

County of Santa Cruz

PLANNING DEPARTMENT

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June 1, 1999

Agenda: June 8, 1999

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

PROPOSED ORDINANCE TO ALLOW CONVERSION OF RVPARKSTOPERMANENTOCCUPANCY

Dear Members of the Board:

Approximately one year ago, your Board directed staff to review the County's current policies relative to long term residency in Recreational Vehicle Parks currently permitted for short term occupancy. Since that time, an informal RV Work Group, consisting of Planning staff and staff from other departments with expertise in this area, including County Counsel, the Redevelopment Agency, Environmental Health and the CAO's Office, have convened regular meetings and have identified a number of initiatives necessary to address the unique circumstances applicable to the use of RV parks as permanent housing.

RV parks provide for a source of affordable housing throughout the County. While these parks technically operate in violation of 30-day use permits, these facilities nonetheless provide for a source of housing not otherwise available in the housing market. Given the high cost of housing in our community, it is not surprising that some families at very low income levels have been forced to rent a wide variety of housing which was not built or permitted for year round occupancy. In addition to RV parks functioning as permanent housing, the greater number of illegal second units, conversion of older motels to full time occupancy and the trend towards year round use of previously farm worker housing project and summer cottages are all part of a phenomenon which characterizes our ever tightening local housing market.

Given the pressing need for affordable housing in our community, your Board has consistently supported efforts to preserve the existing affordable housing stock. In recognition that RV parks function as affordable housing, your Board directed staff to develop a program which allows for the conversion of RV parks to permanent housing through the land use review process.

Initially, upon reviewing the status of RV parks in the County, the RV Work Group identified a number of issues and potential initiatives designed to address the needs of RV park residents. To this end, last August your Board extended the County's relocation ordinance to cover permanent residents residing in RV parks. Most recently, on the May 25, 1999 agenda, your Board initiated changes to the Mobile Home Rent Control Ordinance to facilitate the applicability of the ordinance to RV park residents. These two measures reflect Board policy to afford RV park residents with the same protections that apply to other County renters or mobile home park residents.

The focus of the RV Work Group has been developing an ordinance to allow for the conversion of RV parks to permanent use. To the end, a conceptual overview of policy options was considered by your Board this past March (Attachment 1). The March report to your Board discussed a wide range of issues associated with RV parks. That report indicated that the most significant issues associated with the use of RV parks as permanent housing involve health and safety issues associated with inadequate sewage disposal systems that were not designed for permanent residency. Because parks located in the urban area are connected to sewer systems and do not experience the same level of health and safety issues, your Board directed that policies allowing for the formal conversion of RV parks to permanent housing would only apply to parks in the rural areas. Furthermore, it was suggested that the County's code enforcement activities related to RV parks be focused on those with serious health and safety issues.

Following the Board direction included in the March report, staff has prepared a draft ordinance for consideration (Attachment 2) which provides a clear policy framework to guide the transition of currently illegal parks to a condition of both permit conformance and improved quality of life for park residents.

Ordinance Overview

The March report to your Board on this issue laid out the following policy objectives for a draft ordinance:

- the maximum number of units allowed for permanent occupancy would be the number currently allowed under the existing permits for short-term occupancy;
- the actual number of units allowed would be based upon the site carrying capacity, including water and sewer system capacity, and the ability to address site design constraints:
- the project would be subject to basic design criteria, including parking requirements, setbacks, minimal roadway widths, community areas and amenities (with flexibility to work with unique site conditions);

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- the provision of a plan for assisting any tenants dislocated as part of the conversion and replacing units lost as a result of the conversion;
- the project sponsor would need to provide for stringent control of the total units allowed and general control of unit occupancy through strong property management efforts; and
- the project would need to provide for affordability controls to assure that units are protected long-term for rent by lower income households.

In addition to incorporating the specific policy directives above, the proposed draft ordinance provides specificity of how these more general goals could be accomplished. In particular, the ordinance provides for the following:

- Affordability Restrictions. Rent levels are proposed at a level affordable for very, very low income households, with half of the monthly housing cost available for space rents and half for unit rent or mortgage costs.
- Relocation Assistance. Dislocation concerns are addressed in two ways. The
 need to minimize dislocation of residents is recognized through special variance
 findings. As well, the proposed ordinance reaffirms the Board's earlier action to
 require the owner to provide relocation assistance for residents dislocated as a result
 of a conversion resulting from a code enforcement action.
- Park Improvement Plan. In order to assure that the park is upgraded to reasonable standards while maintaining housing affordability, the owner would be required to submit a plan as part of the conversion application, which details the proposed park improvements, a budget for those improvements, and a method of financing those costs without raising rents above the restricted rent levels.
- Improved Water and Sewer Systems. Any conversion would be required to upgrade water and sewer systems to meet the needs of a year-round population. If the site does not have capacity for adequate water and sewer services, the unit number and/or tenant population would need to be reduced to meet the site's carrying capacity.
- Site Development Standards. The ordinance includes specific standards for site development, including setbacks, parking, open space requirements, and road widths.

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- Individual Unit Standards. As well, standards are provided for individual units, including general provisions for upgrade of units over time to meet basic State-required health and safety requirements
- Adequate Property Management. As part of the conversion permit application, the
 owner would be required to submit a detailed plan for long term property
 management, including a budget and provisions for hiring both a property manager
 (approved by the County) and an on-site manager.
- Capital Improvement Funding. In order to ensure that adequate funds are available for the required site improvements, the ordinance provides that all funds allocated for capital improvements of the park be administered by the property manager, with the County needing to approve distributions from that fund.
- Permit Compliance. To ensure that parks approved for conversion proceed in a fashion consistent with the permit requirements, a series of periodic compliance reports, inspection provisions, and a process for recovering County permit compliance costs are proposed.

Ordinance Review Process

The attached ordinance is provided to the Board at this time for conceptual review. Ultimately, the draft ordinance will need to be referred to the Planning Department for the ordinance amendment process, including Environmental Review and review by the Housing Advisory Commission and the Planning Commission. It appears that process could be completed and the item return to your Board for final adoption in November of 1999. While the ordinance amendment will then need to be reviewed by the Coastal Commission for conformance with our Local Coastal Plan, it has been written to take effect outside the coastal zone after your Board's November action.

Conclusion/Recommendation

With the critical shortage of housing in our area, especially for very low income families, it is wise public policy to provide a means for legally converting seasonal RV parks to **year**-round occupancy. At the same time, given the history of the use and management of these parks, it is important to only allow such conversions within clearly-defined policies which can be closely monitored over time. We believe that the draft ordinance before you strikes that balance. Conceptual approval of the proposed ordinance at this time will begin the formal review process and allow the ordinance to return to your Board later this year for final action.

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

- 1. Consider initial public comments on the proposed ordinance;
- 2. Conceptually approve the attached ordinance and refer it to Environmental Review, the Housing Advisory Commission and Planning Commission for consideration; and
- 3. Schedule the ordinance for formal consideration by the Board on November 9, 1999.

Very truly yours,

Alvin D. Jamés
Planning Director

RECOMMENDED:

Susan A. Mauriello

County Administrative Officer

Attachments

cc. RDA

CAO

County Counsel

Housing Advisory Commission

Legal Aide

Center for Community Advocacy

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County of Santa Cruz

PLANNING DEPARTMENT

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March 16, 1999

Agenda: March 23, 1999

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

POLICIES RELATIVE TO LONG TERM OCCUPANCY OF RV PARKS

Dear Members of the Board:

Last Spring your Board, in the context of reviewing the County's code enforcement activities at the Marmo's RV Park, directed staff to review the County's current policies regarding occupancy of RV parks and develop possible options for use of permitted RV parks for long term occupancy. Your Board also directed staff to provide a status report of code enforcement efforts pursued in connection with Marmo's Trailer Park. A brief status report concerning enforcement efforts related to Golden Torch Trailer Park has been included for your consideration as well. Since May, 1998, Planning staff have worked closely with a number of County departments in order to better understand the RV Park/permanent housing issue, including County Counsel, the Redevelopment Agency, Environmental Health, and the CAO's Office. This report summarizes the results of those discussions and recommends an approach for allowing long term occupancy under a special permit review process.

Background

The cost of housing has continued to become a more critical problem in Santa Cruz County for the past two decades. Over that time housing costs have become further and further out-of-reach for the typical local wage earner (low to moderate income families). For those earning even lower incomes, the problem has become desperate. As the housing market has become less affordable, families at very low income levels have been forced to rent housing which was not built or permitted for year round occupancy. The greater number of illegal second units, conversion of older motels to full time occupancy and the trend towards year-round use of previously seasonal Recreational Vehicle parks, farmworker housing projects and summer cottages are all signs of the ever-tightening local housing market.

With the increasing demand for affordable housing, the County is facing a dilemma,

particularly with the scarcity of available sites for new housing projects and the difficult issues associated with siting and developing projects compatible with neighborhood values. As a result, over the past years the County's affordable housing efforts have shifted to focus more on protecting existing affordable housing resources. These programs typically have been well-received by the community and have resulted in dramatically improved quality of life for the affected lower income households. Numerous programs and projects have operated successfully, including:

- acquisition and rehabilitation of the Murphy's Crossing farm labor camp;
- development of an ordinance to provide for reconstruction of non-conforming farm labor housing;
- acquisition and rehabilitation of the San Andreas farm labor camp (underway);
- the first time homebuyer loan assistance program;
- adoption of changes to the non-conforming uses ordinance to make it easier to improve existing non-conforming housing;
- housing and mobile home rehabilitation loan programs.; and
- mobile home rent control as a means to maintain the affordability of mobile homes.

It is within the spirit of these past policy directives that your Board directed staff to explore options for permitting year round occupancy of RV parks.

RV Park Overview

Over the years the County has issued land use permits for a number of visitor-serving RV Parks — located throughout the unincorporated area. Based upon a Planning Department' survey conducted in preparation for this report, there are thirteen permitted RV parks (three in the urban area and ten in the rural area) that have been permitted for about 994 RV and camping spaces. The survey of these sites indicates that approximately 664 spaces are, indeed, used for short-term occupancy. However, the survey also indicated that there are approximately 330 permanently occupied units within nine of these parks (three urban and six rural parks). While parks that contain year-round occupancy are technically in violation of permit conditions restricting occupancy to short term use, based on our survey, there are only a few parks — all located outside of the urban services line -which have particularly egregious conditions compromising public health and safety for park residents and neighbors. The primary factor contributing to these conditions are the lack of an adequate sewer system to handle year round occupancy loads. Because parks located in the urban services area have sewer connections and do not experience the same degree of public health and safety concerns, we are recommending that the main focus of efforts to address this issue be designed to apply to parks outside of the urban services area, where failing or inadequate sewer systems potentially create greater public health and safety problems.

Two of the more troublesome parks -- the Golden Torch RV Park, in Aptos, and the Marmo's RV Park, near Pinto Lake — are familiar to your Board and provide a composite

of the range of problems presented by these permanent occupancy RV parks. These parks contain numerous public health and safety problems, including site and unit overcrowding, septic system failures, illegal units and management concerns. Additionally, these sites have been the subject of a number of law enforcement and other social concerns. These two sites are further discussed later in this report.

Currently, if actions are taken to correct the current violation through code enforcement, the only alternative is to require the owners to convert the parks back to temporary occupancy. Any code enforcement action directed in this fashion could result in the loss of a significant number of affordable units. Given that the County has a limited number of appropriate sites to building replacement units, any enforcement program must be mindful of the potential impact on the loss of affordable units in the community

Possible RV Conversion Program

In developing a mechanism to convert limited occupancy parks to permanent use, staff explored a variety of options and is recommending a program that is based on your Board's recent actions to allow reconstruction of year-round housing for previously permitted and existingfarmworker housing projects. This proposed approach, which would be modeled after the successful farmworker housing reconstruction ordinance, would allow existing permitted seasonal RV parks to be converted to year-round occupancy. In general, the program would be based on the following:

- the maximum number of units allowed for permanent occupancy would be the number currently allowed under the existing permits for short-term occupancy;
- the actual number of units allowed would be based upon the site carrying capacity, including water and sewer system capacity, and the ability to address site design constraints:
- the project would be subject to basic design criteria, including parking requirements, setbacks, minimal roadway widths, community areas and amenities (with flexibility to work with unique site conditions);
- the provision of a plan for assisting any tenants dislocated as part of the conversion, and replacing units lost as a result of the conversion.
- the project sponsor would need to provide for stringent control of the total units allowed and general control of unit occupancy through strong property management efforts; and



• the project would need to provide for affordability controls to assure that units are protected long-term for rent by lower income households.

It is suggested that because of the differences in general plan densities and sewage service, these policies would only apply to the conversion of RV parks in the rural areas. As well, once in place, it is suggested that, due to the limitation in staff resources, the County's code enforcement activities related to RV parks be initially focused on those parks with the most serious health and safety issues.

Board members should keep in mind that code enforcement activities on such properties are particularly complex because of the role of State HCD in enforcing building standards within RV parks. Of course, nothing in the ordinance would preclude a property owner from seeking a conversion of an existing RV park outside of the context of a pending code enforcement action.

With your Board's approval of the suggested outline of this policy, staff is prepared to draft an ordinance for your initial Board consideration in early May.

Financing Issues

Initial code enforcement activities will be focused on only those parks with the most serious health and safety concerns where owners have allowed over-utilization of the site and neglected to maintain improvements to provide for public health and safety. As a result, it is likely that **a** conversion to full-time occupancy will require substantial improvements. These costs could significantly affect the owner's current cashflows and result in a reduction of permitted units. As a result, conversion of these RV parks will likely require the infusion of additional financial resources. Based on past experience in dealing with neglected properties, it may be necessary to seek the court appointment of a receiver who would assure that the cash flows are directed toward site improvements.

Project Priorities

As suggested above, because of the complexity of conversions of these RV parks and the limited staff resources available for these efforts, it is suggested that, once an ordinance is **in place**, that efforts be focused on the two parks with the most serious public health and safety issues. These two parks, the Golden Torch and Marmo's RV parks, have a significant history regarding code enforcement activities and, as discussed below, the park owners are currently in litigation with the County.



Status Report Regarding Code Enforcement Activities Associated With Existing RV/ Trailer Parks

The Planning Department has been conducting ongoing enforcement monitoring of both the Marmo's and Golden Torch Travel Trailer sites relative to the respective use permit and health and safety issues. A particular element of complexity has been introduced into the enforcement process as a result of differing policies and priorities between the State Department of Housing and Community Development (which has primary enforcement authority for the operational performance in trailer parks), and County enforcement entities. Planning and Environmental Health enforcement staff have conducted repeated inspections to monitor conditions. Planning staff have provided owners of both parks with specific lists of corrections and improvements to park operations required to insure that they are being operated in a manner consistent with their use permit approvals and, in a manner which does not detract from the general welfare of the occupants and/or neighborhoods surrounding them.

Marmo's

Since May 1998, the County has been actively working with the Park's owner to reduce the number of permanent occupants through attrition so as to reduce the impact on the already failing septic system. Environmental Health Services has issued numerous warnings to the owner to take steps to prevent the surface discharge of septic effluent. County Counsel and RDA have met with park owner representatives to discuss avenues that might be pursued to achieve compliance. County Counsel has also initiated legal action to achieve compliance by the park owner.

Golden Torch

Following several meetings with residents of the park and concerned citizens and, multiple inspections by the County and HCD, Golden Torch Park is showing slow signs of improvement. The more straightforward problems at the park, such as signing, refuse collection, fire access, have been, or are in the process of being, corrected. **Issues** such as sanitation, lighting, parking, and a census of park occupancy has been particularly difficult to resolve with the park owner.

The owner of the park has partially followed through on a number of the more easily corrected County requirements, however, the fundamental problem centers on needed corrections to the overtaxed septic system. As with Marmo's Park, County Counsel has had to resort to initiating legal action to force compliance. Likewise, County Counsel and Planning Department staff have met several times with the park owner and recently with his attorney in an effort to reach agreement.



As discussed above the County has been pursuing code compliance on several fronts with both travel trailer parks. However, pursuant to the Board's directive in connection with its discussion of issues related to Marmo's, at this time efforts have not extended to requiring adherence by either Marmo's or Golden Torch with the thirty day occupancy requirement as to the existing residents.

Conclusion/Recommendation

Providing new regulatory options for improving and protecting existing RV parks that are currently operating for year-round occupancy is consistent with your Board's stated policy goals of protecting and enhancing existing affordable housing resources. At the same time, in recognition that some of these units function as permanent housing and the important contribution these units make toward the community's supply of affordable housing, our efforts must be carefully planned and designed to not reduce the total supply of affordable housing in our community.

Clearly, conversion of each park will be a complex endeavor — requiring judicious application of site design standards, rigorous enforcement of sanitation standards, and potentially complex financial negotiations. The Board and the public need to be aware that each conversion could take considerable time. Nonetheless, without the benefit of an ordinance allowing for the orderly conversion, the process cannot begin.

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

- Accept and file this report regarding possible conversion of RV parks to permanent occupancy;
- Conceptually approve the program outlined in this letter and direct the Planning Department to develop a draft ordinance for conceptual Board consideration on May 4, 1999; and
- 3. Direct the Planning Department to continue the suspension of code compliance activities related to the 30-day occupancy restriction as to existing residents, and reconsider the matter in connection with the Board's May 4, 1999, consideration of the proposed draft ordinances.



Sincerely,

Alvin D. James
Planning Director

RECOMMENDED:

Susan A. Mauriello

County Administrative Officer

cc. RDA CAO

Housing Advisory Commission

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To Whom It May Concern:

I am 8 license Realtor with RE/MAX - Central Coast Properties, and I am representing Mr. Roberto Carducci on the sale of his property located at 6060 Freedom Blvd., Aptos, CA, The adjacent property located on the Northwest boundary, commonly referred to as the Golden Torch Mobile Home Park, has become a major detriment to the market value of Mr. Carducci's property.

The Golden Torch has been recently operated in a sub-standard fashion, and has been violating several land use ordinances, to the point where Santa Cruz County has filed a law suit against the Golden Torch in January of 1999. The biggest negative impact to Mr. Carducci's property occurred when the Sentinel wrote two scathing articles about the Golden Torch that were published on the front page in January 23rd and January 24th of 1999 (See attached copy of articles).

We have **had** several prospective buyer's who showed a strong initial **interest** in Mr. Carducci's property. But when they were made **aware** of the condition of the Golden Torch and how it has **been operated**, they backed away **from** the property.

Signed:

Vincent **Bindi**

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