



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

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KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

March 2, 2018

AGENDA DATE: March 14, 2018  
Agenda Item #: 7  
Time: after 9:00 a.m.

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

Subject: 2017 General Plan Annual Report

Planning Commissioners:

State law and County regulations require preparation of an annual report regarding progress toward the implementation of the General Plan. Public hearing 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 2017 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 2017, 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 2017 General Plan Annual Report; and;
2. Direct Planning staff to include your comments in the report to the Board of Supervisors.

Sincerely,

Handwritten signature of David Carlson.

David Carlson  
Resource Planner

Handwritten signature of Kathy Molloy Previsich.

Kathy Molloy Previsich  
Planning Director

Exhibit A: 2017 Annual General Plan Report  
Exhibit B: Housing Element Annual Progress Report

## 2017 GENERAL PLAN ANNUAL REPORT

### 2017 General Plan Amendments

There was one General Plan Amendment in 2017.

- To comply with new State law addressing Accessory Dwelling Units (ADUs) policies 5.4, 5.5 and 5.16, regarding water quality constraint, water quality supply, and septic constraint areas, respectively, were amended to allow a single ADU to be built where there is already an existing single family dwelling on the parcel, even if the parcel is smaller than the minimum parcel size and is served by a septic system. In December 2016 the Planning Commission recommended approval of the amendments and in February 2017 the Board of Supervisors approved the amendments. These amendments are in effect outside the Coastal Zone, inside the Coastal Zone certification by the Coastal Commission is pending, and is expected in mid-March 2018.

### Anticipated 2018 General Plan Amendments

- Staff is preparing General Plan amendments related to safety and protection from hazards, including:
  - Updated policies in the Safety Element addressing climate change, coastal bluffs and beaches, erosion control, flood hazards, fire hazards, and environmental justice.
  - Updated air quality policies and relocate the policies from the Conservation and Open Space Element to the Safety Element.
  - Updated policies addressing land use in the unincorporated areas in the vicinity of the Watsonville Municipal Airport to incorporate regulations from the California Airport Land Use Planning Handbook pursuant to state law, and relocating these policies from the Circulation Element to the Land Use Element.
  - Updated policies regarding rail facilities in the Circulation Element.
  - Updates to the noise policies and relocation from the Safety Element to a new Noise Element.
- General Plan amendments related to the proposed *Non-Retail Commercial Cannabis Regulations and Licensing Program*. The program regulates land use and licenses for cannabis cultivation, manufacturing, and distribution.
- General Plan amendments related to the proposed Nissan of Santa Cruz project. The proposed amendment would change the land use designation of the site near 41<sup>st</sup> Avenue and Soquel Drive from Community Commercial (C-C) to Service Commercial (C-S).

### Status of Development on Parcels Zoned 20 Units/Acre Sites (RM-2-R)

From 2007- 2009, as required by the Housing and Community Development Department (HCD) as part of the certification of the County's Housing Element, 26.5 acres of land on a total of five sites were rezoned to allow for housing at 20 units per acre.

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 RM-2-R site. The rezoning of

the sites included a Planned Unit Development for each site to authorize development of 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 building.

- The Schapiro Knolls 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 now been constructed.
- 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 in 2012 and the units have now been constructed.
- 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. Funding was sought and secured for the 46-unit project. Building permits were issued in November 2016 and the project is under construction.
- No approvals beyond the Planned Unit Development have been requested for the remaining R-Combining sites: Erlach (APNs 037-101-02, 037-061-66, 037-061-04) and Nigh/Protiva (APN 029-021-47).
- Another RM-2-R site, which was not part of the Housing Element-driven rezonings, is located adjacent to the St. Stephens church property on Soquel Avenue between Capitola Road Extension and 7<sup>th</sup> Avenue. That project provides 40 units of affordable rental housing for seniors. Construction was completed in 2017.

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

#### Park Site Acquisitions and Reviews of Development Applications

When a development permit application is filed with the county for a property which is designated as a proposed park site in the General Plan, the property is reviewed by Parks, Open Space & Cultural Services Department staff and the Park and Recreation Commission for possible acquisition. There were no reviews of "D" designations considered by the Department, or reviewed by the Parks and Recreation Commission in 2017.

#### Commercial Agricultural Land Classification Review

There were no agricultural land classification reviews in 2017.

#### Annual Urban Services Line Review

There were no applications filed in 2017 to amend the Urban Services Line.

The 2015 Housing Element includes an analysis of housing unit potential based on analysis of the housing capacity of each vacant and underutilized urban parcel in the unincorporated area of the County. The total capacity under the existing General Plan and zoning was estimated to

be 2,379 units (not including second units or units within mixed-use projects) on residentially-zoned parcels within the urban area. In 2016, 21 permits were issued for new homes in the urban area bringing total estimated capacity to 2,358 units. In 2017, 61 permits were issued for new homes in the urban area bringing total estimated capacity to 2,297.

### Pending/Possible 2018/2019 Amendments and Implementation

Excepting the adoption of Housing Element updates, including the recent 2015 Housing Element, the General Plan/LCP was last comprehensively updated in 1994. The update of the Safety Element, which is pending, will bring policies in line with updated State laws and adopted guidance and respond to future conditions created by sea level rise.

In order to maintain an effective and up-to-date General Plan, several elements are expected to be revised and updated in 2018/2019 to incorporate improved sustainability by providing for efficient land use, resource protection, economic opportunities, transportation options, adequate housing and quality neighborhoods, as articulated in the vision of the Sustainable Santa Cruz County Plan (2014). During 2018, county staff intends to finalize the project description of the Sustainability Policy and Regulatory Update, and to prepare an Environmental Impact Report (EIR) on the package, which will also include proposed code modernization amendments to the Zoning Ordinance along with the General Plan Sustainability Update. The package will amend and update the Land Use, Circulation and Community Design Elements to incorporate sustainability policies and several new land use designations, many as articulated in the Sustainable Santa Cruz County Plan. After completion of the EIR, the proposed changes are expected to be considered at public hearings by the Planning Commission and Board of Supervisors starting in 2019.

The Sustainability Policy and Regulatory Update amendments is expected to address the following issues:

- Water availability;
- Traffic and transportation;
- Creating Medical Mixed Use, Residential Flex, Work flex General Plan designations, and other new General Plan land use policy amendments, designations and Zoning Districts;
- Strategies to balance our jobs/housing ratio to ensure that we create an adequate number of jobs and housing for our forecast population growth;
- Strategies for reducing land use and transportation related greenhouse gas emissions, as required by State Law (AB 32, SB 375 and SB 743), and as detailed in the County Climate Action strategy (2013).

### 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 specific County goals and policies, such as enabling economic development. No corrections were brought forward in 2017. Given staffing constraints, it is not expected that corrections will be pursued by the County in 2018.

**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.

**Sites Designated for Rezoning to -R Combining Zone District**

<b>Site Name</b>	<b>APN</b>	<b>Street Address</b>	<b>Supervisorial District</b>	<b>Acreage</b>	<b>Potential Units</b>	<b>Units Built</b>
Nigh	029-021-47	5940 Soquel Ave	1 - Leopold	5.0	100	--
Erlach	037-101-02 037-061-66 037-061-04	3250-3420 Cunnison Lane	1 - Leopold	5.1	102	--
Aptos Blue (formerly Miller)	039-471-09	7839 Soquel Drive #A	2 - Friend	2.0	40	40
Schapiro Knolls (formerly Minto)	051-511-35	Minto Road	4 - Caput	4.4	88	88
Pippin (formerly Atkinson)	048-211-25 048-221-09	56 Atkinson Lane	4 - Caput	10.0	200	26
			<b>Updated TOTAL</b>	<b>26.5</b>	<b>530</b>	<b>154</b>

**2017 ANNUAL HOUSING ELEMENT PROGRESS REPORT**  
*Housing Element Implementation*  
(CCR Title 25 §6202)

## **Exhibit B**

Jurisdiction	County of Santa Cruz	12/31/2017
Reporting Period	-	1/1/2017

Table A

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

\* Note: These fields are voluntary

**2017 ANNUAL HOUSING ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
 (CCR Title 25 §6202 )

**Exhibit B**

Jurisdiction	County of Santa Cruz		
Reporting Period	1/1/2017	-	12/31/2017

**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 Income			(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	Total Units	
(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	38	0	0	26	0	64	
No. of Units Permitted for Above Moderate	38	0	0	0	0	38	

\* Note: This field is voluntary

**2017 ANNUAL HOUSING ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
 (CCR Title 25 §6202 )

**Exhibit B**

Jurisdiction	County of Santa Cruz	
Reporting Period	1/1/2017	-
	12/31/2017	

**Table B**

**Regional Housing Needs Allocation Progress**

		Permitted Units Issued by Affordability										
		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total Remaining RHNA by Income Level
Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2014	2015	2016	2017							
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total Units to Date (all years)
Very Low		Deed Restricted	0	1	42	0						43
Non-Deed Restricted		317	0	0	0	0						274
Low		Deed Restricted	2	1	23	0						26
Non-deed restricted		207										181
Moderate		Deed Restricted	0	0	0	0						183
Non-deed restrict		239										56
Above Moderate		551	18	15	17	38						88
Total RHNA by COG		1,314										463
Enter allocation number												
Total Units		▲	▲									340
Remaining Need for RHNA Period												974

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

**Table C**  
**2017 Program Implementation Status**

Program Description (By Housing Element Program Names)	Name of Program	Objective	Timeframe In H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583 Describe progress of programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element				
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	Land is available for housing	2016-2018	On-going. The Sustainable Santa Cruz County (SSCC) planning study identified a number of "new zoning tools" and areas suitable for higher density and mixed use development. The SSCC was accepted by the Board on 10/28/14. General Plan and County Code Policy and Regulatory Amendments to incorporate the SSCC recommendations are being drafted and an Environmental Impact Report is being prepared during 2018/2019.	
Program 1.2 Explore options for preserving affordable housing in the rural portions of the County, including the village centers, and for creating accessory dwelling units on existing lots of record that are already developed with single family homes, consistent with sewage disposal regulations	Land is available for housing	On-going	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 dwelling units, and to facilitate the construction of higher numbers of accessory dwelling units.	
Program 1.3 Evaluate floor area ratio, height, stories, parking and density standards in the RM districts to ensure that they appropriately support feasible development of multi-family housing and pursue code updates as needed.	Land is available for housing	2016-2018	See Program 1.1	
Program 1.4 Initiate a General Plan policy amendment to consider modifying the existing density limit, and the existing 50% maximum residential square footage in the C-1, C-2, and PA zoning districts, through the PUD process, to better support the feasibility of mixed-use projects	Land is available for housing	2016	See Program 1.1	
Program 1.5 Create General Plan designations and zoning regulations to implement residential flex and workplace flex zonings that encourage and facilitate smaller units and rental units, where the number of units is based upon site standards, and which will facilitate job creation for a variety of enterprises, and perform environmental review in accordance with the California Environmental Quality Act	Land is available for housing	2016-2018 2018-2020	See Program 1.1	
• Identify suitable sites for newly created designations and zoning districts, and propose appropriate sites for re-designation and rezoning				
Program 2.1 Use funds generated by the Affordable Housing Impact Fee (AHIF) to create new deed-restricted, affordable rental opportunities, and to support the administration and maintenance of the County's Measure J portfolio of deed restricted homes. See Appendix 4.3-2: AHIF Expenditure Plan Principles, April 21, 2015	Encourage and assist in the development of housing	Ongoing	Housing Section of the Planning Department continues established programs to encourage and assist in the development of housing. The RDA was dissolved effective February 1, 2012, but actions taken in 2011 successfully retained affordable housing funds through third-party contracts for projects and activities. 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. No AHIF funds were used in 2017.	

<p><b>Program 2. Continue to leverage available County affordable housing funds by collaborating with both for-profit and non-profit developers of affordable housing projects to maximize long-term affordability restrictions and to promote the development of a variety of housing types, including those that serve Extremely Low-Income households, which will require additional local subsidies.</b></p> <p>Local funds and actions include but are not limited to RDA Successor Agency Housing Asset Funds (as former RDA loans are re-paid) and the County Affordable Housing Impact Fee (AHIF) Fund. Funding will continue to be leveraged from federal, state, and private sources, thereby maximizing the impact of County dollars.</p>	<p>Encourage and assist in the development of housing</p>	<p>On-going</p>	<p>The County uses the affordable housing fund to leverage sources of funding by partnering with non-profit housing developers on affordable housing projects. 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 (Milton/Schapiro Knolls and Miller/Aptos Blue). The third (Atkinson/Pippin Apartments) has received final funding and is under construction, and another density bonus project (St. Stephens Senior Apartments) was completed in 2017. In 2017 state and federal grants were used to fund the first time homebuyer program.</p>
<p><b>Program 2.3. Improve community understanding of the relationship between affordable housing, environmental protection, and the community and economic vitality benefits of compact communities. Develop a community-based outreach program, building on the extensive program associated with the Sustainable Santa Cruz County Plan that was completed in 2014, to be undertaken in conjunction with efforts to implement that SSSCC Plan</b></p>	<p>Encourage and assist in the development of housing</p>	<p>Ongoing</p>	<p>A significant level of public conversation and County actions has occurred over the past three 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. As initiatives related to these programs move forward there will be continuing need to educate the community to better understand the issues. Further discussion of these issues will occur as the General Plan and County Code Policy and Regulatory Amendments to incorporate the SSSCC recommendations are presented to the public and decision makers during 2018/2019.</p>
<p><b>Program 2.4. Explore expanding local funding sources to assist in the financing of affordable housing, including transfer taxes, bonds for affordable housing projects and other opportunities.</b></p>	<p>Encourage and assist in the development of housing</p>	<p>2016-2018</p>	<p>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 has implemented a transfer tax increase that will be available to support affordable housing.</p>
<p><b>Program 2.5. Explore the feasibility of fee waiver, reduction, or deferral programs to assist the creation of affordable housing</b></p>	<p>Encourage and assist in the development of housing</p>	<p>2016-2023</p>	<p>The fee schedule was modified to reduce the overall cost of an ADU permit. A forgivable loan program connected to ADU affordability restrictions, and the My House My Home program in partnership with Habitat for Humanity are two programs in the development process.</p>
<p><b>Program 2.6. In order to encourage the development of single-room occupancy (or "permanent room housing") and to enable new units that are 500 square feet of habitable area or smaller to be developed, explore implementation of 1) a flexible residential zone (RF) district, and 2) a mixed use housing approach, for both of which the number of allowable units would be based on site standards rather than on units per acre.</b></p>	<p>Encourage and assist in the development of housing</p>	<p>2016-2019</p>	<p>New General Plan designations and 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, is underway. An EIR is being prepared in 2018 and public hearings to consider adoption are expected to begin in early 2019. See Program 1.1</p>
<p><b>Program 2.7. In order to encourage a wider range of housing types and meet the need for various price points of housing and rents, create opportunities for mixed use through the creation of a mixed-use zone district or overlay zone, as well as the option of PUDs for mixed-use projects in commercial zoning districts</b></p>	<p>Encourage and assist in the development of housing</p>	<p>2016-2019</p>	<p>See Program 1.1</p>
<p><b>Program 2.8. Identify opportunities to assemble parcels for multi-family housing projects and consider General Plan and zoning amendments of properties to appropriate densities to facilitate multi-family housing production.</b></p>	<p>Encourage and assist in the development of housing</p>	<p>2018-2020</p>	<p>Ongoing as opportunities are identified.</p>

Program 2.9: Upon issuance of a building permit for an ADU, the County shall provide the property owner with a voluntary survey of rent level (V_L, Low, Mod, Above Mod) and type of tenant (family member, tenant, vacant). The results of this survey will be used for informational monitoring of the ADU program and for targeting of future policies	Encourage and assist in the development of housing	Begin in 2016	Countywide survey of barriers to ADU construction, including survey of tenants and rents charged, was implemented in 2017. A survey triggered upon issuance of a building permit for an ADU will be initiated in 2018.
Program 2.10 In order to assist private employers, non-profit organizations, and other non-governmental community stakeholders to advance ideas for creating affordable housing opportunities for their members and constituents, on or near the stakeholder's property, provide assistance and opportunities for these stakeholders to discuss proposals with County staff.	Encourage and assist in the development of housing	2016-2023	Ongoing
Program 2.11 Collaborate with the County Agriculture Commissioner and other interested parties to promote housing for agricultural employees by convening stakeholders, including property owners, lessee farmers, agricultural employees, agricultural product processors, and affordable housing developers, to discuss strategies for producing this type of housing	Encourage and assist in the development of housing	2017-2020	In 2016/2017 the County continued strategic discussions with partner Counties on this issue. A farmworker Needs Assessment and Study is expected to be completed Spring 2018.
Program 3.1: Continue to revise procedures and regulations to streamline and clarify building and development permit processes and regulations, including affordable housing and housing that is made affordable by design, and particularly for accessory dwelling units, agricultural employee housing, permanent room or SRO housing, mixed use projects, and other types of housing that increase the diversity of the housing stock, by tailoring development process levels and adjusting permitting burdens relative to development impacts	Remove unnecessary governmental constraints to housing	On-going	The County completed adoption of major revisions to the County's non-conforming ordinance, as well as a minor exceptions ordinance to simplify the process and thereby reduce time and expense for minor variations to zoning development standards (e.g. encroachments of 15% or less into required setbacks). A Coda Modernization including permit streamlining provisions is included within the Sustainability Amendments that are being evaluated by an EIR in 2018/2019. The County has completed amendments to encourage the development of ADUs.
Program 3.2: In order to meet the need for long-term rental housing options, revise land use regulations to encourage accessory dwelling units (ADUs), and tiny ADUs (dwelling units less than 250 square feet) through modifications to existing standards, and promote public awareness of those changes through the zoning counter and public brochures. In no case should the use of an ADU or tiny ADU as a short-term or vacation rental be permitted	Remove unnecessary governmental constraints to housing	2016-2018	Household income and rental price restrictions for ADUs were removed in 2009. In accordance with Board direction, the Department hired an outside consultant to assist with the development of an ADU program that incentivizes and simplifies ADU construction. This work was completed in January 2018. Revised regulations for ADUs are no in effect throughout the County.
Program 3.3: Explore options to reduce the cost of infrastructure requirements for Accessory dwelling units through working with water and fire agencies	Remove unnecessary governmental constraints to housing	Ongoing	The County, in partnership with the Housing Authority, hired an outside consultant to assist with analysis of additional changes to the ADU program in order to facilitate ADU creation. Additionally, the ability of water and sewer agencies to charge connection fees for conversion ADUs was eliminated by State law. In addition, the County reduced Building Permit fees for all ADUs.
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	Ongoing

Program 3.5 Create a Mixed-Use zoning district or overlay-zone as described in the Sustainable Santa Cruz County Plan, which may include an increase in the 50% residential maximum and apply to specific areas in major activity nodes or transportation corridors within the urban area. Also, promote Mixed-use development with additional incentives, including expanding the Planned Unit Development (PUD) Ordinance to facilitate such uses, and considering reduced or shared parking requirements, as well as other updated site standards for mixed use projects. Explicitly clarify in the regulations the definition of net developable land and its use in density calculations for PUD and other non-standard residential development.	Remove unnecessary governmental constraints to housing	2016-2019	A revised PUD ordinance was adopted by the Board of Supervisors in 2009 and further revisions are proposed in code modification described above. 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 implementation policies and regulations, including the "new tools" of higher density zoning approaches, is underway. The EIR will be underway in 2018
Program 3.6 Explore modifications to the existing Legalization Assistance Permit Program ("APP"), and add incentives to legalize existing unpermitted Accessory Dwelling Units and other existing residential structures	Remove unnecessary governmental constraints to housing	2016-2017	The LAPP ran from 2014 through 2016 and results were be analyzed to support improvements in a future program. The Limited Immunity Amnesty Program (LIAP) will launch in 2018 and will provide a pathway for existing non-permitted ADUs to be rented legally after basic safety and habitability is confirmed by a Building Inspector.
Program 3.7 Continue work with AMBAG, RTC, and the County's cities to update the regional Metropolitan Transportation Plan/ Sustainable Communities Strategy, which will plan for more intensive housing development near existing job centers and near transportation corridors. The final SCS Update will be adopted in June of 2018.	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.
Program 3.8 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 and the new groundwater basin management agencies are working on strategies to address water supply shortages.
Program 3.9 Complete the nexus study, currently underway, to support implementation of a Countywide transportation impact mitigation fee program	Remove unnecessary governmental constraints to housing	2016-2018	The nexus study is underway, being coordinated with update of the General Plan Circulation Element.
Program 3.10 Continue to monitor and report on the development of the "R combining zone" sites with the Annual Growth Goal Report. If the maximum/minimum density becomes a constraint to development of these properties, initiate a program to develop solutions	Remove unnecessary governmental constraints to housing	Ongoing	This General Plan annual report includes an update on status of each R-combining zone sites.
Program 3.11 Evaluate the Land Use Element of the General Plan for the need to include policies that support provision of infrastructure to disadvantaged communities, pursuant to SB 244.	Remove unnecessary governmental constraints to housing	2016-2018	This will occur as part of the General Plan Safety Element Update in 2018.

**Exhibit B**

<p>Program 4.1: Preserve the continued availability of the affordable housing located in manufactured home parks, including retaining existing ordinances and regulatory programs regarding manufactured homes, including mobile/manufactured home rent control, land use restrictions to limit conversion of mobile/manufactured home parks to other uses, and regulations that prevent conversion intended to transfer value from coaches to property.</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>These regulatory features remain in place and are ongoing.</p>
<p>Program 4.2: Retain the Condominium Conversion Ordinance (County Code Chapter 14.02) to protect rental housing stock.</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>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.</p>
<p>Program 4.3: Continue to implement programs intended to assist low income households to maintain quality units in mobile/manufactured home parks including the County's CalHome funded manufactured home replacement program and the MobileHome Park Rehabilitation and Purchase Fund.</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>The County focused its CalHome Owner Occupied Rehabilitation Grant on mobile home replacement. The CalHome Manufactured Home Replacement Program ended in December 2017. New loans will be made available as previous loan repayments are received.</p>
<p>Program 4.4: Work with interested parties in the community to maintain a central database that includes an inventory of affordable housing, affordable housing stock characteristics, 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. Track all demolition permits and include the types of housing stock demolished in the tracking database. Create a database of all rental housing types in the County classified by type, cost category (by \$500 increments), and vacancy rate.</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>2016</p>	<p>Database created in 2007, maintenance of database is challenging with reduced Housing Section staffing due to loss of Redevelopment Agency support. The database will be implemented in Spring 2018</p>
<p>Program 4.5: Explore regulatory options for recognizing and legalizing hotels/motels that have over time been converted to permanent occupancy, including through implementation of a flexible residential zone district (RF) and/or overlay district in which the number of units is based on site standards rather than site area, and/or through creation of a Permanent Room Housing (PRH) Combining District that could be used to legalize permanent residential status of existing obsolete hotel/motel properties that are no longer in use as transient lodging or visitor accommodation facilities.</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>2016-2018</p>	<p>The Planning Department has compiled a list of the locations of hotels/motels that have been converted to permanent occupancy and is working on a "Permanent Room Housing (PRH) Overlay district similar to that used by the City of Santa Cruz to regulate Single Room Occupancy (SRO) units. These properties will be considered for investment if appropriate housing funding becomes available, to facilitate legal conversion and rehabilitation as needed for permanent residential occupancies, including permanent supportive housing.</p>

**Exhibit B**

<p>Program 4.6: Continue to develop strategies to preserve all affordable units with expiring restrictions, including Measure J units and HUD-assisted affordable housing units</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>The Housing Section actively maintains and takes steps to preserve units at risk of losing affordability restrictions through its Affordable Housing Preservation Program.</p>
<p>Program 4.7: 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</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>On-going. A number of units were purchased to preserve affordability restrictions, and many have now been re-sold to income qualified buyers.</p>
<p>Program 4.8: Continue the County First Time Homebuyer Loan Program/ Mortgage Assistance Program and Resale Subsidy Program</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>The FTHB inventory continues to be serviced by the Housing Section, which calculates repayment amounts and records restrictions under the Resale Subsidy Program. The County has received Mortgage Assistance funding through the State HOME, Cal Home, and BEGIN programs and will continue to seek grant funding as it becomes available.</p>
<p>Program 4.9: Continue to require that tenants' security deposit earn interest that is payable to the tenant on an annual basis or at the time tenancy ceases</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>On-going.</p>
<p>Program 4.10: 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</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>The County continues to fund homelessness 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.</p>
<p>Program 4.11: Maintain the existing requirements that owners of units deemed uninhabitable must pay relocation assistance to affected tenants</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>On-going</p>	<p>On-going</p>
<p>Program 4.12: Maintain the Vacation Rental Ordinance that limits conversion of existing housing units to vacation rentals in order to minimize the impact of such conversions on the stock of housing</p>	<p>Preserve and improve existing housing units and expand affordability within the existing housing stock</p>	<p>Ongoing</p>	<p>A vacation rental ordinance, regulating 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 areas in Live Oak and Seaside/Aptos, the ordinance include limitations of the percentage of vacation rentals per block and within the overall areas, and vacation rental permits must be renewed every five years. The ordinance was amended in 2016 to incorporate a Davenport special area where conversions are limited in numbers.</p>

**Exhibit B**

<p>Program 5.1 Continue to collaborate with organizations pursuing "Housing First" goals for assistance to the homeless population.</p>		<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>On-going.</p>
<p>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:</p> <ul style="list-style-type: none"> <li>• Community Development Block Grants</li> <li>• Affordable Housing and Sustainable Communities program (AHSC)</li> <li>• Joe Serna, Jr. Farmworker Housing Grant Program</li> <li>• Mobile/manufactured home Park Resident Ownership Program (MPROP)</li> <li>• Multifamily Housing Program (MHP)</li> <li>• CallHome Program</li> <li>• Home Investment Partnerships Program (HOME)</li> <li>• Other emerging financing tools</li> </ul>		<p>Promote equal housing opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>On-going</p>
				<p>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.</p>

<p><b>Program 5.5:</b> Explore options for increasing the supply of permanent, affordable, and accessible housing for people with disabilities, including:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Encouraging housing developers, including developers of affordable housing projects, to build units that meet the needs of physically disabled households.</li> <li>• Encourage developers to partnering with the Housing Action Partnership to explore potential funding to target rental subsidies to extremely low income households.</li> </ul>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>On-going. MHSA funding has been successfully incorporated into several recent affordable housing projects.</p>
<p><b>Program 5.6:</b> 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.</p>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>The County funded an acquisition/rehab supportive housing project that includes former foster youth. Move-in occurred in 2015.</p>
			<p>A 40-unit senior affordable rental housing development funded with LMIHF received its discretionary approvals and remaining financing, and construction of the project began in March 2016 and was completed in Spring 2017. The County in partnership with Habitat for Humanity is developing a program similar to the My House My Home program operating in the City of Santa Cruz. The program's goal is to build ADUs on the property of low income senior homeowners in order to provide additional income and adjustable living accommodations to help these homeowners age in place.</p>

<p><b>Program 5.8: Support programs that serve the housing needs of individuals with mental health issues, including:</b></p> <ul style="list-style-type: none"> <li>• Supporting proposals for a variety of housing opportunities for people with mental illnesses.</li> <li>• 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.</li> <li>• Continuing to support and facilitate 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. This includes support of the CHAMP (Cal-Works Housing Assistance Move-in Program), and the HAP housing programs</li> <li>• Support policies and programs that increase opportunities for adding housing options for people living with mental illness, including funding opportunities through the HEARTH Act and the Mental Health Services Act Housing Program.</li> <li>• Pursue a code amendment to clarify that allowable residential use on a Public Facility or church site may include permanent supportive housing.</li> </ul>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>The Planning Department implements the Mental Health Services Act (MHSAs) in coordination with County Health Services Agency Mental Health by identifying projects that set aside units for MHSAs-eligible residents. Four such projects have been completed.</p>
<p><b>Program 5.9: Finalize code updates to regulate agricultural employee housing as an agricultural use not subject to density standards, and provide a pathway for discretionary approval of projects that exceed the size granted by-right processing by State law.</b></p>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>2016-2018</p>	<p>Draft ordinance amendments are part of the Code Modernization, described above, see 3.1.</p>
<p><b>Program 5.10: 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 Serna Jr. Farmworker Housing Grant Program</b></p>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>On-going</p>	<p>On-going</p>
<p><b>Program 5.11: Consider supporting housing rehabilitation or new construction projects for farm worker or agricultural employee housing.</b></p>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>2016-2023</p>	<p>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. LMHIF Re-use monies and the new Affordable Housing Impact Fee revenues can be considered for support to farmworker housing projects. The County has continued strategic discussions with partner counties on this issue. A farmworker Needs Assessment and Study is expected to be completed Spring 2018.</p>

<p><b>Program 5.12:</b> Support services and programs that address the needs of the physically disabled population, regardless of income level:</p> <ul style="list-style-type: none"> <li>• Continue to implement the California Building Code, which incorporates extensive accessibility requirements.</li> <li>• Work with the Commission on Disabilities to develop and maintain an inventory of accessible units in the community.</li> <li>• Promote visibility of all housing units in the County through public information and education targeting applicants for building permits.</li> <li>• Work with affordable housing providers to maintain separate waiting lists for accessible units to ensure they are occupied by households with physical disabilities.</li> </ul>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>Ongoing</p>	<p>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.</p>
<p><b>Program 5.13:</b> Prioritize the use of local affordable housing dollars for projects that include housing affordable to ELI households by leveraging multifamily affordable rental funds. Priority populations include farmworkers, elderly, disabled and homeless populations. Funding streams that can be leveraged with County funds include USDA multifamily programs, HUD Sections 811 and 202, Low Income Housing Tax Credits and Veterans Housing and Homelessness Prevention Program</p>	<p>Promote housing equal opportunity and production of special needs housing units</p>	<p>2016-2023</p>	<p>Ongoing</p>
<p><b>Program 6.1:</b> Continue membership in the Joint Power Authorities that make two Property Assessed Clean Energy (PACE) programs, California First and HERO, available in Santa Cruz County</p>	<p>Promote energy efficiency in existing and new residential structures</p>	<p>On-going</p>	<p>The County has enrolled in two additional PACE programs operated by Ygrene and Open Pace to provide more choice and completion in the marketplace.</p>
<p><b>Program 6.2:</b> Continue to implement energy efficiency standards in the CalGreen Building Code</p>	<p>Promote energy efficiency in existing and new residential structures</p>	<p>Ongoing</p>	<p>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.</p>
<p><b>Program 6.3:</b> Continue to explore strategies for local energy production such as Community Choices Aggregation and implement the conservation strategies in the Climate Action Strategy</p>	<p>Promote energy efficiency in existing and new residential structures</p>	<p>Ongoing</p>	<p>The project to establish a Community Choice Energy program in the tri-county area is successful and expected to launch in Spring 2018</p>
<p><b>Program 6.4:</b> Prioritize implementation of an expedited permitting process that encourages and enables solar/photovoltaic facilities for residential and commercial properties</p>	<p>Promote energy efficiency in existing and new residential structures</p>	<p>2016</p>	<p>Provisions for expediting permitting of solar facilities were incorporated in the building code in 2015.</p>