figure is contained in the Affordable Housing Guidelines.

“New dwelling unit” means a dwelling unit that is newly constructed on a site, including replacement dwellings.

“Owner-builder” means an individual or household who proposes to build a unit, with or without the assistance of a contractor, for his/her primary place of residence.

“Project” means a residential development or land subdivision proposal for which County permits and approvals are sought.

“Resale controls” means legal restrictions by which the price of affordable units will be controlled by this chapter for a specified period of time.

“Section 8” means the major federal housing program in which eligible very low income and low income households receive financial assistance to rent housing units.

“Very low income households” means households with annual incomes less than fifty (50) percent of median household income for the Santa Cruz PMSA. The definition of very low income households is used for State and Federally assisted programs and is included in the below average income household category for purposes of this ordinance. (Ord. 3002, 10/28/80; 3329, 11/23/82; 3502, 3/6/84; 3802, 12/16/86; 3881, 12/15/87; 4081, 10/16/90; 4425, 8/13/96; 4662 § 1, 4/23/02; 4755 §§ 1, 2, 1/27/04)

17.10.030 Inclusionary housing requirements for residential development projects.

(a) Projects Subject to Inclusionary Housing Requirements. The following residential development projects consisting of the construction of new dwelling units and/or the creation of new parcels intended for permanent residential occupancy shall be subject to the inclusionary housing requirements of this chapter:

(1) Residential Project at One Location. An application for a residential development at one location, whether to be constructed at one time or in phases, shall be subject to the requirements of this chapter if it will result in the creation of:

(A) Five or more new dwelling units;

(B) Parcels providing building sites for a total of five or more new dwelling units;
or

(C) A combination of new dwelling units and parcels together providing for a total of five or more new dwelling units.

For purposes of this paragraph, “one location” shall include all adjacent parcels of land owned or controlled by the applicant, the property lines of which are contiguous at any point, or the property lines of which are separated only by a public or private street, road, or other public or private right-of-way, or separated only by the lands owned or controlled by the applicant.

(2) Concurrent Adjacent Residential Projects. Applications for concurrent adjacent residential developments which together will result in the creation of five or more new dwelling units, parcels providing building sites for a total of five or more new dwelling units, or a combination of new dwelling units and parcels together providing for a total of five or more new dwelling units, developed by applicants on adjacent properties either at one time or in phases shall be subject

to the requirements of this chapter. For purposes of this paragraph: “adjacent properties” shall include all adjacent parcels of land owned or controlled by the applicants, the property lines of which are contiguous at any point, or the property lines of which are separated only by a public or private street, road, or other public or private right-of-way, or separated only by the lands owned or controlled by the applicants; and “concurrent” applications shall include all applications which have been submitted and are concurrently being processed for action by the County. If the property ownership and application for one project contain no parties in whole or in part, or their spouses, who are also a party to the property ownership and application of the concurrent adjacent development, the concurrent applications may be granted an exception to the affordable housing requirements imposed by this chapter upon a showing satisfactory to the decision-making body that neither project receives direct financial benefit by virtue of the concurrent adjacent development.

(3) Sequential Adjacent Residential Projects. Applications by the same owner or applicant for sequential adjacent residential developments which together will result in the creation of five or more new dwelling units, parcels providing building sites for a total of five or more new dwelling units, or a combination of new dwelling units and parcels together providing for a total of five or more new dwelling units, developed on the same or adjacent properties either at one time or in phases shall be subject to the requirements of this chapter. For purposes of this paragraph: “same owner or applicant” shall include any person who participates in the development as a full or partial owner or applicant, or a spouse of such person; “adjacent properties” shall include all adjacent parcels of land owned or controlled by the owner and/or applicant, the property lines of which are contiguous at any point, or the property lines of which are separated only by a public or private street, road, or other public or private right-of-way, or separated only by the lands owned or controlled by the owner and/or applicant; and “sequential” projects shall include all projects for which applications have been submitted to the County within a period of ten (10) years.

(b) Inclusionary Housing Requirement. The affordable housing obligation for any project identified in subsection (a) of this section shall be calculated by multiplying the number of new dwelling units or new residential building sites by the affordable housing percentage for the type of project, as specified below. Projects which generate an affordable housing obligation of less than a whole unit or a fractional amount more than a whole unit(s) shall contribute funds equivalent to the fractional amount above or below a whole unit to the Measure J Trust Fund, as specified in Section 17.10.034(b) of this chapter. The project developer may elect to construct additional affordable unit(s) instead of paying the fractional fee. Those projects which generate an affordable housing obligation equivalent to a whole unit or units of affordable housing shall construct the affordable dwelling unit(s) within the project pursuant to the requirements of Section 17.10.032 of this chapter, or alternately, shall meet the affordable housing requirement through the options provided in subsection (c) of this section:

(1) Standard Development. Standard development projects shall include the

construction of affordable dwelling units equivalent in number to a minimum of fifteen (15) percent of the total number of new dwelling units and new undeveloped residential building sites in the project;

(2) Bonus Density Development. Development projects qualifying for bonus zoning density pursuant to Chapter 17.12 of this Code shall designate the affordable dwelling units;

(3) Priority Processing Development. Development projects qualifying for priority processing shall meet the requirements of Section 17.10.040 (Standard Priority Processing) by the construction of affordable dwelling units equivalent in number to a minimum of twenty-five (25) percent of the total number of new dwelling units and new undeveloped residential building sites in the project; or development projects which are developed with bonus density and include the construction of affordable dwelling units equivalent in number to a minimum of thirty-five (35) percent of the total number of new dwelling units and new undeveloped residential building sites in the project before the density bonus is applied shall be entitled to priority processing;

(4) Congregate Senior Housing Development. Congregate Senior Housing development projects developed pursuant to Section 13.10.324 of this Code shall designate affordable congregate care units equivalent in number to a minimum of thirty-five (35) percent of the total number of congregate care units in the project;

(5) Non-residential to Residential Rezoning and/or General Plan Amendment.

Non-residential parcels which as a result of a rezoning and/or General Plan Amendment are rezoned or designated as residential shall be required to provide forty (40) percent of the total number of units as affordable in accordance with Section 13.10.215(a)(1) of this Code, except that rezonings into the Regional Housing Need "R" Combining District per Section 13.10.475 through 13.10.478 of this Code are exempt from this requirement. A minimum of one-half of the affordable units shall be affordable to below average (lower) income households. All affordable units must be constructed on-site. Development under these provisions shall only qualify for incentives and concessions relating to site standards as identified in Section 17.12.040 of this Code but are not eligible for additional Density Bonus units. If the calculation of the affordable housing obligation under subsection (b) of this section results in any fractional obligation above a whole unit, the project developer shall contribute funds equivalent to the fractional amount to the Measure J Trust Fund as provided in Section 17.10.034 of this chapter. No alternative options for satisfying the affordable requirement is allowed.

(6) Regional Housing Need "R" Combining District.

(a) The following requirements apply to sites designated in the Regional Housing Need "R" Combining District:

(i) Sites shall first meet the requirements of 17.10.030(b)(1).

(ii) An additional affordable housing requirement of 25% of the total number of new dwelling units is required. Units meeting the 25% requirement will be considered Enhanced Affordable units and shall meet the requirements of 17.10.030(b)(6).

(iii) Notwithstanding subsections (i) and (ii) above, in the event that a Developer believes that the affordable housing requirements for a project proposed for a site designated in the Regional Housing Need "R" Combining District renders the project financially infeasible, the developer may request relief from a proportional amount of the affordability requirements. That request shall be submitted to the Planning Director with all supporting information, including the development pro forma for the project. The Planning Director shall analyze that request and make suitable recommendations to the Board of Supervisors. In the event that the Board finds that the developer has provided evidence that fulfillment of the affordable housing requirements renders the project financially infeasible, the Board shall grant an increase in the allowed unit resale price, above the price restrictions contained in Sections 17.10.030(b)(1) and 17.10.030(b)(6), in an amount equal to that required to render the project financially feasible. In the event that such price modifications are granted, the developer shall grant the County Redevelopment Agency the option to purchase units at the revised sales price for the purpose of writing them down to suitable levels of affordability.

(iv) All affordable units must be constructed on-site.

(v) Developments under these provisions are eligible for concessions relating to site standards as identified in County Code Section 13.10.477(b)3.

(vi) Developments under these provisions are eligible for incentives and concessions relating to site standards as identified in County Code Section 17.12.040 where the percentage of affordable units provided exceeds 40%, but are not eligible for additional Density Bonus units.

(vii) No alternative options, including those set forth in subsection (c) for satisfying the affordable housing requirement are allowed for projects within the Regional Housing Need "R" Combining District.

(c) Alternative Options to Satisfy Inclusionary Housing Requirement. As an alternative to the construction of each affordable dwelling unit within a project as required pursuant to subsection (b)(1) of this section, the affordable housing requirements of this chapter may be satisfied by one or a combination of the following options:

- (1) Payment of an in-lieu fee pursuant to Section 17.10.034 of this chapter in place of constructing a required affordable dwelling unit;
- (2) Participation in the Existing Unit Conversion Program pursuant to Section 17.10.037 of this chapter; or
- (3) Financial contribution to a non-profit sponsored affordable housing project pursuant to Section 17.10.036 of this chapter in place of constructing a required affordable dwelling unit on-site. Where an applicant proposes to satisfy the affordable housing requirement through participation with a non-profit housing developer for the construction of affordable residential units on a different site, the affordable unit requirement shall be based on the total number of new dwelling units and new undeveloped residential building sites included at both sites.

Use of these alternative options requires approval by the Approving Body at the time of the development approval.

(d) Unit Affordability Requirements.

(1) Term of Restrictions. Affordable ownership and rental units shall be subject to the requirements of this chapter for the life of the unit.

(2) Sales Price. The maximum allowable sales price for all affordable housing units created pursuant to 17.10.030(b)(1) ~~the requirements of this section shall~~ be limited to be affordable to moderate income households, unless otherwise required to be affordable to lower income or very low income households in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For affordable units in the Regional Housing Need "R" Combining District, the Enhanced Affordable units shall have a maximum allowable sales price limited to be affordable to Enhanced Moderate income households unless otherwise required to be affordable at a lower income level. The County shall establish maximum allowable affordable unit sales prices pursuant to the pricing guidelines in the Affordable Housing Guidelines adopted by the Board of Supervisors.

(3) Rental Price. The maximum allowable rental price for affordable housing units created pursuant to 17.10.030(b)(1) shall be limited to be affordable to lower income households unless otherwise required to be affordable to very low income households in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For affordable units in the Regional Housing Need "R" Combining District, the Enhanced Affordable units shall have a maximum allowable rental price shall be limited to be which is affordable to Enhanced Low income households unless otherwise required to be affordable at a lower income level. The County shall establish maximum allowable affordable unit rental prices pursuant to the pricing guidelines in the Affordable Housing Guidelines adopted by the Board of Supervisors.

(4) Unit Occupancy. For units developed pursuant to 17.10.030(b)(1), the income and assets of owner-occupant households shall not exceed the limits for a moderate income household, and for tenant households shall not exceed the limits for a lower income household, unless more stringent limits are required in order for the project to qualify for bonus zoning density pursuant to Chapter 17.12 of this Code and/or public funding programs. For Enhanced Affordable units (17.10.030(b)(6)), the income and assets of owner-occupant households shall not exceed the limits for an Enhanced Moderate income household, and for tenant households, shall not exceed the limits for an Enhanced Low income household, unless more stringent limits are required by funding sources. The County shall establish maximum allowable household income and asset levels in the Affordable Housing Guidelines adopted by the Board of Supervisors. Sales and rental contracts for affordable units shall not be enforceable, and sale and occupancy of units shall not be allowed until the purchasing and/or occupying household is certified by the County as meeting the established income and asset limits.

(e) Development Permit and Tentative Map Procedures.

(1) Development Application. All appropriate maps and other materials submitted with an application for approval of a Residential Development Permit and/or

Tentative Map for a project subject to the affordable housing requirements of this chapter shall explicitly identify those residential units and/or residential parcels within the project sufficient to satisfy the project's affordable housing requirements, and shall also indicate the affordable housing option(s) pursuant to subsections (b) and (c) of this section that the developer will utilize to fulfill the requirements of this chapter. The identification of affordable units and/or parcels within the project shall be provided to ensure compliance with the requirement of this chapter regardless of which of the affordable housing options is approved by the Approving Body.

(2) Development Conditions. The conditions of approval of a Residential Development Permit and/or Tentative Map shall indicate how the development will meet the inclusionary housing requirements of this chapter. Those projects that will include construction of affordable units on site shall identify residential units and/or residential parcels within the project adequate to satisfy the project's affordable housing requirements. Such identification of affordable units shall be provided to ensure compliance with the requirement of this chapter.

(f) Participation Agreement Procedures. Prior to the recording of the Final Subdivision Map or the issuance of any Building Permits for residential units within the project, whichever event occurs first, an Affordable Housing Program Participation Agreement shall be signed by the Planning Director, or his or her designee, on behalf of the County and by the owners of the property having authorization to encumber the property and by any existing holder of trust deeds on the property. The Participation Agreement shall be binding on the heirs, assigns and successors in interest of the property owner, and shall be recorded in the Official Records of Santa Cruz County. The Participation Agreement shall include, at the minimum, the following provisions:

(1) Binding of the Project Site. The Participation Agreement shall contain the affordable housing requirements established for the project pursuant to this chapter and shall encumber the entire property on which the project is to be developed with the obligation to fulfill such affordable housing requirements.

(2) Lien on Designated Parcels. The Participation Agreement shall create an enforceable lien on each of the affordable parcels designated in the conditions of project approval, or alternately on every parcel in a project where the in-lieu fee option is chosen, to allow for collection of an in-lieu fee pursuant to Section 17.10.034 of this chapter regardless of the option selected to satisfy the affordable housing requirement for the project. This lien is intended to allow for collection of such in-lieu fee(s) if needed to enforce compliance with the requirements of this chapter and shall be released by the County upon fulfillment of the affordable housing obligations pursuant to this chapter.

(3) Selection of Affordable Housing Option. The Participation Agreement shall designate the option selected by the applicant for satisfying the affordable housing requirements of this chapter. The project developer may subsequently change the designated option for satisfying the project's affordable housing obligations through an amendment approved by the Approving Body upon a written finding that all applicable requirements for the option selected shall be met. In approving an amendment, the Approving Body may impose reasonable

conditions upon the applicant to ensure compliance with the provisions of this chapter. In the event of such an amendment, a new Participation Agreement shall be executed and recorded in accordance with the requirements of this section to reflect the new option selected.

(4) Project Covenants, Conditions and Restrictions. The Participation Agreement shall include a provision prohibiting any amendments to a project's Covenants, Conditions and Restrictions that would increase the proportion of the homeowners association assessment payable by any affordable housing unit, and shall create a right of judicial enforcement of this requirement by the County and/or the owner of any affected affordable unit exclusively in favor of the owner of each affordable unit in the development.

(5) Enforcement. The Participation Agreement shall include a provision providing for the payment by the owner to the County of a reasonable rental value of an affordable unit from the date of any unauthorized occupation, and for the recovery by the County of reasonable attorney fees and costs required to pursue legal action to enforce the agreement. (Ord. 4509, 8/25/98; 4662 § 2, 4/23/02; 4764 § 4, 6/22/04; 4767 § 4, 8/3/04; Ord. 4783 § 4, 4/26/05; Ord. 4817 § 3, 3/7/06)

17.10.032 Development of on-site affordable dwelling units.

(a) Affordable Unit Standards. ~~Affordable dwelling units may be constructed within a residential project with reduced size and interior amenities.~~ Except as otherwise defined in 13.10.477(b)(3) for projects in the Regional Housing Need "R" Combining District, affordable dwelling units may include reduced interior amenities compared to the market rate units provided that the affordable units comply with all development standards enumerated requirements in the Affordable Housing Guidelines as well as the following development standards:

1. Unit location. The affordable dwelling units shall be distributed throughout the development project. This distribution requirement may only be waived by the decision-making body upon a finding that such distribution is infeasible for one or more of the following reasons:

(i) Significant topographic or other constraints exist rendering such distribution infeasible; or

(ii) Substantially improved site design will result from such waiver; or

(iii) Substantially improved building design and an approved unit amenity level will result from such waiver; or

(iv) Significant economic hardship that does not apply to other projects in the County will result from such distribution.

2. Parcel Size. The parcels on which the affordable units are located shall be no smaller than the smallest parcel on which market rate units in the project are to be located.

3. Bedroom Count. The average bedroom count in the affordable units shall not be less than the average bedroom count in the market rate units in the project. Affordable units located in projects in the Regional Housing Need "R" Combining

District, shall be allowed to average 0.5 of a bedroom less than the average number of bedrooms in the market rate units.

4. Exterior Design. The exterior design of the affordable units shall be consistent with the market rate units in the development based on exterior design details, materials and number of stories, with no significant identifiable differences between the units visible from the street. In addition, the size of affordable units shall be reasonably consistent with the rest of the project, with an affordable unit size not less than seventy-five (75) percent of the average size of market rate units, except that all affordable units in the Regional Housing Need "R" Combining District shall not be less than seventy (70) percent of the average size of the market rate units, unless a smaller unit size is allowed by the decision-making body at the time of project approval and with the written findings that a smaller size will provide adequate and decent affordable housing, the affordable units will provide housing units compatible with the remainder of the development, and that a larger unit size would impose a financial hardship on the project developer. In no case shall an affordable unit size be less than the minimum specified by the Affordable Housing Guidelines.

(b) Timing of Completion. Affordable units shall be made available for occupancy either prior to or concurrently with the date that the market rate units in a project are made available for occupancy, and in the same ratio as the affordable unit requirement which is applicable to the project. For example, for a project with a twenty-five (25) percent affordable housing requirement, at least one affordable unit shall receive final Building Permit inspection clearances concurrently with or prior to the final clearance of every third market rate unit constructed in the project until all of the affordable housing units required in the project have been constructed. For a project with a fifteen (15) percent affordable housing requirement, at least one affordable unit shall receive final Building Permit inspection clearances concurrently with or prior to the final clearance of every sixth market rate unit constructed in the project until all of the affordable housing units required in the project have been constructed. In no case shall the last market rate unit in the project receive final Building Permit inspection clearances until the last affordable unit in the project has received final Building Permit clearance.

(c) Recording of Declaration of Restrictions. Prior to the issuance of a Building Permit for an affordable dwelling unit, the property owner having authority to encumber the property and any existing holders of trust deeds on the property shall sign an Affordable Housing Program Declaration of Restrictions which subjects the affordable unit to the requirements of this Chapter and the County's Affordable Housing Guidelines, both as amended from time to time, including the specific ownership and occupancy restrictions established for the units pursuant to Section 17.10.030(d). The Declaration of Restrictions shall be permanently binding on the heirs, assigns and successors in interest of the property owner, and shall be recorded in the Official Records of Santa Cruz County. (Ord. 4509, 8/25/98; Ord. 4662 § 4, 4/23/02)

17.10.070 Ownership unit requirements.

(a) The owner of an affordable ownership unit, on its sale or resale, shall sell the unit to an average or below average income household for a price mutually agreed upon by the buyer and seller provided that this price is not in excess of the maximum sales price set according to the provisions contained in the Affordable Housing Guidelines.

(b) Prior to offering a unit for sale, the owner shall send a written Notice of Intent to Sell to the administering agency.

The administering agency will then notify the owner of the current maximum sales price. Prior to the close of the sale, the owner shall notify the administering agency of the proposed sale price and the administering agency shall review the proposed sale to assure conformance with this chapter and with the Affordable Housing Guidelines.

(c) Upon the sale of an affordable housing unit, the purchaser shall be required to enter into a new Affordable Housing Declaration of Restrictions which incorporates all current policies contained within the Affordable Housing Ordinance and Affordable Housing Guidelines.

(d) Closing costs and title insurance shall be paid pursuant to the custom and practice in the County of Santa Cruz at the time of opening of escrow. No charges or fees shall be imposed by the seller on the purchaser of an affordable unit which are in addition to or more than charges imposed upon purchasers of market rate unit, except for administrative fees charged by the administering agency established in the Affordable Housing Guidelines.

(e) The purchaser of an ownership affordable unit shall verify in a form acceptable to the County that the unit is being purchased for the purchaser's primary place of residence, and that if this unit ceases to function as his or her primary residence, it will either be sold according to the requirements of this chapter or rented to an eligible below average income household as certified by the administering agency in accordance with the requirements of Subsection 17.10.050 (c) and (d) below.

(f) The following transfers of title or any interest therein shall not be treated as a sale or resale under the provisions of this section provided, however, that the Affordable Housing Restrictions shall continue to run with the title to said unit following such transfers:

(1) Transfers by gift, devise or inheritance to the purchaser-owner's spouse or children, or

(2) Transfers of title to a spouse as part of a divorce or dissolution proceeding, or

(3) Acquisition of title or interest therein in conjunction with marriage, or

(4) Acquisition of the unit by an employer pursuant to an employer sponsored relocation program, and subsequent sale by the employer to an eligible purchaser or the County. In order for this exception to be applied, a new Affordable Housing Declaration of Restrictions shall be recorded, both when the employer acquires the unit and when the unit is sold to an eligible purchaser. No rental of the unit is permitted pursuant to this exception.

(g) The Board of Supervisors may provide, by resolution for a shared equity option, to allow the builder and purchasers of affordable ownership units to share in the ownership of such units. (Ord. 3002, 10/28/80; 3234, 5/18/82; 3329,

■1/23/82; 3502, 3/6/84; 3802, 12/16/86; 3881, 12/15/87; 4081, 10116/90; 4425, 8/13/96; Ord. 4755 § 5, 1/27/04)

17.10.080 Eligibility for rent or purchase.

(a) The County shall establish, by resolution, income requirements for average or below average income households; asset requirements for purchasers or renters of affordable units; and formulas for establishing maximum housing unit monthly rents and maximum sales prices. In establishing levels of very low, below average and average household income, the County shall consider median household income and household size. The County may adopt additional administrative guidelines as necessary to provide for additional eligibility criteria, or to assure affordability of units.

(b) The administering agency shall review the assets and income of prospective purchasers and renters of affordable units and shall inform them of the requirements of this program.

CALIFORNIA ENVIRONMENTAL QUALITY ACT NOTICE OF EXEMPTION

The Santa Cruz County Planning Department has reviewed the project described below and has determined that it is exempt from the provisions of CEQA as specified in Sections 15061 - 15332 of the CEQA Guidelines for the reason(s) which have been specified in this document.

Application Number: N/A
Assessor Parcel Number: Various sites within the Urban Services Boundary
Project Location: Countywide

Project Description:

Ordinance amendments to establish a combining zone district necessary to rezone sufficient acreage to a twenty-unit per acre density in order to comply with the County's adopted and certified Housing Element. These amendments constitute textual changes to the ordinance only and will not be applied to any specific property.

Person or Agency Proposing Project: County of Santa Cruz

Staff Contact and Phone Number: Sarah Neuse (831) 454-3290

- A. The proposed activity is not a project under CEQA Guidelines Section 15378.
- B. The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
- C. **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
- D. **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).

Specify type:

E. **Categorical Exemption**

F. Reasons why the project is exempt:

See Attached.

In addition, none of the conditions described in Section 15300.2 apply to this project.

Staff Planner: Sarah Neuse Date: May 2, 2007

High Density Housing, Combining District, Notice of Exemption.

The textual changes to the zoning ordinance are necessary to implement the County's Housing Element that was recently certified by the California Department of Housing and Community Development.

CEQA review was performed when the Board of Supervisors adopted the Housing Element and a Negative Declaration was prepared **and was** not legally challenged. **At** the time specific sites are rezoned, each will undergo CEQA review as **part** of that process. Because the current ordinance amendments consist solely of textual changes to the County's zoning ordinance, are not applied to any particular property, and will cause no change in the physical environment, staff **has** determined that this action does not constitute a project. To the extent the current ordinance amendments could be construed to be a project, CEQA provides that "*general policy and procedure making ...*" as referenced in CEQA Guidelines § 15378(b) is exempt from CEQA. The current ordinance amendments constitute such general policy **and** procedure making.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT
NOTICE OF EXEMPTION**

The Santa **Cruz** County Planning Department has reviewed the project described below and has determined that it is exempt from the provisions of **CEQA** as specified in Sections 15061 - 15332 of the CEQA Guidelines for the reason(s) which have been specified in this document.

Application Number: **N/A**

Assessor Parcel Number: Various sites within the Urban Services Boundary

Project Location: Countywide .

Project Description:

Ordinance amendments to establish affordability and development standards for and insert proper references to the proposed "R" combining zone district necessary to rezone sufficient acreage to a twenty-unit per acre density in order to comply with the County's adopted and certified Housing Element. These amendments constitute textual changes to the County's affordable housing ordinance only.

Person or Agency Proposing Project: County of Santa Cruz

Staff Contact and Phone Number: Sarah Neuse (831) 454-3290

- A. The proposed activity is not a project under CEQA Guidelines Section 15378.
- B. The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
- C. **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
- D. **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).

Specify type:

E. **Categorical Exemption**

F. Reasons why the project is exempt:

See Attached.

In addition, none of the conditions described in Section 15300.2 apply to this project.

Staff Planner: Sarah Neuse Date: May 17, 2007

High Density Housing Combining District Affordability and Site Standards, Notice of Exemption.

The textual changes to the zoning ordinance are necessary to implement the County’s Housing Element that **was** recently certified by the California Department of Housing and Community Development.

CEQA review was performed when the Board of Supervisors adopted the Housing Element and a Negative Declaration was prepared and was not legally challenged. **At** the time specific sites are rezoned, each will undergo CEQA review as **part** of that process. Because the current ordinance amendments consist solely of textual changes to the County’s affordable housing ordinance and will **cause** no change in the physical environment, staff has determined that this action does not constitute a project. To the extent the current ordinance amendments could be construed to be a project, CEQA provides that *“general policy and procedure making ...”* as referenced in CEQA Guidelines § 15378(b) is exempt from CEQA. The current ordinance amendments constitute such general policy- and procedure-making.

CBD BOSMAIL

From: CBD BOSMAIL
Sent: Tuesday, June 12, 2007 7:15 AM
To: CBD BOSMAIL
Subject: Agenda Comments

Meeting Date : 6/12/2007

Item Number : 36

Name : Rose Marie McNair

Email : realrose@norcalbroker.com

Address : 4743 Soquel Creek RD
Soquel, CA 95073

Phone : 831 476 2102

Comments :
Jun12, 2007

Honorable Supervisors:

In the creation of the "R" combining district, one question is: is this in compliance with the State "By Right" Building law? and, I am curious to see if the high inclusionary element will actually produce the affordable units intended, in future.

In reviewing the Regional Housing Need "R" Combining District, ordinance, I have two housekeeping comments:

- 1) On Friday late morning/early afternoon when attempting to access this agenda packet and others on today's agenda, the "link" was missing. I called the office of the Clerk of the Board, and apparently, they were unaware of this omission. In keeping with providing information to the public, this is very important that access be available in a timely fashion, for legal and informational purposes. I do not know when it became available as I did not check it again until today. I realize this is just an oversight and the Clerk of the Board is amazing at the work they do to produce these agenda packets. However, for the sake of NOTICE, I wanted to address this issue.
- 2) Page 10, Exhibit B (middle of the page) is not readable. Again, we do need the complete document for review and public access.

Thank you for your consideration and full review of this ordinance.

Rose Marie McNair, Broker
476-2102

CBD BOSMAIL

From: CBD BOSMAIL
 Sent: Saturday, June 09, 2007 1:37 PM
 To: CBD BOSMAIL
 Subject: Agenda Comments

Meeting Date : 6/12/2007**Item Number** : 36**Name** : JOE RITCHEY**Email** : joe.ritchey@stanfordalumni.org

Address : 1088 IA MADRONA
 DR,
 SANTA CRUZ, 95060

Phone : 831-426-6863**Comments** :

Dear Honorable Board Member,

Concerning Item 36 on June **12**, 2007 Agenda :Continued Consideration of the Addition of the Regional Housing Need "R" Combining District to the County Code and Related General Plan/LCP and Affordable Housing Ordinance Amendments Necessary to Implement the Rezoning Program of the County's Housing Element

APPRECIATION FROM A SOMEWHAT INFORMED LANDOWNER AND EXPRESSION OF CONCERNS.

Not enough people thank you for the the time, energy and insightful deliberation you week upon week put into the job of representing us, the Community of Santa Cruz, County, and in representing greater humanity . After sitting through just the consideration of the Affordable Housing Ordinance , I have been reminded of the dedication you give back to us

Due to the late receipt of the 60 pages, I was not able to digest and respond to the County materials in the one work day following receipt of the staff report, not even mailed to me until May 31th . So that you have the now more considered insight of an 'experienced' landowner who will be among those most financially effected by your deliberations on this affordable housing 'maiden and pioneering' proposed ordinance, I now submit additional comments.

None of the effected landowners I have met have any similarity to the William Faulkner portrayed Flem Snopes. None I have encountered are like the untransformed Scrooge , inclined to put greed ahead of what is right. Most all did not buy nor continue owning these selected lands with the conscious thought of large profits. I know when nearly 50 years ago my mom and dad bought our **4** acres on 7th, the idea of large profits from Real Estate did not even much exist in Santa Cruz County. They bought because friends owned it and wanted to retire. My parents thought it was an opportunity to secure what was then rural property for the our families future growth.

6/11/2007

36

As you know from my past letters, my own immediate ancestors were homeless and at times jobless as a result of the 1929 crash, and had a very hard life during the depression. Starting as young children we were taught to appreciate the plight of those temporarily less well .

However, no matter how much we empathize with those of us who are in need of assistance, I cannot let myself 'give away' or have taken away by a potentially financially devastating ordinance , one of the major family assets my father and mother gave their lives in an attempt to leave to their children and grandchildren more secure than they were.

We are worried about what might be the financial impact on us and other of the landowners who have been singled out as those who must relieve the County of Santa Cruz [and Planning Department] from not just the Saldana judgement, but from the failed housing and land use policies of the last 30 years.

Even though I wish our land had not been chosen ,since there are so many unanswered questions and thus I must reserve my full legal rights to , if necessary, challenge this ordinance in court, I am somewhat excited about working on setting the 'tone' and 'benchmark ' for a successful joinder of private and public participation in providing affordable housing and market rate housing. Someone needs to show the ' nearness' of low income is not a death knell to a landowners desire to protect his family's existing and future financial security.

I am an optimist. I was raised to be one. I do though have some fears about this project. I wish the county had been given more time to do a 'proper' environmental assessment and financial analysis of its effects on landowners before the ordinance got so far. The legal opinion that an environmental assessment [EIR under CEQA } need not be done may have been appropriate when the proposal was elective and the properties not "selected" but with the conversion of the proposal to a mandatory designation, the 'correctness' of the 'no EIR' opinion seems very shaky. As I believe the Ritchey properties and the other properties have been selected, I need to ask the county to comply with its own and state law. To assert the properties have not been selected is a fiction and , if this were an ordinance not pressed upon the County by Saldana, we would not be subjected to, and the County would not even suggest, such a smoke screen. The Saldana deadlines and consequences of not meeting them are what is driving not only this 'no EIR fiction and indeed, the entire ordinance with its 'form only' review.

I also remain concerned about the 'forced sale' nature of the ordinance and the setting of price by the County, who clearly is "the buyer." That is a difficult concept to accept. No matter how it is spun, it is well recognized that, in this proposal, the landowner, developer, may be, [likely will be] coming to the County 'hat in hand' and it is the County that will be saying ' here is the price we will pay you to bail you out from the requirement of 40% low cost that we are forcing upon you. ' I have already been approached by Tax Exempt Associations wanting to buy our land and move forward under the ordinance. No private developer has dropped a "will you sell" letter in my post box. It will be the government forcing the landowner to build such an admittedly shaky project - or to sell - and telling the landowner/developer what the buyer, the government, will pay in the forced sale, if the landowner wants relief from this financially threatening ordinance that only allows land be developed of a project that provides at least 40% affordable housing, at a density of 20 units per acre. This is unsettling.

Even though I wish I was not going to be forced to risk my childrens' financial future, and

assuming the County will not do an EIR, I will commit to attempting to make the Ritchey participation as environmentally friendly as we can financially justify. We will do our part to set a good standard for the future. Few, if any, successful developers will want to build cheap affordable housing or allow others to build it, assuming a profit and non-profit jointly develop. I know that on our family land, to allow this to have a chance of financial sanity, it is likely affordable will have to be built in close proximity to the market rate units. To risk building ugly or cheap affordable units would destroy the chances of selling the market rate units for any 'market rate' price. To have even an ugly, cheap, shoddy clustered affordable element anywhere on our land would surely draw down the price for which the market rate housing could be sold. Market rate owners do not want to buy into nor live near a ghetto. There is simply no possibility that a 'cheap/shoddy product and a market rate product will be built or participated in by us. Owners/Developers would be negatively impacting the market rate sales by having shoddy affordable units. We will be racking our creative brains to figure out how to build the best affordable units possible. The tone for the entire street, certainly our property, will be set by the affordable units, not the other way around.

Quality will not be lessened by a smaller size of the affordable units. Making it smaller does not mean it will not be quality and quality is usually not a function of size. In fact, in my experience of participating as an active partner in the acquisition of raw land and construction and sales of nearly 50 SFR in Seaside and Santa Cruz, 'compactness' has increased the possibility of building quality, efficient and environmentally friendly homes. If one were to build a low quality 'ghetto appearing' product, such a person will not be able to sell the market rate units for what will be needed for an economically successful project.

We/you will not get everything right in this ordinance. It is being rushed. Even if not rushed, everything would not be 'gotten right.' This is 'the first' the beginning. You are helping to set a standard for the future. as you go through your additional deliberations, please remind yourselves, this is the first. You, we, cannot now be all foreseeing. Your staff has given a great amount of consideration to this but there will be and should be modifications as you and we learn. Hopefully this beginning will lead to an "evolving" legacy, left to future landowners, that 'proximity' of different economic strata need not to be financially, emotionally or environmentally feared. My family and I have protected and nourished the environment and will continue to do so. We have been stewards of this land and others. Carefully use our land. There is only so much land and only one earth. We must not waste what we now have on ego driven size 'homes that must be our castles.' We will do what we can to insure this land is wisely used, so my children's children and their children look with pride at how we responded to a community, state and even wider obligation to assist those temporarily less fortunate. I hope the greater part of the obligation is not carried mostly by us few who are about to be forced to dedicate their land and security to relieve the County from, as Saldana argued, planning failures of the last 30 years.

Than brings me to another point I did not have time to make at the hearing. I am a minimalist of sorts. My family and I, [me, my wife and two children] live in a 1,600 Sq Ft 78 year old home. We live on beautiful old farm land that today has no value as a farm and which only has value as "land." While we at times have wished we had more room in our house, we have lived a good life, sometimes camping outside 'under' the stars that are becoming more difficult to see as our skies become opaque due to Global Warming, warming partly due to the extravagance of our society. Not living in an 'ego Castle' has helped make us a closer family. We appreciate knowing our life style is not significantly contributing to the degradation of our world. We heat our house with a wood stove only, sometimes assisted by a space heater near

my side of the bed, in the winter, as my arthritis becomes more active and as I get older. Neither my family or I ever think we live in an inferior house, even though we know it is not a big house.

I ask that you not force landowners and developers build affordable housing of a size driven by the egos or false needs of 'the rich'. There is only a limited amount of land in Santa Cruz, and even less that can be dedicated to what should be transitional housing for those temporarily in need. Assisted or subsidized housing should be transitional, not an end point. As those who now need a helping hand benefit from assistance, quality schooling for their children and better work opportunities, they will hopefully become able to afford larger or more grand housing. If that is what they feel is needed in life, they should be encouraged to move and let someone else move in. Because land is so precious in Santa Cruz, what affordable assisted housing is made available should be 'recycled' and not seen as a stopping point. If, as the assisted family grows financially and 'in numbers' they come to believe size, not quality is necessary to a good life, hopefully they will move on and let another family take their place in in assisted housing

In the 1950s, when I was a teen ager, in 1960 when I was in college and 1970's when I came back from my unique 4 years of serving my county overseas, homes were, on the average, much smaller than today. The home size then did not limit the joy of home ownership my parents were finally able to experience nor the quality of life they and the community provided me and my brothers. It is not the size of the home that should matter, it is the quality of life and opportunities available that should be the measure of what is needed. My parents taught me that the quality of life need not be a function of 'living up the Jones'. The quality of life is not to be externally determined by what others have; it is what I have made of myself and given back to my parents, to my wife and children, to my community, and humanity.

Because I was given so much, I will do what I can to make a success of this historic moment. Please do not begrudge me that I hope it financially works out the best we can make it for my family. I hope those I help assist will be able to do the same one day for their children and the children of the earth. They do not need to live in mini-grand palaces to give the love and opportunities - the good life- to their children that my parents and the community gave me. The supply of land is limited; the amount of family love, educational and employment opportunities need not be. As the 'first man' of a president of a local PTA, and as the recipient of family love and educational opportunities, I have come to know what in life is most needed and not even one of them is 'a large house'. It is adequate housing, opportunities for education and the ability to earn a living sufficient for my needs and the needs of my family.

Thank you helping provide for the needs of those who temporarily do not have the means to provide for one of their families basic needs, which is decent housing. Quality/decent housing is not synonymous with large houses. As those we assist 'move up', they can move up in home size as well, if they want, but they should be encouraged to move up from/out of assisted or subsidized housing. If at some point they want to live in house like the Jones, they should do so on their own and let another 'temporarily in need' take their place in the very limited supply of subsidized quality housing.

Joe, Anne, Jason and Jeremy Ritchey