



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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March 23, 2015

Planning Commission
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

AGENDA DATE: April 8, 2015
Agenda Item #: 6
Time: after 9:00 a.m.

SUBJECT: 2014 General Plan Annual Report

Planning Commissioners:

State law and County regulations require that an annual report regarding progress toward the implementation of the General Plan be prepared each year. Public hearings and review of this report by your Commission and the Board of Supervisors are required by County regulations. State law also requires that this report be submitted to the Office of Planning and Research and the Department of Housing and Community Development (HCD). Several categories, such as approved General Plan amendments, progress in meeting regional fair share housing needs, park site acquisition, and the Urban Services Line annual review, are required areas of review and are discussed in this 2014 Annual Report (see Exhibit A). Various housing statistics are reported on forms developed by HCD (see Exhibit B).

SUMMARY AND RECOMMENDATION

The attached General Plan Annual Report summarizes General Plan-related activity that occurred in 2014, including a Housing Element progress report, as well as pending and anticipated future General Plan-related actions.

It is, therefore, RECOMMENDED that your Commission:

1. Conduct a public hearing on the 2014 General Plan Annual Report; and;
2. Direct Planning staff to include your comments in the report to the Board of Supervisors.

Sincerely,

Steven Guiney AICP
Principal Planner

Kathy Molloy Previsich
Planning Director

Exhibit A: 2014 Annual General Plan Report
Exhibit B: Housing Element Annual Progress Report

2014 GENERAL PLAN ANNUAL REPORT

2014 General Plan Amendments

- The first General Plan (GP) amendment in 2014, adopted by the Board of Supervisors (BOS) on February 5, 2014, amended GP Policy 2.16.7 and associated Program "a", to remove density standards for Type A hotels and motels in commercial zoning districts, to allow limited consideration of four stories within the existing maximum number of feet through the height exception process, and to revise parking standards for hotels and motels in commercial districts. The purpose of this GP amendment, along with corresponding amendments to Chapter 13.10 of the County Code relating to density standards, story limits for visitor accommodations, and parking standards, is to accommodate current industry hotel standards and allow for a greater diversity of visitor accommodation facilities for visitors of varying income levels. This GP/Local Coastal Program (LCP) amendment was certified by the Coastal Commission on August 15, 2014, and is in effect County-wide.
- The second GP amendment, approved by the BOS on May 20, 2014, amended GP Policy 5.18.4, which prohibits oil and gas exploration and development, to clarify that the prohibited facilities are those directly involved in drilling for oil and gas, such as wells, pipes and pumps. This GP amendment, which did not require Coastal Commission certification because it is not part of the LCP, became effective on May 20, 2014.
- The third GP/LCP amendment, approved by the BOS on August 5, 2014, amended the GP land use designation of Assessor's Parcel Number 038-181-29 from Neighborhood Commercial to Urban Medium Density Residential; and amended the Seacliff Village Plan to remove a provision that required the parcel to be developed in conjunction with development on the parcel next door. The parcel is located at the northwest corner of the intersection of Hillcrest Drive and State Park Drive in Seacliff. The adjacent parcel is already developed with a single family residence and not likely to be demolished. The purpose of this amendment to allow a residential use on the parcel is to facilitate infill residential development. The small size of the subject parcel, limited frontage for driveway access and other constraints, make it unsuitable for commercial use. Certification of this GP/LCP amendment by the Coastal Commission is pending, and therefore the amendment is not yet in effect.
- A fourth GP/LCP amendment was approved by the BOS on September 30, 2014, to amend the GP land use designation of Assessor's Parcel Number 088-081-12 from Agriculture to Open Space-Recreation, in order to facilitate the construction of a new entrance for Castle Rock State Park.

Status of Development on 20 Units/Acre Sites

As required by the Housing and Community Development Department (HCD) as part of the certification of the County's Housing Element, thirty (30) acres of land on a total of six sites were rezoned from June 2008 through June 2009 to allow for high density

housing at 20 units per acre. The Board's action to rezone the four-acre Poor Clare's site was submitted to the Coastal Commission for approval, but was subsequently withdrawn due to Coastal Commission staff concerns about consistency with existing GP/LCP policies regarding "coastal priority land uses" that implement the Coastal Act. However, even with the removal of that four acre site, the County has enough land rezoned for high-density housing to meet HCD requirements. The General Plan requires that the Planning Department report to the Board of Supervisors on development permits that have been approved or issued for each of the remaining sites. The rezoning of the sites included approval of a Planned Unit Development for each site to authorize development of high density housing by right, with the only subsequent required approvals and permits being a Design Review approval by the Board of Supervisors and a building permit issued for each development.

The status of each of the five R-Combining high density housing sites is reviewed below:

- Design Review for the Shapiro Knolls affordable rental development on the Minto Road site off Green Valley Road north of Watsonville (APN 051-51-135) was approved in 2009, building permits were issued in 2011, and the 88 units have been constructed and are now occupied.
- Design Review for the Aptos Blue (formerly Miller) affordable rental development located on Aptos Rancho Road north of Soquel Drive in Aptos (APN 039-471-09, 7839 Soquel Drive #A) was approved in 2012. Building permits were issued and the units have been constructed and are now occupied.
- Design Review and a PUD Amendment (with an EIR Addendum) for a 26-unit rental project on a portion of the Atkinson site was approved by the Board of Supervisors on May 20, 2014. Twenty additional units on an adjacent parcel in the City of Watsonville were approved at the same time by the City, and Mid Pen Housing Corporation is seeking financing for the 46-unit project.
- No approvals beyond the Planned Unit Development have been requested for the remaining R-Combining sites: Erlach and Nigh/Protiva.

In addition to the above five sites zoned for development at 20 units per acre, another affordable rental housing project was approved in 2014 as a PUD with a density bonus, and its density is also greater than 20 units per acre. That project, on the St. Stephens site, will provide 40 units of affordable rental housing for seniors when it is constructed. Mid Pen Housing is currently seeking financing for the project.

Park Site Acquisitions and Reviews of Development Applications

The Parks and Recreation Commission did not review any park sites for possible acquisition in 2014, and no sites were acquired by the County. Per County procedures, one application for a subdivision on Mattison Lane was routed to Parks and reviewed. A memo was sent to the Board of Supervisors recommending that the County not proceed with the parks site review process. (Section 13.10.418 permits the Director of Parks, Open Space and Cultural Services to proceed with the park site review process

pursuant to Chapter 15.01, or alternatively should the Director decide not to proceed with the park site review process, the Director is to notify each member of the Board of Supervisors in writing of this determination.)

Commercial Agricultural Land Classification Review

- Application 131055; APN 088-081-12. This application was a proposal to relocate the entrance to Castle Rock State Park and develop associated interpretive and visitor day use features and included a proposal to rescind the then-existing Williamson Act contract and concurrently enter into an Open Space Easement contract, a General Plan land use re-designation from AG (Agriculture) to O-R (Parks, Recreation and Open Space), and a Rezoning to change the CA-P zoning (Commercial Agriculture with Williamson Act contract) to PR-O (Parks, Recreation, and Open Space, with an Open Space Easement Combining District). In December 2013, the County Agricultural Policy Advisory Commission recommended approval of the proposed changes to the commercial agricultural land status of the parcel. The entire proposal, including the change in agricultural land classification and the park facilities development, was approved by the BOS on September 30, 2014.

Annual Urban Services Line Review

There were no applications filed in 2013 to amend the Urban Services Line.

When the Urban Services Line (USL) was established, in 1979, there was the potential to construct approximately 13,000 additional housing units within the urban area. Based on current zoning, there is a potential for approximately 2,200 additional housing units (not including second units) on residentially-zoned parcels within the urban area.

As the urban areas reach buildout, discussions concerning how to accommodate future growth will be necessary as the County continues to strive to meet its fair share housing requirements. There are essentially two ways to accommodate more urban growth: expanding the USL or developing a more compact land use pattern inside the existing USL. The BOS accepted the completed Sustainable Santa Cruz County (SSCC) Planning Study in October 2014, which includes a variety of strategies that would further encourage urban infill to meet future housing needs, to avoid any need to expand the Urban Limit Line and extend urban infrastructure into existing rural areas. During the 2015 and 2016, the County will be developing proposed regulations to implement these strategies, which will be considered for adoption after completion of CEQA review.

Progress in Meeting Fair Share of Regional Housing Need (see Exhibit B)

Proposed General Plan Updates Now Underway

Excepting the Housing Element, the General Plan/LCP was last updated in 1994. The Housing Element is updated in accordance with timelines established by State law, and the latest Update was adopted by the Board of Supervisors on January 12, 2010 and certified by the Housing and Community Development Department on May 5, 2010.

Updates are currently being prepared for the following Elements of the General Plan/Local Coastal Program:

- During 2015, planning staff will be bringing forward an updated Housing Element for consideration, which will address the 2014 through 2023 timeframe. The purpose of the proposed amendments is keep the Housing Element current and in conformance with State standards for content and periodic revision.
- During 2015, staff will also bring forward proposed updates to the Public Safety and Noise elements. The purpose of these updates is to modernize policies and to implement the Local Hazard Mitigation Plan, Climate Action Strategy, airport safety and noise policies, and various other Federal and State regulations. Noise policies in the Safety Element will be updated and separated into a stand-alone Noise Element, which is a more standard configuration of the GP elements.
- Finally, staff will complete a draft package of zoning code updates, including revisions to Chapters 13.10 and 18.10 of the County Code, which may include associated amendments to refine GP text and policies. Staff expects that environmental review will include an Environmental Impact Report and that these amendments will be coming forward for consideration in 2016.

Future Pending/Possible General Plan Amendments/Updates

The County has identified other work that would result in General Plan Amendments/Updates, but no work is presently being done due to staffing level constraints. After completion of the above work, then additional work can be undertaken to develop proposals that would address the following:

- Land use designation and zoning corrections. There are seventeen (17) known sites with incorrect zoning and/or land use designation, some due to drafting errors associated with the 1994 General Plan Update and some due to apparent drafting errors dating from before 1994. Because the Planning Department absorbs the cost of correcting drafting errors, these have been low priority items unless an owner specifically request correction of the error or if correction of the error would further County goals and policies, such as enabling economic development.
- The "Sustainable Santa Cruz County" (SSCC) / Transit Corridors Planning Study was accepted by the BOS on October 24, 2014. During the 2016, planning staff expects to draft proposed regulations that would implement selected strategies from the planning study. Once a draft set of proposed regulations is prepared, then it is expected that an EIR would be prepared so that the Board could consider adoption of the new regulations during 2017. It is anticipated that new Mixed Use, Higher Density Residential, and Workflex Commercial general plan designations will be considered, along with implementing zoning regulations. It is expected that the work will result in updates to the Land Use, Circulation and Community Design Elements of the General Plan/Local Coastal Program.

- The Economic Vitality Study and the Economic Development Vision and Strategy were accepted by the BOS on November 14, 2014. These documents were the result of numerous stakeholder meetings and much public comment regarding economic vitality in the County. The second of the two documents focuses on efforts the County will take over the next two years to support job creation, fiscal health, and community quality of life. It is expected that implementation of the vision and strategy will include changes to the General Plan and land use ordinances that will enhance economic activity while still maintaining the high environmental protection standards for which the County is known. Any new proposed goals and policies will be considered along with the proposals from the SSCC process discussed above, within updates to the Land Use, Circulation and Community Design Elements.

Future Revision of the General Plan/LCP

As described above, by 2017 it is expected that the County of Santa Cruz will have completed updates of its Safety, Noise, Housing, Land Use, Circulation and Community Design Elements. The updates to these General Plan elements will incorporate new information, goals, policies, and actions generated by the SSCC / Transit Corridors Plan, Economic Vitality Strategy and Climate Action Strategy. The Regional Sustainable Communities Strategy and Metropolitan Transportation Plan prepared by AMBAG/RTC, as well as the Regional Housing Needs Assessment (RHNA), will also guide the updates of those elements. The Planning Department's work associated with the Disaster Recovery Initiative (DRI) grant will lead to an updated Safety Element and a Noise Element. All efforts will need to ensure that the General Plan/Local Costal Plan continues to reflect community values and is consistent with State law and federal law.

The remaining Elements within the County's existing General Plan include the Conservation and Open Space Element, and the Parks and Recreation and Public Facilities Element. A number of efforts have recently been completed or are currently underway that relate to these elements, including but not limited to the recent Conservation Blueprint by the Land Trust, a current effort to explore the feasibility of a county-wide Open Space and Recreation District, and a current effort to explore designation of a portion of the North Coast as a National Monument. After 2017, it is expected that there may be resources to collaborate with the County Parks Department, County Department of Public Works, and other agencies to update the Conservation and Open Space Element, and the Parks and Recreation and Public Facilities Element.

Any updates to the General Plan must ensure continued internal consistency, and consistency with goals of managed growth in a way that respects existing urban and rural services lines, balanced protection of neighborhood character, protection of environmental resources, agricultural lands and open space, and economic vitality. The following issues will be addressed through the Updates:

- Traffic, and addressing transportation needs for all modes of travel;
- Water supply and adequacy of other public infrastructure;
- Providing affordable housing and strategies to meet continuing Regional Housing Needs;

- How to best accommodate additional population and job growth as the area within the Urban Services Line reaches “buildout” under existing land use designations;
- Adequacy of sites to support appropriate levels of commercial and industrial development and job growth;
- Strategies to balance our jobs/housing ratio to ensure that we create an adequate number of jobs and housing for our growing population;
- Strategies for reducing land use-related greenhouse gas emissions, as required by State Law (AB 32 and SB 375).

Nature of this Annual Report

This document is a reporting document required per Government Code Section 65400 and is not intended to create or alter policy. The content is provided for informational purposes only and is exempt from the requirements of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15306, Information Collection.

EXHIBIT A

2014 ANNUAL HOUSING ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction County of Santa Cruz
Reporting Period 2007 - 2015

Table A
Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions			Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8		
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.		
			Very Low- Income	Low- Income	Moderate- Income	Above Moderate- Income			See Instructions	See Instructions			
	SF	O	0	0	0	0	0	0	0	0	0		
(9) Total of Moderate and Above Moderate from Table A3			0	0	19	38	57	0					
(10) Total by income Table A/A3			0	0	19	38	57	0					
(11) Total Extremely Low-Income Units*			0										

* Note: These fields are voluntary

2014 ANNUAL HOUSING ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	County of Santa Cruz
Reporting Period	2007 - 2015

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes			(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	
(1) Rehabilitation Activity			0	
(2) Preservation of Units At-Risk			0	
(3) Acquisition of Units			0	
(5) Total Units by Income	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	19	0	0	0	0	19	0
No. of Units Permitted for Above Moderate	18	0	0	20	0	38	0

* Note: This field is voluntary

2014 ANNUAL HOUSING ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Jurisdiction County of Santa Cruz
Reporting Period 2007 - 2015

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level											
Very Low	Deed Restricted	10	8	6	0	87	64	4			179	109
	Non-deed restricted											
Low	Deed Restricted	10	8	5	13						36	181
	Non-deed restricted											
Moderate	Deed Restricted	10	8	6	14	1	20	20			142	103
	Non-deed restricted					16	17	28	2			
Above Moderate		80	82	37	32	35	57	39	20		382	177
Total Units		110	106	54	59	139	158	91	22		739	570
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

2014 ANNUAL HOUSING ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	County of Santa Cruz				
Reporting Period	2007 - 2015				
General Comments:	High Density Housing Sites As required by the Housing and Community Development Department as part of the certification of the County's Housing Element, 30 acres of land was rezoned to allow for by right high density housing at 20 units per acre. A total of six sites comprising 30 acres were rezoned by the Board of Supervisors and Planned Unit Developments were approved for each, with two further steps required before actual development: a Design Review approval and building permit approval. One site, the Poor Clares site, is located in the coastal zone and was submitted to the Coastal Commission for approval, but was withdrawn by the County; consequently, that site is no longer included. The Shapiro Knolls (formerly the Minto site) 88 affordable unit development on the Minto Road site off Green Valley Road north of Watsonville (APN 051-51-135) was approved in 2009, building permits were issued in 2011, and the units have been constructed and are now occupied. A Design Review for 40 affordable units at the Aptos Blue (formerly Miller) site located on Aptos Rancho Road north of Soquel Drive in Aptos (APN 039-471-09, 7839 Soquel Drive #A) was approved in 2012. Building permits were issued and the units have been constructed and are now occupied. Design Review has been obtained for the Atkinson site, but not for the High/Protiva or Erlach sites.				
Site Name	APN	Street Address	Acreage	Total Units	Status
Nigh/Protiva	029-021-47	5940 Soquel Avenue	5	100	PUD approved
Erlach	037-101-02 037-061-66 037-061-04	3250 - 3420 Cunnison Ln.	5.1	102	PUD approved
Poor Clares	042-011-06	280 State Park Drive	4	80	Withdrawn due to Coastal Commission concerns
Aptos Blue (formerly Miller)	039-471-09	7839 Soquel Dr. #A	2	40	Units occupied
Shapiro Knolls (formerly Minto)	051-211-35	Minto Road	4.4	88	Units occupied
Atkinson	048-211-25 048-211-09	56 Atkinson Ln.	10	200	PUD and Design Review completed
Total				26.5	530

EXHIBIT B

Table C
2014 Annual Element Progress Report
Program Implementation Status

A	B	C	D
1			
2			
3	Program Implementation Status		
4	Program Description (By Housing Element Program Names)		Housing Programs Progress Report - Government Code Section 65583 Describe progress of programs including local efforts to remove governmental constraint to the maintenance, improvement, and development of housing as identified in the housing element
5	Name of Program	Objective	Status of Program Implementation
6	Program 1.1: Explore opportunities for rezoning other appropriate urban sites to RM zoning and increasing densities on current RM zoned sites to densities more appropriate for attached housing.	Identify existing sites for new housing and opportunities for additional sites	On-going. The Sustainable Santa Cruz County (SSCC) planning study identified a number of areas that would be suitable for higher density and mixed use development. The SSCC was accepted by the Board of Supervisors on 10/28/14. Work to begin implementing the SSCC by establishing "new tools" including new zoning districts, will begin in Fall 2015.
7	Program 1.2: Explore options for expanding affordable housing opportunities in the rural portions of the County, including mixed use and other projects, primarily within established village areas.	Identify existing sites for new housing and opportunities for additional sites	In the last several years the County has implemented a regulatory reform program that includes provisions to allow property owners to more easily maintain existing structures, including rental housing. Regulations were also amended to remove income restrictions for occupancy of second units, and further work to address obstacles to creation of second units is underway.
8	Program 2.1: Maintain increased Redevelopment Agency Set-Asides for the Low and Moderate Income Housing Fund where financially feasible.	Encourage and assist in the development of housing	Housing Section of the Planning Department continues established programs to encourage and assist in the development of housing. For FY 2011-2012, the Board of Supervisors suspended the additional 5 percent RDA Set-Asides for the Low and Moderate Income Housing Fund. The RDA was dissolved effective February 1, 2012. On February 10, 2015 the Board of Supervisors adopted major amendments to its Affordable Housing Regulations, including establishing an Affordable Housing Impact Fee that will be paid by all new housing units and non-residential development.
9	Program 2.2: Continue to maximize leveraging funds when collaborating with developers of affordable housing (for-profit and non-profit) and maximize long-term affordability restrictions to promote the development of a variety of housing types to meet the needs of all Santa Cruz County Households.	Encourage and assist in the development of housing	The County uses the affordable housing fund to leverage sources of funding by partnering with non-profit housing developers on affordable housing projects.
10	Program 2.3 Maintain RDA funding support, and augment if necessary, for the six sites rezoned as part of the 2006 Housing Element to 20 unit/acre densities to address the needs of lower income households. (The initial funding commitment was for \$15 million.)	Encourage and assist in the development of housing	RDA Low and Moderate Income Housing Fund monies were contractually obligated to a variety of affordable housing projects prior to the dissolution of the Agency. RDA funding was committed for projects on three of the R-Combining sites, with two projects having completed construction (Minto/Schapiro Knolls and Miller/Aptos Blue). The third (Atkinson), as well as another density bonus project (St. Stephens) have had all discretionary permits approved and are seeking funding.
11	Program 2.4: Improve community understanding of the issues related to affordable housing and the benefits of compact communities in terms of resource conservation and community vitality through developing a community-based educational program.	Encourage and assist in the development of housing	A significant level of public conversation and County actions has occurred over the past two years, including many public meetings, feature newspaper articles, and Board of Supervisors actions. This conversation has been prompted by actions on an update of the Affordable Housing Program, the Sustainable Santa Cruz County Plan, and the Economic Vitality Strategy.
12	Program 2.5: Explore expanding local funding sources to assist in the financing of affordable housing, including transfer taxes, bonds for affordable housing projects and other opportunities.	Encourage and assist in the development of housing	The County recently adopted an update of the Housing Program including adoption of Affordable Housing Impact Fees supported by a nexus study. These fees will be used to leverage affordable rental housing. In addition, the County is working with others on a potential transfer tax increase that could be available to Counties to support affordable housing (current law allows only cities to increase the level of transfer taxes).
13	Program 2.6: In order to encourage the development of SRO's, consider ordinance and General Plan changes to enable new units that are 500 square feet of habitable area or smaller in size be counted, for the purpose of calculating density on RM zoned sites within the Urban Services Line, as 0.5 unit.	Encourage and assist in the development of housing	Incentives and improved zoning tools are a central part of the Sustainable Santa Cruz County Plan accepted by the County Board of Supervisors in 2014. Work to establish implementing policies and regulations, including higher density zoning approaches and a Mixed Use District, will begin in Fall 2015.
14	Program 3.1: Revise procedures (and regulations, if necessary) to streamline and simplify building and development permit processes and regulations, particularly focused on small-scale residential structures and non-conforming structures and uses.	Remove unnecessary governmental constraints to housing	On-going efforts include adoption of the 2012 California Building Code, adoption of major revisions to the County's non-conforming ordinance, and adoption of a minor exception ordinance to simplify the process and reduce time and expense for minor variations to zoning development standards (e.g. encroachments of 15% or less into required setbacks).
15	Program 3.2: Revise land use regulations to encourage second units through removal of income, rent and occupancy restrictions, and once adopted, promote public awareness of those changes through the zoning counter and public brochures.	Remove unnecessary governmental constraints to housing	Household income and rental price restrictions for ADUs were removed in 2009. As part of the Housing Program Regulatory Update, in February 2015 the Board directed staff to return with further incentives for ADUs and a report is due in the summer of 2015.
16	Program 3.3: Explore options to reduce the cost of infrastructure requirements for Second Units through working with water and fire agencies.	Remove unnecessary governmental constraints to housing	The County continues to work on ADU incentives and obstacles and intends to re-open discussions with water and sewer providers.

	A	B	C	D
17	Program 3.4: Work with local utility districts to ensure compliance with the state law requirement that all public sewer and water providers provide priority to and retain sufficient capacity for affordable housing projects.	Remove unnecessary governmental constraints to housing	On-going	On-going
18	Program 3.5: Support additional incentives that will expand the opportunities for increased residential uses within mixed use developments in the County, such as flats above retail uses, including expanding the PUD Ordinance to facilitate such uses. Potential incentives include defining nodes/corridors where mixed use projects would be strongly encouraged or required and exploring reduced parking and other standards for mixed use projects.	Remove unnecessary governmental constraints to housing	2009	A revised PUD ordinance was adopted by the Board of Supervisors in 2009. Also, the County's Proposition 84 grant resulted in completion of the Sustainable Santa Cruz County Plan, which identifies a number of nodes and corridors for higher density and mixed use projects. Work to establish implementing policies and regulations, including the "new tools" of higher density zoning approaches and a Mixed Use District, will begin in Fall 2015.
19	Program 3.6: Explore the structure of an overlay district for encouraging mixed use projects and defining corridors and nodes for implementing such a program.	Remove unnecessary governmental constraints to housing	2012-2014	See Programs 2.6 and 3.5 above
20	Program 3.7: Explore creating a construction legalization program to legalize unpermitted Second Units and other existing residential structures.	Remove unnecessary governmental constraints to housing	2011-2012	The Legalization Assistance Permit Program was authorized by the Board of Supervisors on June 16, 2014. Work to identify and address obstacles to legalization of unpermitted second units, particularly within rural areas of the County, is underway and expected to be completed during 2015.
21	Program 3.9: In cooperation with the County's cities, monitor the countywide jobs/housing balance, including development that results in job or housing growth and include this data in periodic reports to the Board of Supervisors.	Remove unnecessary governmental constraints to housing	On-going	The County of Santa Cruz, and each of the four cities, participated with AMBAG in the creation of the regional Sustainable Communities Strategy. The County prepared and adopted an Economic Vitality Study and the Sustainable Santa Cruz County Plan. All of these documents contain information about jobs-housing balance, projected job growth, and housing needed to accommodate future housing needs.
22	Program 3.10: Cooperate with the County's cities and other public agencies in resolving regional infrastructure issues including transportation, water supply, and sewage treatment.	Remove unnecessary governmental constraints to housing	On-going	The Santa Cruz County Regional Transportation Commission purchased the Santa Cruz Branch Rail Line running from Pajaro to Davenport and is working on additional upgrades to the Highway One corridor between Santa Cruz and Capitola. In addition, several water districts are working on strategies to address water supply shortages.
23	Program 4.1: Retain existing regulatory programs regarding Mobile Homes, including mobile home rent control, land use restrictions to limit conversions to mobile home parks to other uses, and regulations related to sham conversions.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	These regulatory features remain in place and are ongoing.
24	Program 4.2: Retain the Condominium Conversion Ordinance (County Code Chapter 14.02) to protect rental housing stock.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	Significant strengthening of the condominium regulations was accomplished with the certification by the Coastal Commission of Ordinance No. 4844 in 2007. The ordinance remains in place.
25	Program 4.3: Develop methods to streamline and simplify the land use regulations as they apply to non-conforming residential structures.	Preserve and improve existing housing units and expand affordability within the existing housing stock	2010-2011	Ordinance 5119 amended regulations in Chapter 13.10 (Zoning Ordinance) of the Santa Cruz County Code and policies in Chapter 2 (Land Use) and Chapter 8 (Community Design) of the Santa Cruz County General Plan regarding nonconforming uses and structures, to allow existing legal nonconforming uses and structures in all zone districts to continue, to be maintained and improved, and facilitate repair after catastrophic events, while requiring discretionary review for extensive modifications to nonconforming uses or structures as appropriate to address potential impacts to public health, safety and welfare.
26	Program 4.4: Continue to implement programs intended to assist low income households to maintain quality units in mobile home parks through the RDA's mobile home Coach Change-out Program and the Mobile Home Rehabilitation Program.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	The County is focusing its current CalHome Owner Occupied Rehabilitation Grant on mobile home replacement. In addition, the County received a new \$1million award specifically for mobile home replacement.
27	Program 4.5: Maintain a central database that includes an inventory of affordable housing, affordable housing stock characteristics, and household and unit data for the County's affordable housing units, including inclusionary units and other affordable units built by non-profit and for-profit developers. Make such information available to interested parties who may need it for funding applications and program descriptions or for those seeking affordable housing opportunities.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	Database created in 2007, maintenance of database is challenging with reduced Housing Section staffing due to loss of redevelopment.
28	Program 4.6: Explore regulatory options for recognizing and legalizing hotels/motels that have over time been converted to permanent occupancy	Preserve and improve existing housing units and expand affordability within the existing housing stock	2010-2014	The Planning Department began compiling a list of the locations of hotels/motels that have been converted to permanent occupancy and working on potential legislation measures, which could include a High Density Overlay district similar to that used by the City of Santa Cruz to regulate Single Room Occupancy (SRO) units. These properties will be considered if appropriate housing funding becomes available, to facilitate legal conversion and rehabilitation as needed for permanent residential occupancies.
29	Program 4.7: Continue to develop strategies to preserve all affordable units with expiring restrictions, including Measure J units and HUD-assisted affordable housing units.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	The Housing Section actively maintains and takes steps to preserve units at risk of losing affordability restrictions.

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30	Program 4.8: Continue to implement the Affordable Housing Preservation Program to preserve the affordability restrictions of individual affordable units faced with foreclosure by acquiring units prior to the trustee sale or other actions.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	On-going. A number of units were purchased to preserve affordability restrictions, and many have now been re-sold to income qualified buyers.
31	Program 4.9: Continue the County First Time Homebuyer Loan Program and the Rental/Mortgage Assistance Program.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	Based on funding availability. The FTHB inventory continues to be serviced by the Housing Section. The County has received Mortgage Assistance funding through the State Home, Cal Home, and BEGIN programs and implementation is under way.
32	Program 4.10: Continue to require that tenants' security deposits earn interest that is payable to the tenant on an annual basis or at the time tenancy ceases.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	On-going.
33	Program 4.11: Maintain programs to assist lower income residents in securing housing entry costs (rental deposit and security costs) and short term rental assistance when the tenant faces eviction due to lack of rent payment as a result of one-time cash-flow problems.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	The County continues to fund homeless prevention programs including rental deposits and short term rental assistance utilizing the redevelopment re-use funds in the Low and Moderate Income Housing Asset Fund as well as State HOME grant funds.
34	Program 4.12: Maintain the existing requirements that owners of units deemed uninhabitable must pay relocation assistance to affected tenants.	Preserve and improve existing housing units and expand affordability within the existing housing stock	On-going	On-going
35	Program 4.13: Develop Policies for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single family neighborhoods.	Preserve and improve existing housing units and expand affordability within the existing housing stock	2010-2011	A vacation rental ordinance, regulating, inter alia, the conversion of existing housing units to vacation rentals was approved by the County Planning Commission, Board of Supervisors, and the Coastal Commission and became effective in late 2011. For the Live Oak area of the County the ordinance included limitations of the percentage of vacation rentals per block and required that vacation rental permits there be renewed every five years. An amendment tightening up ambiguous parts of the ordinance and extending the restrictions in the Live Oak area to the Seaciff/Aptos part of the County was begun in 2014 and approved by the Board of Supervisors early in 2015 and is awaiting Coastal Commission certification.
36	Program 4.14: Explore program options available to replace housing units removed by non-residential development.	Preserve and improve existing housing units and expand affordability within the existing housing stock	2011-2013	Limited levels of non-residential development have occurred over the past 10 years, thus replacement housing of this type has not been an issue.
37	Program 4.15: Explore opportunities to expand housing rehabilitation program to address dilapidated farmworker housing and substandard housing in existing neighborhoods.	Preserve and improve existing housing units and expand affordability within the existing housing stock	2011-2013	The County no longer has staff qualified to operate a housing rehabilitation program but does use available funding for mobile home replacement, as mentioned above. Also, through contracts with non-profit agencies, existing housing can be rehabilitated for affordable housing purposes. One recent example is the 12-unit Lotus Apartments in Live Oak.
38	Program 5.1: Implement Program 2.6 (allowing that units that are 500 square feet of habitable area or smaller in size be counted, for the purpose of calculating density under the General Plan and County ordinances on RM zoned sites, as 0.5 unit) in a manner that expands housing opportunities for special needs housing populations. Program 5.2: Continue to seek all available sources of financing for affordable housing opportunities for the special needs households in the County. Specifically target the following known sources: o Governor's Homeless Initiative o Joe Serna, Jr. Farmworker Housing Grant Program o Mobilehome Park Resident Ownership Program (MPROP) o Multifamily Housing Program (MHP) o CalHome o Home Investment Partnerships Program (HOME)	Promote housing equal opportunity and production of special needs housing units	On-going	On-going. will receive consideration as strategies to implement the SSCC are developed. See Programs 2.6 and 3.5
39		Promote equal housing opportunity and production of special needs housing units	On-going	On-going

EXHIBIT B

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40	Program 5.3: Review policies that affect group homes, transitional housing, and the full range of licensed healthcare programs and facilities in order to: - o Determine whether or not local land use regulations can be changed to encourage additional use of residences or construction of new facilities for these purposes; - o Determine long term sustainability of existing group home facilities for lower income individuals and consider providing incentives needed to sustain existing facilities and develop additional facilities to meet the County's needs; and - o Ensure that local requirements conform with State Land Use Law regarding group homes, transitional housing and shelters, especially the number of beds triggering a discretionary permit.	Promote housing equal opportunity and production of special needs housing units	2010-2012	This program was envisioned to move forward in cooperation with the County Health Department. At this time, there are - insufficient staff resources to proceed, in light of higher priority activities consuming available staff time.
41	Program 5.4: Continue support of programs to address the needs of local homeless populations, including: - o Supporting and funding the Emergency Winter Shelter Program which provides shelter to homeless persons during the winter months; - o Supporting efforts of the Countywide Continuum of Care Coordinating Group to address the housing and service needs of people who are homeless. These include emergency, transitional and permanent supported housing, and supportive services such as employment support, case management, and treatment for health, substance abuse, and mental illnesses; and - o Identifying potential sites for and potential financial contributions to the construction of transitional facilities and replacing the National Guard Armory in Santa Cruz County in accordance with the priorities established in the Ten Year Strategic Plan for the Homeless. Program 5.5: Explore options for increasing the supply of permanent, affordable, and accessible housing for people with disabilities, including: - o Encouraging housing projects sponsored by the County to maintain separate waiting lists for accessible units ensuring they are offered first to people who need units adapted for use by people with physical disabilities, and - o Encouraging housing developers, including developers of affordable housing projects, to build units that meet the needs of physically disabled households. Program 5.6: Partnering with the Mental Health Services Act Housing Fund along with the Continuum of Care process, the Housing Action Partnership	Promote housing equal opportunity and production of special needs housing units	On-going	The County currently participates in a multi-jurisdictional program to fund the Emergency Winter Shelter Program in north and south Santa Cruz County. County Planning is the lead agency for the Countywide Continuum of Care Coordinating Group. A new Homeless Strategic Plan, "All In", was adopted by the Board of Supervisors on March 24, 2015.
42	Program 5.7: Continue to support programs that address the needs of the local elderly populations through: - o Supporting the Shared Housing Program for seniors and other households in Santa Cruz County; - o Continuing to provide information on "Home Equity Conversion," currently provided by the Santa Cruz County Housing Authority; - o Exploring options for retaining existing housing for the elderly and nursing homes; - o Exploring options for expanding the inventory of nursing homes/board and care homes in new locations; and - o Retaining and maintaining existing senior-only mobile home parks in the County and facilitate improvements to ensure retention of senior-only status, and encourage maintenance of existing mobile homes consistent with State and federal laws. Program 5.8: Encourage senior housing by increasing density for smaller units through Program 2.6 (re. counting units less than 500 square feet as 5 unit on RM zoned sites) and through density bonus provisions pertaining to senior housing, reducing parking requirements, and allocating RDA funding as matching funds for senior projects that qualify for federal and/or state funding	Promote housing equal opportunity and production of special needs housing units	On-going	On-going. MHSA funding has been successfully incorporated into several recent affordable housing projects.
43	Program 5.9: Sustain and expand residential facilities and other affordable housing options available to foster children, youth who are aging-out of the foster care system and other children and youth in need of special services.	Promote housing equal opportunity and production of special needs housing units	On-going	The County funded a acquisition/rehab supportive housing project, that includes former foster youth. Move-in will occur March 2015.
44	Program 5.10: Continue to support programs that address the needs of the local elderly populations through: - o Supporting the Shared Housing Program for seniors and other households in Santa Cruz County; - o Continuing to provide information on "Home Equity Conversion," currently provided by the Santa Cruz County Housing Authority; - o Exploring options for retaining existing housing for the elderly and nursing homes; - o Exploring options for expanding the inventory of nursing homes/board and care homes in new locations; and - o Retaining and maintaining existing senior-only mobile home parks in the County and facilitate improvements to ensure retention of senior-only status, and encourage maintenance of existing mobile homes consistent with State and federal laws. Program 5.11: Encourage senior housing by increasing density for smaller units through Program 2.6 (re. counting units less than 500 square feet as 5 unit on RM zoned sites) and through density bonus provisions pertaining to senior housing, reducing parking requirements, and allocating RDA funding as matching funds for senior projects that qualify for federal and/or state funding	Promote housing equal opportunity and production of special needs housing units	On-going	A 40-unit senior affordable rental housing development funded with LMIHF has received its discretionary approvals and is seeking the remaining financing for construction.
45	Program 5.12: Encourage the development of larger-sized units (i.e. 3 or more bedrooms), as appropriate, in multi-family developments. Specifically, continue to commit Redevelopment Low and Moderate Income Housing Funds to projects applying for State and federal financing in order to enhance their competitiveness and feasibility. Many multi-family housing financial tools such as federal Low Income Housing Tax Credits and the State's Multifamily Housing Program are weighted in favor of projects that provide units of 3 or more bedrooms.	Promote housing equal opportunity and production of special needs housing units	On-going	Two projects were funded, successfully competed for Tax Credit financing, and construction has been completed. Larger units are included within the 88-unit Minto/Schapiro Knolls project and within the 40-unit Miller/Aptos Blue project.

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Program 5.9: Support programs that serve the housing needs of individuals with mental health issues, including: - o Supporting proposals for a variety of housing opportunities for people with mental illnesses, consistent with the Olmstead Act that requires that people with psychiatric disabilities have the opportunity to live in the least restrictive level of care possible; - o Working with the Health Department to identify and consider development of a facility that includes a locked perimeter enabling people who require this feature to continue to safely live in our community; - o Supporting and facilitating the programs of the Human Services Department and the Health Services Agency to provide additional crisis treatment facilities, transitional housing, social rehabilitation programs, permanent supportive housing beds, and Skilled Nursing beds for people who are elderly and have a mental illness; - o Coordinating with the Health Services Agency Mental Health and Substance Abuse Services to develop housing projects and programs targeted for people with mental illness as defined by the Mental Health Services Act.	Promote housing equal opportunity and production of special needs housing units	On-going	The Planning Department implements the Mental Health Services Act (MHSA) in coordination with County Health Services Agency Mental Health by identifying projects that set aside units for MHSA-eligible residents. Three such projects have been completed and another one will begin construction this year.
46	Program 5.10: Promote additional incentives to expand the supply of housing for farmworkers by amending the Zoning Ordinance to allow for the creation farmworker housing on agriculturally zoned parcels, pursuant to Section 51230.2 of the California Government Code.	2010-2011	Draft ordinance amendments have been prepared, and it is anticipated that CEQA environmental review will commence in Summer 2015. The new farmworker housing regulations are contained within a larger amendment package, which must be approved by the Board of Supervisors and then the CA Coastal Commission, therefore final adoption is not anticipated to occur until 2016.
47	Program 5.11: Encourage developers of affordable housing projects to pursue funding sources that would allow incorporating units that meet the needs of farmworker households by continuing to provide local matching funds for such projects that come forward with HCD funding through the Joe Serra Jr. Farmworker Housing Grant Program.	On-going	On-going
48	Program 5.12: Adopt an ordinance to allow homeless shelters as a principally permitted use in the Public Facilities (PF) zone and define appropriate management and development standards, similar to those imposed for other uses in the zone district.	Before end of 2010	The Board of Supervisors adopted an ordinance implementing this program in December 2010, which was certified by the Coastal Commission in 2011 and is not in effect countywide.
49	Program 5.13: Consider allocating a portion of in-lieu fees and/or housing rehabilitation funds for farmworker housing.	2012	Loss of Redevelopment Housing Funds limits the County's ability to further this goal, however the Housing Section has on-going conversations with developers and owners of farm worker housing, including the potential to use CDBG funds for this purpose. LMIHF Re-use monies and the new Affordable Housing Impact Fee revenues can be considered for support to farmworker housing projects.
50	Program 5.14: Support services and programs that address the needs of the physically disabled population, regardless of income level: - o Consider policy changes that would provide for priority processing of multi-family housing units that significantly exceed the accessibility standards of the California Building Code. - o Develop a program to provide funding assistance for accessibility improvements for moderate and lower income households. - o Work with the Commission on Disabilities to develop and maintain an inventory of accessible units in the community. - o Promote visibility of all housing units in the County through public information and education targeting applicants for building permits. - o Pursue funding sources including HOME funds and Section 8 vouchers, which can be targeted to households in need of accessible housing options.	2010-2014	Lack of resources have hindered housing rehab efforts, however, whenever possible accessibility enhancements are included in projects. Most recently, the County improved accessibility of ground floor units it purchased to preserve affordability restrictions.
51	Program 6.1: Continue to implement existing policies that encourage the design of energy-efficient projects.	On-going	On-going
52	Program 6.2: Adopt a Green Building Program to govern new home construction and remodels to encourage energy-efficiency, use of recycled or sustainably-produced products, improved indoor air quality, and reduced resource demands. Promote compliance with this program by making the requirements easy to understand and follow, and by offering Green Building Awards to projects that achieve a very high level of sustainability.	2009-2010	A Green Building Program was adopted by the Board of Supervisors in 2009, which now has been replaced by adoption of the new California Building Code and its "CalGreen" provisions.
53	Program 6.3: Explore programs to finance the retrofit of existing affordable housing projects to improve energy efficiency.	On-going	On-going
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