



# County of Santa Cruz

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060-4000

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ALVIN D. JAMES, DIRECTOR

March 23, 2000

Agenda: April 4, 2000

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

### **ADOPTION OF HUD/HCD INCOME AND RENT LIMITS AND AUTHORIZATION TO UPDATE AFFORDABLE HOUSING GUIDELINES**

Members of the Board:

The US Department of Housing and Urban Development (HUD) generally updates the income limits for its programs in the spring of each year. When HUD releases its new income limits, the California Department of Housing and Community Development (HCD) calculates limits for additional income levels and formally adopts the new income limits for use in its programs. HCD then forwards their income limits to each city and county in the state.

Historically, County staff then incorporates HCD's updated income limits into the County's Affordable Housing Guidelines. Staff also uses the new income limits to update the maximum rents allowed for Measure J Rental Units and Second Units. The revised Guidelines are then brought to your Board for formal adoption.

While the effective date for the revised Guidelines is the date on which the updated income limits are released by HUD, it takes up to one month for the new limits to be formally adopted first by HCD and then by the County. In contrast, when HUD updates the Section 8 Fair Market Rents (FMRs) in October of each year, County staff simply replaces the old schedule of maximum rents for Second Units with a new schedule that incorporates the new FMRs. Rather than have to wait for HUD's annual income limit updates to be formally adopted first by HCD and then by your Board, it would be desirable to be able to incorporate them administratively as is done with the FMRs.

HUD released the year 2000 income limits on March 9, 2000 and HCD adopted its limits on March 20, 2000. HUD estimates that the County median income increased from \$61,000 per year to \$61,700 over the past year. As a result of this increase in the

**Board of Supervisors**  
**Updated Income Limits and Affordable Housing Guidelines**

**April 4, 2000**  
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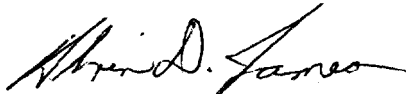
area median income, the local income limits, local rent limits and local limits on the meal and service charges in congregate care homes will increase to the amounts listed in the tables that are labeled Exhibit A.

**RECOMMENDATION**

Staff **RECOMMENDS** that your Board adopt the attached resolution that:

- 1) adopts the HCD income limits as they may be updated from time to time as the income limits and basis for sale price and rent limits for the County's affordable housing programs; and
- 2) directs staff to update the County's Affordable Housing Guidelines whenever the HCD income limits are updated.

Respectfully submitted,



ALVIN D. JAMES  
Planning Director

RECOMMENDED



SUSAN A. MAURIELLO  
County Administrative Officer

Attachments

1. Resolution to Adopt Income And Rent Limits And Authorize Updates to The Affordable Housing Guidelines
- cc:** County Counsel  
County Redevelopment Agency  
County Housing Authority  
Housing Advisory Commission

H:\Housing\BOS 2000 income limits.wpd

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA      0417

RESOLUTION NO. \_\_\_\_\_

On the motion of Supervisor \_\_\_\_\_

Duly seconded by Supervisor \_\_\_\_\_

The following resolution was adopted:

**BOARD OF SUPERVISORS RESOLUTION TO ADOPT INCOME LIMITS AND  
AUTHORIZE UPDATES TO THE AFFORDABLE HOUSING GUIDELINES**

WHEREAS, Section 17.10.080 of the Santa Cruz County Code provides for the adoption of administrative regulations for the County's Affordable Housing Program to be established by resolution of the Board of Supervisors; and

WHEREAS, such administrative regulations ("the Santa Cruz County Affordable Housing Guidelines") were adopted and are updated from time to time to incorporate the new income and rent limits that are based on the income limits established by the US Department of Housing and Urban Development (HUD) and adopted by the State of California Department of Housing and Community Development (HCD); and

WHEREAS, this annual updating of the administrative regulations to include updated income and rent limits is a purely administrative function;

NOW THEREFORE, BE IT RESOLVED, that the Board of Supervisors hereby adopts as the income limits, and the basis for the maximum allowable sales prices and rents, for units produced and/or regulated under the County's affordable housing programs, the income limits adopted from time to time as Section 6932 of Title 25 of the California Code of Regulations and directs staff to update the income and rent limits in the administrative regulations whenever Section 6932 is amended.

PASSED AND ADOPTED by the Santa Cruz County Board of Supervisors this 4<sup>th</sup> day of April, 2000 by the following vote:

AYES:            SUPERVISORS

NOES:           SUPERVISORS

ABSENT:        SUPERVISORS

ABSTAIN:       SUPERVISORS

\_\_\_\_\_  
Chairperson of the Board of Supervisors

ATTEST:

\_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

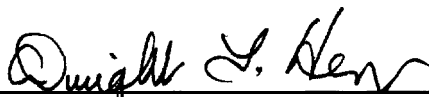
  
\_\_\_\_\_  
County Counsel

Table One — Maximum Annual Household Income Limits for 2000

Income Category (% of AMI) <sup>1</sup>	Number of Persons in Household							
	1	2	3	4	5	6	7	8
Extremely Low (35%)	\$15,100	\$17,300	\$19,450	\$21,600	\$23,350	\$25,050	\$26,800	\$28,500
Very Low (50%)	\$21,600	\$24,700	\$27,750	\$30,850	\$33,300	\$35,800	\$38,250	\$40,700
Lower (80%)	\$34,550	\$39,500	<del>\$44,400</del>	<del>\$48,350</del>	\$53,300	\$57,250	\$61,200	\$65,150
Median (100%)	\$43,200	\$49,350	\$55,500	\$61,700	\$66,650	\$71,550	\$76,500	\$81,450
Moderate (120%)	\$51,850	<b>\$59,250</b>	\$66,650	\$74,050	\$79,950	\$85,900	\$91,800	<b>\$97,750</b>

Table Two — Maximum Allowable Monthly Rental Prices

Unit Size	Units Occupied Prior to 7-1-97	Lower Income Rental Units	Very Low Income Rental Units
Studio	\$679	\$648	\$540
1	\$777	\$741	\$618
2	\$874	\$833	\$694
3	\$971	\$926	\$771
4	\$1,049	\$999	\$833

Table Three — Maximum Congregate Care Service Charges

Household Size	Maximum Monthly Service Charge
1	\$756
2	\$1,112

<sup>1</sup> AMI is Area Median Income. The income limit for most Measure J ownership units is 120% of AMI. The income limit for most rental programs 80% of AMI.