



County of Santa Cruz

0817

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
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ALVIN D. JAMES, DIRECTOR

November 13,2001

Agenda: November 20,2001

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

RE: SECOND UNITS ON AGRICULTURAL LAND

Members of the Board:

On November 6,2001, your Board considered a number of recommendations by the County Administrative Officer regarding various actions to increase the production of affordable housing. One of the recommendations was to amend the Zoning Ordinance to allow the construction of second units on agricultural land. Your Board directed that the preliminary ordinance be presented for additional discussion on today's agenda.

Proposed Ordinance Amendment - The proposed ordinance (Attachment 1) includes amendments to two sections of the Zoning Ordinance. The first, Section 13.10.312(b) - Agricultural Uses Chart, adds second units as permitted uses in the Commercial Agricultural ("CA") and Agricultural ("A") zone districts. This amendment also proposes the same level of review as for second units in the residential zone district (Level IV - Administrative approval with public noticing).

The second section of the Zoning Ordinance proposed for amendment is Section 13.10.681 - Second Units, the section that contains the specific development and occupancy requirements for second units. The proposed amendments establish the following specific requirements and standards for second units on agricultural land:

- ~ the second units may be placed on land zoned for agriculture or on land with an Agricultural land use designation on the General Plan;
- it requires that second units on agricultural land be within 100-feet of the main dwelling;
- requires the second unit to maintain the setbacks required for the primary dwelling;
- allows second units and other types of farmworker housing on parcels greater than 10 acres;

~ maintains the same occupancy limitation as for second units on non-agricultural land.

The proposed ordinance modifies the maximum allowed size for second units on agricultural land by decreasing the maximum size to 800 square feet as directed by your Board on April 25, 2000 (Attachment 2). However, based on your Board's brief discussion of the matter on November 6, it is clear the issue of maximum unit size is not entirely resolved. Supervisor Campos, in particular, expressed concerns relating to the 800 square foot size limitation and the need to house larger families.

Discussion and Recommendation - The proposed ordinance to allow second units on agricultural land has been discussed by your Board in the past as a part of the strategies to meet the California Department of Housing and Community Development's concerns regarding the County's Housing Element and to address the dire need for moderate and affordably priced housing. This ordinance will widen the applicability of the second unit ordinance to a new segment of the community by providing housing opportunities to farmworkers and other persons involved in the agricultural industry in the County.

It is, therefore, RECOMMENDED that your Board:

1. Give preliminary approval of the attached ordinance amendment to allow second units on agricultural land (Attachment 1); and
2. Refer the ordinance to the Planning Commission for review, input and recommendation; and
3. Direct the Planning Department to report back to the Board on this matter on April 9, 2002.

Sincerely,


 Alvin D. James
 Planning Director

RECOMMENDED: 
 Susan A. Mauriello
 County Administrative Officer

- Attachments
1. Proposed Ordinance
 2. Attachment 5, November 6, 2001 Board of Supervisors Agenda, item no. 63.

ATTACHMENT 1

ORDINANCE NO. _____

**ORDINANCE AMENDING CHAPTERS 13.10
OF THE SANTA CRUZ COUNTY CODE TO ALLOW SECOND
UNITS ON AGRICULTURAL LAND**

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

SECTION I

The following amendment to Section 13.10.312(b) of the Santa Cruz County Code is hereby adopted:

13.10.312 Uses in agricultural districts.

(a) Principal Permitted Uses.

1. In the Coastal Zone, the principal permitted uses in the agricultural districts shall be as follows:

“CA” and “AP”: agricultural pursuits for the commercial cultivation of plant crops, including food, fiber, flower or other ornamental crops and the commercial raising of animals, including grazing and livestock production, and apiculture and accessory uses and structures, excepting those agricultural activities listed as discretionary uses requiring a Level V or higher approval.

A”: agricultural pursuits, including the noncommercial or commercial cultivation of plant crops or raising of animals, including apiculture, single-family residential and accessory uses and structures, excepting those agricultural activities listed as discretionary uses requiring a Level V or higher approval. (Ord. 1283, 1/2/68; 1703, 5/18/72; 1806, 12/12/72; 2769, 9/11/79; 2622, 1/23/79; 2771, 9/11/79; 3015, 12/2/80; 4471, 9/9/97)

2. Principal permitted uses are all denoted as uses requiring a Level IV or lower approval or as otherwise denoted with the letter “P” in the Agricultural Use Chart contained in paragraph (b) below. In the Coastal Zone, actions to approve uses other than principal permitted uses are appealable to the Coastal Commission in accordance with the provisions of Chapter 13.20 of the County Code relating to Coastal Zone approvals, and in some cases, as specified in Chapter 13.20, any development is appealable. (Ord. 1283, 1/2/68; 1703, 5/18/72; 2769, 9/11/79)

(b) Allowed Uses. The uses allowed in the agricultural districts shall be as provided in the Agricultural Uses Chart below. A discretionary approval for an allowed use is known as a “Use Approval” and is given as part of a “Development Permit” for a particular use. The type of permit processing review, or “Approval Level,” required for each use in each of the agricultural zone districts is indicated in the chart. The processing procedures for Development Permits and for the

various Approval Levels are detailed in Chapter 18.10 PERMIT AND APPROVAL PROCEDURES. The Approval Levels given in this chart for structures incorporate the Approval Levels necessary for processing a building permit for the structure. Higher Approval Levels than those listed in this chart for a particular use may be required if a project requires other concurrent Approvals, according to Section 18.10.123. All Level **V** or higher Approvals in the “CA” and “AP” zone districts are subject to the special findings required by Section 13.10.314(a) in addition to those required in Section 18.10.230. (Ord. 3632, 3/26/85; 4346, 12/13/94; 4406, 2/27/96; 4416, 6/11/96)

AGRICULTURAL USES CHART

KEY:

A = Use must be ancillary and incidental to a principal permitted use on the site

P = Principal permitted use (see Section 13.10.312(a)); no use approval necessary if “P” appears alone

1 = Approval Level **I** (administrative, no plans required)

2 = Approval Level **II** (administrative, plans required)

3 = Approval Level **III** (administrative, field visit required)

4 = Approval Level **IV** (administrative, public notice required)

5 = Approval Level **V** (public hearing by Zoning Administrator required)

6 = Approval Level **VI** (public hearing by Planning Commission required)

7 = Approval Level **VII** (public hearing by Planning Commission and Board of Supervisors required)

.. = Use not allowed in this zone district

* = Level **IV** for projects of less than 2,000 square feet

Level **V** for projects of 2,000 to 20,000 square feet

Level **VI** for projects of **20,000** square feet and larger

** = For purposes of this section, “on-site” shall mean on the parcel on which the use is located, plus any other

parcel(s) owned, leased and/or rented by the farm operator in this County or adjoining counties.

*** = Processed as a level **5** Coastal Zone Permit project when within the geographic area defined by Section

13.20.073.

**** = Soils dependent agricultural uses are those uses which use the in situ soils as the growing medium for all crops

BP = Building permit only

AGRICULTURAL USES CHART

USE	CA	A	AP
Agricultural activities: crops and livestock			
Agricultural custom work occupations subject to the provisions of Section 13.10.638	P/4	P/4	P/4
Agricultural support facilities for processing, packing, drying, storage and refrigeration of produce above a total aggregate size of 2,000 square feet or 100 square feet per acre on-site** (whichever is greater) subject to the provisions of Section 13.10.632. Maximum aggregate size of such facilities shall be 50,000 square feet. Inside the coastal zone agricultural support facilities greater than 2,000 square feet shall be processed at Level 5 and shall not be considered a principal permitted use.			
Up to and including a maximum aggregate of 2,000 sq. A. or 100 sq. ft. per acre on-site** (whichever is greater)	3	3	3
Greater than an aggregate of 2,000 sq. A. or 100 sq. A. per acre on-site** (whichever is greater)	4	4	4
Agricultural Service Establishments subject to the provisions of Section 13.10.633 (see Section 13.10.700-A definition)	--	5	--
Apiculture (beekeeping)	P	P	P
Biomedical Livestock Operations (subject to Section 13.10.647)	5	5	--

USE	CA	A	AP
Berry and other vine crops	P	P	P
Commercial dairying, subject to the provisions of Section 16.22.060	3	5	3
Field crops, including hay, grain, seed, and turf crops	P	P	P
Livestock raising for food, fiber or animal production, including rabbits and other small animals under 100 per acre	P	P	P
Livestock raising involving hog farming or small animals over 100 per acre, subject to the provisions of Section 16.22.060	3	5	3
Nursery crops limited to open field grown ornamental plants, flowers and Christmas trees	P	P	P
Nursery crops, outdoor container grown, covering an area larger than 1 acre	5	5	5
Orchards, including fruit tree and nut crops	P	P	P
Poultry and other fowl raising, including egg production, under 100 birds per acre (see also "Barn" below)	P	P	P
Poultry and other fowl raising involving more than 100 birds per acre	P	5	P
Row crops, including h i t and vegetable raising	P	P	P

Agricultural Support and Related Facilities

USE	CA	A	AP
Aquaculture and Aquacultural Facilities	5	5	5
Barns, corrals, or pens used for animal husbandry, subject to the provisions of Section 16.22.060	3	3	3
Caretaker's quarters, permanent, subject to the provisions of Section 13.10.631	5	5	5
Commercial boarding of animals, subject to the provisions of Section 13.10.641(b)	P/5	P/5	P/5
Consumer harvesting, on site**	P	P	P
Dwelling unit, one detached single-family per parcel, subject to the provisions of Section 13.10.314			
Inside the Coastal Zone	5	3	5
Outside the Coastal Zone	3	3	3
Dwelling unit, one detached single-family for the owner, lessee or an employee of the owner or lessee of the land, not to exceed one dwelling unit for each forty acres of total site area, subject to the provisions of Section 13.10.314			
Inside the Coastal Zone	--	--	5
Outside the Coastal Zone	--	--	3
Dwelling unit, one detached single-family per parcel, 7,000 square feet or larger, inclusive of accessory structure(s) associated with the residential use, but specifically excluding barn or similar accessory structures subject to the provisions of Sections 13.10.314 and 13.10.325	5	5	5
Dwelling units, accessory to the main dwelling used as agricultural caretakers' quarters subject to Section 13.10.631			
1--4 Units	5	5	5

USE	CA	A	AP
5-- 19 Units	6	6	6
20+ Units	7	7	7
Dwelling units, dwelling groups subject to the provisions of Sections 13.10.313(f) and 13.10.314			
2--4 Units	5	5	5
5- 19 Units	6	6	6
20+ Units	7	7	7
Energy facilities, community, subject to the provisions of Section 13.10.661 and ,700-E (definition)	5	5	5
Facilities for fish and wildlife enhancement and preservation	P	P	P
Farm worker housing subject to Section 13.10.631 (see Caretakers housing, mobile homes and travel trailers, farm worker quarters and camps)	3-7	3-7	3-7
Farm outbuildings and other agricultural accessory structures for storage or equipment with or without a single room containing lavatory facilities	3	3	3
Fences, subject to the provisions of Section 13.10.525	P/3/5	P/3/5	P/3/5
Fire protection facilities	--	5	--
Flood control works, including channel rectification and alteration; dams, canals and aqueducts of any public water project	5	5	5

USE	CA	A	AP
Foster homes for 6 or fewer children, not including those of the proprietary family (see Section 13.10.700-F definition)	P	P	P
Foster homes for seven or more children, not including those of the proprietary family (see Section 13.10.700-F definition)	5	5	5
Fuel storage tanks and pumps	2	2	2
Greenhouse structures, as accessory structures, under 500 square feet in area	2	2	2
Greenhouse structures, outside the coastal zone, subject to the provisions of Section 13.10.636(a).			
500--20,000 square feet	3	4	3
over 20,000 square feet	4	4	4
Greenhouse structures soil dependent****, include the zone, subject to the provisions of Section 13.10.636(a) and 13.20.073.			
500--20,000 square feet	3	3	3
over 20,000 square feet	P/4	P/4	P/4
Greenhouses, improvements and expansions up to 10,000 square feet in area, inside the coastal zone, subject to the provisions of Sections 13.10.636(a) and 13.20.073	3	4	3
Greenhouses, all others in the coastal zone.			
up to 20,000 sq. ft.	P/5	P/5	P/5
greater than 20,000 sq. ft.	5	5	5

USE	CA	A	AP
Greenhouse replacement, reconstruction or structural alteration, pursuant to Section 13.10.636(b) and (c)	3	3	3
Habitable accessory structure, 640 square feet or less subject to the provisions of Section 13.10.611	3	3	3
Habitable accessory structures greater than 640 feet, subject to the provisions of Section 13.10.611 (see farm outbuildings)	5	5	5
Non-habitable accessory structure when incidental to a residential use and not for agricultural purposes (subject to the provisions of Section 13.10.611 and 13.10.313(a)).			
Total area of 1,000 square feet or less	BP Only	BP Only	BP Only
Total area of more than 1,000 square feet	3	3	3
Home occupations subject to the provisions of Section 13.10.613	P	P	P
Kennels, commercial or private, for five or more dogs or cats over the age of four months subject to the provision of 13.10.323	5	5	5
Farm Worker camps subject to the provisions of Section 13.10.631			
1--4 Units	5	5	5
5--19 Units	6	6	6
20+ Units	7	7	7
Lumber Mills	--	5	--
Manufactured homes, as farm labor housing, subject to the provisions of Section 13.10.631			
1--4 Units	5	5	5

USE	CA	A	AP
5-- 19 Units	6	6	6
20+ Units	7	7	7
Manufactured home, as a single-family dwelling unit, subject to the provisions of Section 13.10.682			
Inside the Coastal Zone	5	5	5
Outside the Coastal Zone	3	3	3
Manufactured homes, for temporary occupancy as a caretaker's or watchman's quarters subject to the provisions of Section 13.10.631	3	3	3
Mushroom farms and other agriculture within structures, subject to the provisions of Section 13.10.634			
Additions, 500--20,000 square feet	3	5	3
New development and additions over 20,000 square feet	5	5	5
Offices within existing structures operated in conjunction with an allowed use	2	2	2
Public utility facilities; energy facilities (see Section 13.10.700-E definition)	--	5	--
Publicly owned and operated sanitary landfill either by contract or by public forces, subject to the provisions of Section 13.10.639	7	7	7
Recreational activities: playfields not involving permanent structures or paving. Within the coastal zone allow this use only in the A (Non-commercial Agriculture) zone district.	5	5	5
Reservoirs or ponds	3	3	3

USE	CA	A	AP
Second Units, subject to the provisions of Section 13.10.681	4	4	---
Septic tank sludge disposal sites that are approved by the Health Officer pursuant to Chapter 7.42 and that are located outside the Coastal Zone	--	4	--
Signs in conjunction with principal permitted uses as described in Section 13.10.580(a) and (b)	P	P	P
Signs in conjunction with non-principal permitted uses as described in Section 13.10.580(c) and (d)	2	2	2
Stands for the display and sale of agricultural commodities produced on site**	2	2	2
Veterinary offices and animal hospitals subject to the provisions of Section 13.10.642	5	5	5
Visitor Accommodations, such as: Bed and breakfast inns (subject to Section 13.10.691)	--	5	--
Water pollution control facilities for agricultural purposes constructed to comply with waste discharge requirements or other orders of the Regional Water Quality Control Board, or erosion control facilities constructed to comply with County ordinances	3	3	3
Water wells, storage tanks and distribution lines, well covers and small pump houses utilized strictly for on-site agriculturally related activities	1***	1***	1***
Wineries under 1,000 gallons annual production as a home occupation, subject to the provisions of Section 13.10.637	P	P	P
Wineries, subject to the provisions of Section 13.10.637			

USE	CA	A	AP
Under 1,000 gallons and not a home occupation	3	3	3
Over 1,000 gallons and under 20,000 gallons annual production:			
On parcels under 2.5 acres in size	3	5	3
On parcels 2.5 acres or larger	3	3	3
Over 20,000 gallons and under 50,000 gallons annual production:			
On parcels under 10 acres in size	5	5	5
On parcels 10 acres or larger	3	3	3
Over 50,000 gallons and under 100,000 gallons annual production and on any size parcel	5	5	5
Over 100,000 gallons annual production on any size parcel	6	6	6
Zoos and natural science museums	--	5	--
(Ord. 4406, 2/27/96; 4416, 6/11/96; 4471, 9/9/97)			

SECTION II

The following amendment to Section 13.10.681 of the Santa Cruz County Code is hereby adopted:

13.10.681 Second Units.

(a) Purpose. The purpose of this section is to provide for and regulate second units in order to provided needed housing for County residents and to further the housing goals of the Housing Element of the County General Plan.

(b) Application Requirements. Approval of all second units shall be processed in accordance with the provisions in Chapter 18.10 and shall require public notice (Level IV), except that second units located within the Coastal Zone and not excludable under Section 13.20.071 shall require a Coastal Zone Permit which is processed at Level 5. Applications for second units which receive any negative public comment following the notice of application submittal, which cannot be resolved administratively, shall require a public hearing and action by the Zoning Administrator (Level V).

(c) Required Findings. Before a development permit for a second unit can be granted, the general findings for development permits set forth in Section 18.10.230(a) and Coastal Permit findings of Section 13.20.110, when applicable, must be made. The following additional findings must also be made:

(1) Location: The second unit shall be located on residentially-zoned parcel or on a parcel designated for residential use in the General Plan which contains no more than one existing detached, single-family dwelling, or where one detached single-family dwelling shall be constructed concurrently with the proposed second unit, or the second unit shall be located on agriculturally-zoned land or on a parcel designated for agricultural use in the General Plan;

(2) Parcel Size: The size of the parcel, if located within the Urban Services Line, is no smaller than that required by the minimum lot size standards of the respective zoning district. The size of the parcel, if located outside the Urban Services Line, is at least one acre in area, unless the parcel is served by public sewer. Parcels outside of the Urban Services Line (USL), with public sewer service shall meet the requirements of Section 13.10.681(d)(2);

(3) Development Standards: All development standards for the applicable agricultural or residential zone district shall be satisfied, with allowance for a setback exception as provided for in Subsection 13.10.323(e)(6)(ii); and the development shall be consistent with all County policies and ordinances;

(4) Design: The design of the second unit is consistent with the design and development standards and guidelines set forth in Subsection 13.10.681(d); and

(5) Utility Requirements: All requirements of utility services providers shall be met, and the sewage disposal system and water supply for the parcel shall comply with all applicable requirements of County Code Chapter 7.38, 7.71 and 7.73.

(d) Design and Development Standards. The following design and development standards shall be applied to every second unit and shall be conditions for any approval under this section:

(1) Location of Second Unit: The second unit may be either attached to the main dwelling or may be detached from it. Inside the Urban Services Line or on agriculture land, no second unit shall be located more than 100 feet from the main dwelling, or be accessed by a separate driveway or

right-of-way. No second unit shall be constructed on any slope greater than 30% unless a Level V Use Approval is obtained.

(2) Size of Second Unit: The total, gross floor area as defined in Section 13.10.700(f) of the habitable portion of a second unit shall not exceed the following standards, based on parcel size:

Maximum Gross Floor Area Within the Urban Services Line (USL)

Type of Sewer Services	Parcel Size	
	<10,000 sq. ft.(1)	10,000 sq. R. or larger(1)
With Public Sewer	640 sq. ft.	640 sq. ft.
Without Public Sewer	Not allowed	640 sq. ft. max. (must meet requirements of County Code Chapter 7.38)

(1) The size of the parcel must be no smaller than that required by the minimum lot size standards of the zoning district.

Maximum Gross Floor Area Outside of the Urban Services Line (USL)

Type of Sewer Service	Parcel Size			
	< 10,000 sq. ft.	10,000 sq. ft. to < 1 acre	1 acre or larger to < 2.5 acres	2.5 acres or larger
With Public Sewer	640 sq. ft.	800 sq. ft.	800 sq. ft.	1,200 sq. ft.
Without Public Sewer	not allowed	not allowed	800 sq. ft.	1,200 sq. ft.

~~On agricultural land, limited to 800 square feet~~

(3) Lot Coverage: No second unit shall be allowed which would exceed the allowable lot coverage or the allowable Floor Area Ratio for the parcel. Any exception shall require a Variance Approval as provided for in Section 13.10.230.

(4) Setbacks: Setback requirements of the zoning district in which the second unit is proposed may be adjusted in accordance with Subsection 13.10.323 (e)(6)(ii) based on site plan review and approval by the Zoning Administrator. However, a minimum 5-foot setback is required from any side property line and may be increased at the discretion of the decision making body, to insure neighboring privacy and architectural compatibility within the proposed building site and within the surrounding neighborhood. If setback requirements are reduced, pursuant to a Variance Approval, a one-story height limit may be imposed on the proposed second unit. ~~On land zoned or designated agricultural, the second unit may not encroach closer into any required yard than the existing or proposed primary dwelling~~

(5) Parking: Offstreet parking shall be provided to meet the requirements of Section **13.10.550** for the main dwelling and one additional non-tandem space for each bedroom in the second unit.

(6) Design: The design, materials and color of the second unit shall be compatible with that of the main dwelling and the existing scale and character of the neighborhood; and shall be clearly subordinate to the primary dwelling. The placement of any decks, balconies, stairs, doors, windows, and other features which may affect the privacy of adjacent properties shall be situated and designed to minimize potential privacy disturbance. Second units proposed on smaller lots (e.g., 10,000 square feet or less) should be one-story unless adequate setbacks between adjacent parcels are provided for privacy purposes.

(7) Other Accessory Uses: Not more than one second unit shall be constructed on any one parcel. A second unit and any other accessory residential structure (including but not limited to caretakers quarters and guest houses on residential parcels, but excepting farmworker housing on agricultural parcels greater than 10 acres) shall not be permitted on the same parcel. Habitable accessory structures such as artist's studios, garages, or workshops may be allowed.

(8) Service Requirements: Written acknowledgments shall be provided from the applicable sanitation, water, and fire districts and/or Environmental Health Services indicating that there will be adequate water, sanitation and fire protection services to the project site with the inclusion of a second unit. All requirements of the respective service agencies shall be satisfied.

(9) Fees: Prior to the issuance of a building permit for the second unit, the applicant shall pay to the County of Santa Cruz capital improvement fees in accordance with the Planning Department's fee schedule as may be amended from time-to-time, and any other applicable fees.

(10) Other Conditions: Other conditions deemed appropriate by the decision-making body may be applied to the development permit of a second unit to further the purpose of this Section and to implement the design standards of Subsection **13.10.68(c)(6)**.

(e) Occupancy Standards. The following occupancy standards shall be applied to every second unit and shall be conditions for any approval under this section:

(1) Occupancy Restrictions: The maximum occupancy of a second unit may not exceed that allowed by the State Uniform Housing Code, or other applicable state law, based on the unit size and number of bedrooms in the unit. Rental or permanent occupancy of the second unit shall be restricted for the life of the unit to either:

(i) Households that meet the Income and Asset Guidelines established by the Board of Supervisors resolution for lower income households; or

(ii) Senior households, where one household member is sixty-two years of age or older, that meet the Income and Asset Guidelines requirements established by Board resolution for moderate or lower income households; or

(iii) Persons sharing residency with the property owner and who are related by blood, marriage, or operation of law, or have evidence of a stable family relationship with the property owner.

(2) Owner Residency: The property owner shall permanently reside, as evidenced by a Homeowner's Property Tax Exemption on the parcel, in either the main dwelling or the second unit. If the property owner resides in the second unit, either the property owner or the residents of

the primary single family dwelling must meet the income or familial requirements of Subsection 13.10.681(e)(l).

(3) **Occupancy Status:** Prior to final inspection approval of the unit, the property owner shall submit a statement to the administering agency, as defined in Subsection 17.10.020(a), indicating whether the second unit will be rented, occupied by family members, or left vacant. Whenever a change in occupancy occurs, the owner shall notify the administering agency, by registered or certified mail, that the occupancy has changed, and indicating the new status of the unit.

(4) **Rent Levels:** If rent is charged, the rent level for the second unit, or the for the main unit, if the property owner resides in the second unit, shall not exceed that established by the Section 8 Program of the Department of Housing and Urban Development (HUD) or its successor, or the rent level allowed for affordable rental units pursuant to Chapter 17.10 of the County Code, whichever is higher.

(5) **Certification Requirements:** No person, including family members of the owner, shall rent or permanently occupy a second unit unless he/ she has first obtained certification of his/her eligibility from the administering agency. The property owner must refer persons who wish to rent or permanently occupy the unit to the administering agency for certification, prior to occupancy. The administering agency may also charge a fee to the applicant for the certification process.

(6) **Status Report.** The owner shall report the occupancy status of the second unit, when requested by the administering agency, at least once every three years. This report shall include the status of the unit, the name of the current occupant(s) and the monthly rent charged, if applicable.

(7) **Deed Restriction.** Prior to the issuance of a building permit, the property owner shall provide to the Planning Department proof of recordation of a Declaration of Restrictions containing reference to the deed under which the property was acquired by the present owner and stating the following:

- a. The unit may be occupied or rented only under the conditions of the development permit and in accordance with Section 13.10.681 and any amendments thereto.
- b. The declaration is binding upon all successors in interest; and
- c. The Declaration shall include a provision for the recovery by the County of reasonable attorney fees and costs in bringing legal action to enforce the Declaration together with recovery of any rents collected during any occupancy not authorized by the terms of the agreement or, in the alternative, for the recovery of the reasonable value of the unauthorized occupancy.

(f) **Permit Allocations.** Each second unit shall be exempt from the Residential Permit Allocation System of Chapter 12.02 of this Code. However, due to public service deficiencies of roadway design and drainage within the Live Oak planning area, no more than five (5) second units shall be approved within the Live Oak planning area in any calendar year.

(g) **Annual Review of Impacts.** As part of the County's annual review of the General Plan and County growth management system, the County shall include a section analyzing the impacts of the second unit ordinance. The annual analysis shall include the number of second units constructed and the impacts such construction has created in each planning area, with particular attention to the cumulative impacts within the Coastal Zone. The cumulative impact issue areas to be covered include, but are not limited to traffic, water supply (including the City of Santa Cruz water supply from Laguna, Majors, and Reggiardo Creeks, and the Davenport water supply from

Mill and San Vicente Creeks), public views, and environmentally sensitive habitat areas. The preliminary report shall be sent to the Executive Director of the Coastal Commission for review and comment **14** days prior to submittal to the Board of Supervisors, on an annual basis.

If the Executive Director determines that specific enumerated cumulative impacts are quantifiably threatening to specific coastal resources that are under the authority of the Coastal Commission, the Executive Director shall inform the County in writing. Within **60** days of receipt of the Executive Director's written notice of a threat to coastal resources the County shall cease accepting applications for coastal development permits under this section in the planning area(s) in which the threat of coastal resources has been identified, pending review and approval by the Coastal Commission of the County's proposed method(s) of protecting the threatened resource. (Ord. **3500, 3/6/84; Ord. 4324A, 8/9/94; 4457-A, 11/4/97; 4495, 3/24/98**)

SECTION III

This ordinance shall take effect upon certification by the California Coastal Commission.

PASSED AND ADOPTED this ____ day of _____, 2001, by the Board of Supervisors of the County of Santa Cruz by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

Chair of the Board of Supervisors

ATTESTED: _____
Clerk of the Board

APPROVED AS TO FORM: _____
County Counsel

DISTRIBUTION: County Counsel
Planning
CAO



County of Santa Cruz

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060-4000
 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123
 ALVIN D. JAMES, DIRECTOR

April 13, 2000

Agenda:, April 25, 2000

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

Consideration of Proposed Amendments to the Housing Element of the Santa Cruz County General Plan

Members of the Board:

At your Board's direction, the Planning Department has explored options for amending the Housing Element of the County's General Plan to add programs and policies that 1) would enable the Housing Element to be certified by the California Department of Housing and Community Development (HCD) and 2) are consistent with local policies and priorities. In addition, your Board recently agreed to enter into a MOU Regarding Affordable Housing with the City of Watsonville. That MOU addresses a variety of housing issues, including the County's Housing Element

Proposed Housing Element Changes

Based on your Board's comments at the October 19, 1999 public hearing concerning the earlier proposed modifications to the Housing Element and discussing issues with staff at HCD, County staff recommends that your Board consider the potential changes that are listed below and described in Attachment 1 to this report:

Farm Worker Housing: allow farm worker housing to be developed as second units on parcels that are designated for Agricultural uses
 expand current efforts to rehabilitate and replace existing substandard farm worker housing
 identify sites and seek funding for a new migrant farm worker housing facility

RV Parks: codify changes to allow RV spaces to be converted to permanent affordable housing

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Development Fees: **provide for the County to finance development fees or other costs to reduce the cost and increase the production of affordable housing, including second units**

The current proposal does not include the mixed use development policies or the South County second unit pilot program that were proposed in October 1999. However, even without these elements, staff projects that the above new programs and policies would allow approximately the same number of units to be built as would be possible under the October 1999 proposal. While the new build-out projection is 283 units lower than is reported as possible in the current adopted Housing Element, the new policies should result in a higher percentage of farm worker units being produced than either the adopted Housing Element or the 1999 proposal. Attachment 2 shows the projected built-out estimates under the current 1994 Housing Element, the October 1999 proposal and the programs, and policies that are proposed in this report

Rather than incorporate these proposed programs and policies into a new draft-amended Housing Element, staff is bringing these policies to your Board for consideration as concepts. If these proposed programs and policies are acceptable to your Board in concept, staff recommends that representatives of your Board and County staff meet with State HCD to discuss these proposed policy changes and to seek HCD's commitment to the Housing Element subject to the County further.. developing and adopting these programs and policies as amendments to the County's Housing Element. In order to facilitate our discussions with HCD, staff prepared the attached report (Attachment 3) which summarizes the County's housing activities. This report is a compilation and updating of existing material that was used for other purposes. This information has been combined into a single document that makes it easier to present information on the County's behalf. Assembly Member Keeley has been most helpful and supportive to date and has offered to assist the County in our dealings with HCD concerning the Housing Element

Watsonville MOU

While your Board and County staff have been working for more than five years to secure HCD's certification of the Housing Element, the status of the County's Housing Element was raised as an issue during the recent negotiations related to the proposed new Watsonville third high school. As part of the high school negotiations, the County agreed to enter into a MOU Regarding Affordable Housing with the City of Watsonville. In that MOU, the County made certain assurances relative to the Housing Element and to work with others toward countywide solutions to housing problems (Attachment 5). Attachment 5 compares the existing Housing Element and the policies proposed in this report with the agreements in the MOU.

Summary and Recommendation

On October 19, 1999, your Board agreed to "make it a priority in our State Legislative Package to try to obtain certification from HCD." By agreeing to enter into the MOU

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with the City of Watsonville, your Board agreed to proceed with efforts to certify the County's Housing Element. At your Board's direction, staff has identified potential changes to the Housing Element that are consistent with local policies, address issues raised in the MOU with Watsonville and, we believe, should result in State HCD certifying the Housing Element.

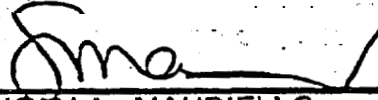
In order to move forward with the County's efforts to secure HCD's certification, staff recommends that your Board:

1. Adopt in concept the proposed policy changes and unit projections presented in this report; and
2. Direct staff to schedule a meeting with the Director of State HCD that includes at least the Chair of the Board of Supervisors, CAO, Planning Director and Assembly Member Keeley; and
3. Direct the Chair of the Board of Supervisors to forward this report to Assembly Member Keeley and request his participation in our meeting with HCD; and
4. Direct staff to report back to your Board regarding the results of discussions with State HCD, including a recommendation concerning the setting of a public hearing to receive public testimony regarding the amendment of the Housing Element.

Respectfully Submitted,

RECOMMENDED


 ALVIN D. JAMES
 Planning Director


 SUSAN A. MAURIELLO
 County Administrative Officer

Attachments

1. Proposed Housing Element Programs and Policies
2. Comparison of Housing Build-Out Estimates
3. Housing Activities and Accomplishments Report
4. "MOU Regarding Affordable Housing" with the City of Watsonville
5. Comparison of Current and Proposed Housing Policies and Affordable Housing MOU

Proposed Housing Element Programs and Policies

The following housing programs and policies were developed for consideration by the Board of Supervisors of Santa Cruz County. The goal in developing these programs and policies was to amend the County's 1994 Housing Element with the goal of securing certification of the Housing Element from the California Department of Housing and Community Development.

I. Farm Worker Housing

Agriculture is one of the largest and most important sectors of the economy for Santa Cruz County. An adequate supply of decent safe and sanitary housing for farm workers is critical for the health of the local economy and population. The County's 1995 Farmworker Housing Needs Assessment Study estimated that there was a need for 2,200 additional farm worker housing units at the time, including 350 units that needed major rehabilitation. The Study also estimated that an additional 1,180 units would be needed by the year 2002. Evidence of the need for farm worker housing can be seen in the fact that the Santa Cruz County migrant farm worker housing project, which is owned by the State's Office of Migrant Services (OMS) and operated by the Santa Cruz County Housing Authority, has the highest turn away rate of all the OMS centers in California.

The County will consider the following three new programs, which are described below, to improve the condition and increase the supply of farm worker housing.

1. Farm family and farm worker second units
2. Expanding current efforts to rehabilitate and replace farm worker housing
3. Develop a new migrant farm worker housing project

In addition to these three programs, the County will 1) analyze the local regulations for farm worker housing and update these requirements to be consistent with recent changes in state law, 2) identify additional options for encouraging and facilitating the development of farm worker housing throughout the County and 3) aggressively promote the development, maintenance and operation of decent safe and affordable housing options for both permanent and seasonal farm workers by farmers, agricultural interests, agricultural and farm worker cooperatives, nonprofit housing, the housing authority and others.

A. Farm family and farm worker second units, At present second units are not allowed on land that has an Agricultural land use designation and/or zoning because of concern that housing is not compatible with agricultural land uses. However, because an adequate supply of farm worker housing is needed to support the agricultural sector, the County will consider allowing second units that are restricted for use by members of the farmer's family and farm workers to be built on Agricultural land. This approach would allow a greater number of farm worker housing units to be produced than is currently possible under the County Codes. For these farmworker second units built

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on CA and other agricultural land, the County's existing second unit ordinance would be modified as follows:

1. the units must be occupied by family members or farm workers (farm workers must earn at least half of their annual income from agriculture);
2. the maximum size of the units would be 800 square feet rather than 1,200 square feet regardless of the size of the parcel,
3. the units must be sited adjacent to existing structures to minimize the impact on the agricultural use of the site, and
4. the units must meet other development standards that are sensitive to and appropriate for rural sites.

In addition, the County will consider 1) allowing the use of single section manufactured housing and park models as farm family or farm worker second units and 2) allowing for the financing of development fees.

B. Farm worker housing rehabilitation and replacement program. The County will expand current programs to assist in financing the rehabilitation, upgrading and, where necessary, replacement of dilapidated and substandard farm worker housing both on and off farm sites throughout the County. In developing this program, the County will also attempt to identify and minimize local requirements and procedures that impede the rehabilitation and replacement of substandard farm worker housing. The County will also attempt to identify barriers to the use of conventional financing and structure the County's financing program to be compatible with and leverage private financing to the greatest extent feasible. The County will also seek the highest possible leveraging of local Redevelopment funds from other sources including HCD's Farmworker Housing Grant Program and Rental Housing Program, the Federal Home Loan Bank's Affordable Housing Program, the Department of Agriculture's Rural Development Programs and the Treasury's Community Development Financial Institution's fund.

C. Migrant farm worker housing project. The County will work to identify an appropriate site for a second migrant farm worker housing facility within the County. Prime considerations in seeking this site would include access to utilities and public services, proximity to work sites and the impact of the development on agricultural production and the environment. The County will seek funding from the State's Office of Migrant Services (OMS) and the Department of Agriculture. (Seeking state funding for a second OMS site in Santa Cruz County is already included in the County's Legislative Program for the year 2000.)

11. RV Park Conversion Ordinance. A number of RV parks in Santa Cruz County that were developed and approved for temporary and recreational use are currently being used to provide permanent housing for very low income households in violation of their use permits. In two cases, the more intense use of the parks in combination with inadequate maintenance and management practices resulted in severe violations of health and safety codes. Rather than displace the residents who have come to rely on this housing, the County developed and is considering the adoption of an ordinance that would allow most of these temporary/recreational parks to convert to long-

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term/permanent occupancy. The draft proposed ordinance is currently being considered by the Planning Commission and is scheduled to return to the Board of Supervisors in June for consideration.

As currently proposed, the approval to convert a park or spaces within a park to permanent occupancy status would be subject to various conditions, including:

1. Complying with the water and wastewater standards established by the County Environmental Health Department for permanent occupancy parks;
2. Complying with or obtaining waivers of various development standards,
3. Limiting initial occupancy to very low income households (those who earn no more than 50% of area median income), and
4. Limiting the rents that may be charged either for park spaces or for RV units and spaces that are rented together.

Allowing the conversion of short-term RV spaces to long-term/permanent occupancy will expand the County's permanently affordable housing stock.

III. Development Fee Financing Program. The development fees that are charged by the County and other public agencies to finance public services and offset the impacts of development on the local infrastructure can be a deterrent to the development of affordable housing. In order to encourage the development of permanently affordable housing, the County will: 1) evaluate its development fees and the fees charged by others, 2) consider reducing fees if it is appropriate and/or possible and 3) explore using Redevelopment housing funds or funds from other sources to reduce the impact of development fees on affordable housing. This program would continue and expand the current subsidies that the County provides for affordable housing projects and would be available for second units:

The County will consider structuring this program in various ways, including reimbursing the appropriate agencies for the cost of fee, paying various fees directly and lending funds to the project sponsor to pay the fees. Approval to finance fees would be subject to various conditions, including compliance with the County's Affordable Housing Guidelines.

Comparison of Housing Build-Out Estimates Potential Units That Can Be Produced

Type of Development	1994 HE	1999 Draft HE	2000 HE Proposal	Change 1994-2000
Urban Areas				
Development on Vacant and Underutilized Parcels	5,316	5,316	5,316	0
Residential in Conjunction w/Commercial Development on Vacant and Underutilized Parcels	588	2,257	588	0
Units from Bonus Density Development	529	599	599	70
Second Units				
Current Regulations	4,373	3,420	4,373	0
Model Program	0	953	0	0
Rural Areas				
Development on Vacant and Underutilized Parcels	6,699	6,699	6,699	0
Residential in Conjunction w/Commercial Development on Vacant and Underutilized Parcels	0	210	0	0
AB 438 Units *	0	134	0	0
Farm Worker Housing Preservation/Replacement	0	0	150	150
RV Park Conversions	0	0	150	150
Second Units **				
Current Regulations	11,398	8,956	9,060	(2,338)
Model Program	0	104	0	0
Farm Work Housing	0	0	1,685	1,685
Total New Units Possible at Build Out	28,903	28,648	28,620	(283)

The 1999 build-out estimates included the rebuilding of the Murphy's Crossing and San Andreas farm labor camps and the conversion of Golden Torch RV/travel trailer park. The 2000 estimates assume that additional farm labor camps will be rehabilitated and rebuilt and that multiple RV parks will convert to permanent occupancy.

The second unit estimates that were adopted in 1994 have been reduced to eliminate rural parcels that are smaller than one acre because these parcels generally cannot handle the wastewater generated by both a primary and secondary unit. The estimated number of rural second units was also reduced in the 1999 estimates to eliminate these smaller lots. The farm worker second unit estimates for the proposed 2000 Housing Element update assume that 75% of the one acre and larger parcels that are zoned for Agricultural uses can accommodate a second unit.

Comparison of Current and Proposed Housing Policies and the Affordable Housing MOU

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Current Housing Policies	Proposed New Housing Policies	Affordable Housing MOU w/City of Watsonville
<p>1 Housing Element (HE) was adopted by the Board of Supervisors on May 25, 1994.</p>	<p>Board of Supervisors to consider the Housing Element policy modifications described below on April 25, 2000 and agree set a public hearing after meeting with State HCD to review these policies.</p>	<p>The County, within six months of the date of this Memorandum of Understanding shall act in good faith to hold a public hearing to consider the adoption and submission for certification by HCD modifications to the County's Housing Element that includes as a minimum the consideration of the following elements:</p>
<p>a Various HE programs and policies support the development of affordable housing including inclusionary housing, density bonuses, second units, farm worker housing and other special needs housing. HE Policy 41 encourages larger units that are appropriate for families with children. HE Policies 35 and 36 encourage and support farm worker housing.</p>	<p>Allow farm worker housing to be built as second units on parcels designated for Commercial Agriculture throughout the County. Seek a site and funds for migrant farm worker housing. Allow short-term/transitory RV/trailer parks to convert to permanent housing.</p>	<p>Increase quality, affordable housing for all segments of the community, with particular emphasis on agricultural workers, families with children, and first-time home buyers; and</p>
<p>b Various commitments to housing rehabilitation exist in HE Policies 25, 26, 28 and 48.</p>	<p>Create a specific rehabilitation and replacement loan program for farm worker housing.</p>	<p>Increase affordable housing through rehabilitation of existing housing and creative purchasing opportunities in general; and</p>
<p>c Improved processing for all development is the object HE Policy 2. HE Policy 7 provides for a review of all residential development fees. Priority processing is included in HE Policies 2, 11 and 35 and in the County's Density Bonus ordinance.</p>	<p>Finance fees for affordable housing units, including second units.</p>	<p>Create new incentives for the development of new affordable housing units such as fee reductions and priority processing; and</p>
<p>d The County's Affordable Housing Program (HE Policy 11b and Chapter 17.1 of the County Codes) require most housing developments to include 15% affordable units.</p>	<p>Allowing farm worker housing on individual Agricultural parcels ensures that the housing with be disbursed throughout the County.</p>	<p>Geographically disperse affordable single and multi family housing throughout the County, particularly such housing for agricultural workers in the North and South County.</p>