

**COUNTY OF SANTA CRUZ****Planning Department****MEMORANDUM**

Date: July 10, 2014

To: Housing Advisory Commission

From: Sarah Neuse

Re: Regional Housing Need Assessment

The Association of Monterey Bay Area Governments (AMBAG) recently adopted the Regional Housing Needs Allocation (RHNA) Plan for 2014 – 2023. The RHNA establishes the total number of housing units that each city and county in the region must plan for during a period that runs from January 1, 2014 through December 31, 2023. The County's Housing Element Update is due to HCD by December 15, 2015.

The unincorporated County's RHNA allocation is summarized in the following table.

Region	Total Allocation	Very Low (24.1%)	Low (15.8%)	Moderate (18.2%)	Above Moderate (41.9%)
Unincorporated County of Santa Cruz	1,314	317	207	240	550

As you may recall, under the terms of a Settlement Agreement that guided activities related to implementation of the 2006 Housing Element, the County was required to rezone a certain number of acres to a minimum density of 20 units per acre in order to demonstrate that it could meet the prior RHNA allocation for low and very-low income households. The rezoning of those sites between 2007 and 2009 allowed the County to easily meet the RHNA for all household income categories in the most recent Housing Element that was certified by the State in 2010.

Since the adoption of the current Housing Element, the Minto (Schapiro Knolls) and Miller (Aptos Blue) R-Combining rezoned sites have been developed with affordable housing. The R-Combining sites that remain undeveloped (Atkinson, Nigh, Erlach) remain available to meet the current RHNA of 524 housing units for low and very low income households. As of now, 20.1 acres of the original 26.5 acres rezoned remain available for development at the 20 du/ac density, which means the County is able to accommodate 402 units of the low and very low allocation on these sites.

In this Housing Element update cycle, the County of Santa Cruz is no longer subject to a specific Settlement Agreement requirement to have a certain number of acres zoned at 20 units or more per acre. Rather, the County will evaluate its land availability and programs (including the 20 unit

minimum density approach), and describe in the Housing Element how the combination of regulations and programs will ensure that land is available to meet the county's RHNA.

Therefore, for the remaining 122 units needed to meet the low and very low allocation (beyond the 402 available on the above R-Combining sites) staff expects that the Update will include information about our ability to meet the very low and low RHNA through programs already in place in the County's zoning code, such as the Accessory Dwelling Unit (ADU) program and existing regulations that allow mixed use development in the C-1 and C-2 zoning districts. The County has been averaging over 20 ADUs per year, and staff is also aware of several mixed use rental projects that will soon file development applications with the Planning Department.

In summary, the County of Santa Cruz does have, under existing zoning, available land to accommodate the 1,314 RHNA total for the 2014 through 2023 time period. The Housing Element will have a special focus on describing how the very low and low income units can be accommodated, but will also address how moderate income units (240) can be accommodated.

With regard to certain "new tools" that are contemplated in the Sustainable Santa Cruz County (SSCC) Planning Study, such as a new Mixed Use zoning district and a Residential Flex zoning district, these will be discussed not strictly in a RHNA context, but in the context of long-term County land use goals about wise use of land and establishing a land use pattern that is more sustainable and better supports use of alternate modes of travel. It is important to remember that State and Regional RHNA processes that affect County Housing Element Updates should be viewed as secondary to discussions and decisions that are made locally about our land use patterns, addressing climate change, and accommodating needs for housing and employment in a sustainable manner that supports preservation of natural resources along with providing for citizen choices and a high quality of life in the County.