

# COUNTY OF SANTA CRUZ

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## PLANNING DEPARTMENT

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ALVIN JAMES, DIRECTOR

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August 29, 2002

AGENDA: September 10, 2002

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

### **DEFERRAL OF REPORT ON THE USE OF SECOND UNITS TO MEET MEASURE J REQUIREMENTS IN SUBDIVISIONS**

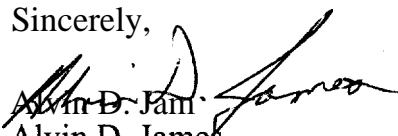
Members of the Board:


On April 9, 2002, your Board considered a number of ordinance amendments relating to the County's Affordable Housing Ordinance. One of the directions of your Board following deliberations on the matter was to direct the Housing Advisory Commission (HAC) to consider the possible ways that the Measure J requirements for subdivisions could be satisfied by the provision of second units. Your Board further directed that the Planning Commission consider the HAC's recommendations before being presented to your Board on this date.

The HAC reviewed this issue at their meeting on July 3<sup>rd</sup> and finalized their recommendations on August 7<sup>th</sup>. The recommendations of the HAC are scheduled to be considered by the Planning Commission on September 11<sup>th</sup>. In order for staff to prepare a report for your Board's consideration, additional time is required.

It is, therefore, **RECOMMENDED** that your Board defer the report on the use of second units to meet the Measure J requirements of subdivisions to October 22, 2002.

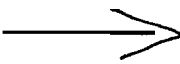
Sincerely,

  
Alvin D. James  
Planning Director

Approved:   
Susan A. Mauriello, CAO

cc: Housing Advisory Commission

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91. Continued consideration of proposed amendments to the Affordable Housing Ordinance;
- (1) approved "in concept" proposed ordinance amendments to Chapter 17.10 to return on April 16, 2002 for final adoption; and approved the proposed amendments to the Affordable Housing Guidelines;
- (3) directed the Planning Department to report back in March 2003 with a program evaluation of the Existing Unit Conversion program;
- (4) requested the Housing Advisory Commission (HAC) consider possible ways to apply the Measure J inclusionary requirements to subdivisions proposed with second units and request HAC's recommendation be forwarded to the Planning Commission for their review, with a report back on or before September 10, 2002, with possible recommendations about this matter;
- (5) directed the Planning Department to review the program operations involved with the selection of eligible Measure J purchasers, confer with County Counsel about possible strategies to prioritize potential Measure J purchasers, and return on August 27, 2002 with a staff evaluation and possible recommendations regarding the selection of Measure J purchasers;
- (6) and directed the Planning Department to develop a detailed analysis of the potential sites in the county that could accommodate a larger number of units and include in the Housing Element suggestions to increase affordable housing requirements for these types of projects; with the following additions: (a) Option 2 be used as the framework for determining the amount of fees on fractionalized numbers; (b) maintain the option of in-lieu fees for projects, as well as, the purchase of existing units and construction of units; (c) Planning staff return at budget time with a proposal on what the in-lieu fees should be; (d) request the issue of eligible Measure J purchases and practices around the purchase of Measure J units return for further evaluation with information on current practices, the amount of equity people are accruing, and the amount of turnover in those units; (e) return in August with a detailed report on the extent that we monitor the ways owners of Measure J properties might be exploiting the actual value of the property through leasing arrangements or through re-sales (f) staff recommendation No. 6 to include information on ways in which to enhance the incentives to developers to develop beyond the 15% affordability limit, either by improving the density bonuses or ratios that are used or by reducing the fees or charges for the development or other methods in the County's control; (g) include a provision to address the issue of when a completed application becomes final under the new or old system
- (7) amended motion to additionally adopt a \$10,000. per unit fee for the third and fourth house on a minor subdivision

(1-6) WAPCB