



# County of Santa Cruz

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## DEPARTMENT OF COMMUNITY DEVELOPMENT AND INFRASTRUCTURE

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**Agenda Date: May 28, 2024**

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

**Subject: Study Session on the Proposed Ministerial Combining District**

### **Recommended Action(s):**

Hold a study session on the proposed Ministerial Combining District; no action is required.

### **Executive Summary**

The County Board of Supervisors adopted the 2023 Housing Element on November 14, 2023, and the Element was certified by the California Department of Housing and Community Development (HCD) on April 23, 2024. As required under state law and per HCD's review, the 2023 Housing Element includes two programs to allow ministerial review of proposed housing developments that include lower-income units needed to meet the County's assigned Regional Housing Needs Allocation (RHNA). To facilitate the ministerial processing of such applications, a new Ministerial Combining District (Zoning Overlay) is proposed to be added to the County Code for subsequent application to the affected parcels. The Commission is requested to hold a study session to review the proposed code amendments prior to an upcoming public hearing on May 22, 2024. No action is required at the study session.

The Planning Commission had set May 8 for a study session but because of time constraints the study session was rescheduled for May 28, with the public hearing set for June 12.

### **Background**

The 2023 Housing Element accommodates a RHNA of 4,634 dwelling units, including 2,468 units affordable to lower-income households, during the eight-year Housing Element planning period (2023-2031). Appendix HE-E of the Housing Element, the Housing Sites Inventory, defines the housing units that can be accommodated on a parcel-specific basis in the unincorporated county. In order to accommodate the adequate number of housing units in each income category, the Inventory includes the rezoning of 75 parcels. State law requires that parcels included in the 6<sup>th</sup> Cycle Housing Sites Inventory that had been used in the 4<sup>th</sup> or 5<sup>th</sup> Cycle inventories be allowed to be processed on a "by-right" or ministerial basis (Gov. Code 65583.2(i)). State law also provides that the parcels that must be rezoned to accommodate lower-income units to meet the RHNA must also allow ministerial permit processing. These two programs are accommodated by Housing Element programs HE-1C and HE-1B, respectively (see Exhibit A). The certified Housing Element, including the Housing Sites Inventory in Appendix HE-E can be found online at <https://www.sccoplanning.com/PlanningHome/Housing/2023HousingElement/ProjectDocument.s.aspx>.

### **Analysis**

As required by state law, Programs H1-B and H1-C provide for ministerial permit approvals. Seven parcels that had been in previous inventories would be eligible for the Ministerial Combining District designation per program H1-C, and another 21 parcels would be eligible based on Program H1-B. Exhibit B includes the rezoning list (“Table 7”) from the Housing Sites Inventory (Appendix HE-E), and Exhibit C includes a map of the parcels (affected parcels are highlighted in purple) that would be eligible for ministerial permit processing under the programs.

In order to allow for ministerial permit processing of the affected parcels that need to be rezoned, staff proposes to create a new Ministerial Combining District in the Santa Cruz County Code (SCCC) (Exhibit D). New SCCC sections 13.10.494 through .497 would provide for the purpose, standards, and processing of parcels with the “-Min” Combining District designation. Once the code amendments are approved, the designation can then be applied to the parcels during the upcoming rezone process, which is expected to begin later this year.

Once the Combining District is applied to the parcels, when development is proposed, any development project must include at least the number of lower-income units identified in Table 7 of the Housing Sites Inventory in order to be eligible for ministerial processing. The project must also meet the standards proposed in SCCC 13.10.496, including:

- 20% deed-restricted units affordable to lower-income households;
- The site can accommodate a minimum of 16 units;
- All objective development standards included in the base zoning district in the code; and
- Protection of all sensitive areas per Title 16 of the SCCC.

The projects meeting all the standards would be subject to design review and required ministerial permits. As “ministerial,” the projects would not be subject to CEQA and would not require public hearings. Projects located in the Coastal Zone would be subject to a coastal development permit consistent with the California Coastal Act and Chapter 13.20 of the SCCC.

Staff estimates that 28 parcels will be eligible for the “-Min” Combining District designation. However, if applicants apply for permits prior to the rezoning, they will be removed from the list of parcels to be rezoned with the Min Combining District designation. In addition, affordable housing projects may also be subject to one of several state-established streamlining acts, that may already provide for ministerial processing or CEQA exemptions, and market rate developers may not be interested in providing the minimum affordable units necessary, in which case the allowance for ministerial permit processing would not apply.

### **Environmental Review**

In November 2023, the County prepared an addendum to the Environmental Impact Report (EIR) prepared for the Sustainability Update to address any environmental impacts under the California Environmental Quality Act (CEQA). The document analyzed the impacts associated with adoption of the Housing Element, the programs necessary for implementation, and the upcoming rezones. No new significant impacts were identified beyond those previously addressed in the EIR. The Addendum may be reviewed online at

<https://www.sccoplanning.com/Portals/2/County/Planning/policy/2023-Housing-Element-EIR-Addendum-Revised.11.8.23.pdf>

Submitted by:

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Policy Section

Reviewed by:

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Policy Section

**Exhibits**

A – Housing Element Programs H-1B and H-1C

B – Table 7 of Appendix HE-E

C – Map of affected parcels

D – Proposed Ministerial Combining District code amendments (underline & strikethrough)

E – Statutory references

## **EXHIBIT A**

### **PROGRAM H-1B**

Rezone sufficient vacant and/or underutilized property to appropriate multi-family residential and/or mixed-use zone districts to accommodate the RHNA in each income category, after deducting units accommodated on existing sites, which are shown in Appendices HE-E and HE-F. Such sites are needed to increase the amount of housing available at various levels of affordability to support the local workforce and for essential workers, including but not limited to those working in healthcare, education, public safety, other public sector or non-profit jobs, services, environmental practitioners, agriculture, hospitality, and tourism. This program will rezone sites with the appropriate zoning and development standards to facilitate achieving maximum densities as shown in Table 7 of Appendix HE-E (the Sites Inventory) as required by Government Code subsections 65583(c)(1) and 65583.2(h) and (i). Those subsections require that sites listed on Table 7 that are necessary to meet the shortfall of Lower Income units (currently estimated at 27 of the 75 parcels in Table 7, subject to reevaluation at time of rezoning) shall be zoned to permit owner-occupied and rental multifamily residential use by right for developments in which at least 20 percent of the units are affordable to lower income households during the planning period. Bring proposed rezonings (Appendix HE-E) to the Board of Supervisors in time for a second reading of the ordinance no later than December 2026.

- Responsibility: CDI, Planning Commission, Board of Supervisors
- Timeframe: Complete by December 2026
- Funding Source: CDI Budget
- Measurable Outcome: Rezone ~75 parcels to fit shortfall of units (at least 1,338 lower- and moderate-income units)

### **PROGRAM H-1C**

Develop a by-right overlay zone to permit rental and owner-occupied multi-family housing uses by right (ministerially) pursuant to Government Code section 65583.2(c), (h) and (i) for developments with 20% or more lower-income units. This overlay zone shall apply to sites included in the Inventory that were included in the Inventory as sites for lower-income housing in one or more prior cycles but were not developed. These sites are identified in Appendix HE-E with the overlay zone indicated with a “-Min” in the Proposed Zoning Column (e.g., “C1-Min”). A total of approximately 11.8 acres is proposed for rezoning into the “-Min” overlay zone, consisting of seven parcels in commercial zones, comprising a total of five sites, as shown in Appendices HE-E and HE-F. The sites range in size from 0.52 acres to 8 acres, and with a total estimated capacity for at least 200 units. All of these parcels are in commercial zones which allow mixed-use, with residential densities of 22-45 units per acre. Each site can accommodate more than twenty units at densities of 22-45 units per acre. The addition of the required by-right

overlay will bring these parcels into compliance with the above-cited subsection of the Government Code.

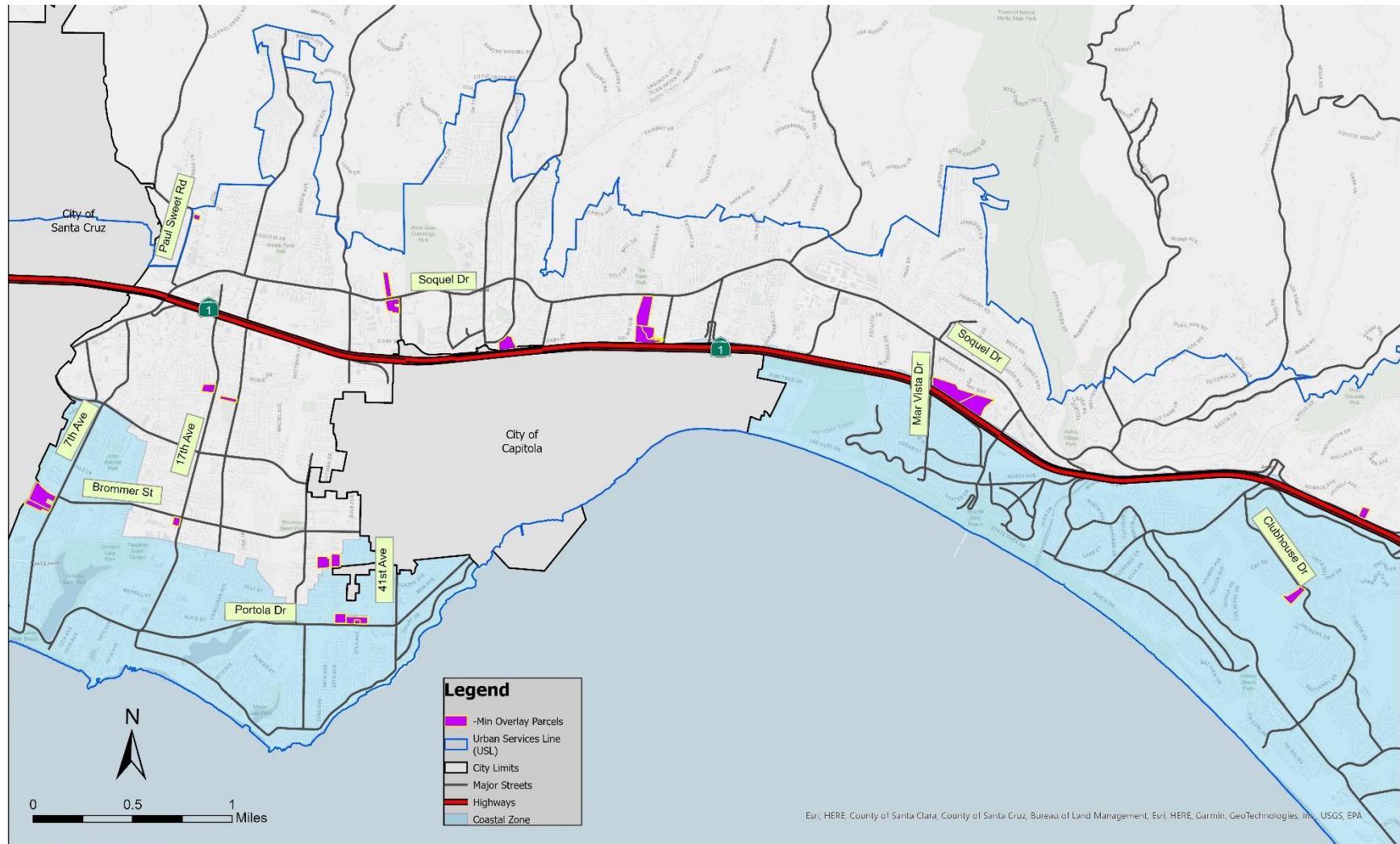
- Responsibility: CDI, Planning Commission, Board of Supervisors
- Timeframe: Complete by December 2025
- Funding Source: CDI Budget
- Measurable Outcome: Ordinance creating new overlay zone that meets the standards of Gov. Code subsections 65583.2(h) and (i), and that rezones these parcels into that overlay zone.

Appendix HE-E-Table 7: Sites to be Rezoned									
Assessor Parcel Number	Address	Parcel Size (Acres)	Current General Plan Designation	Proposed General Plan (GP) Designation	Current Zoning	Proposed Zoning	Allowable Density Range	Lower Income Units	Total Units
025-013-37	3500 Paul Sweet Rd, Santa Cruz	0.521	C-O	C-O	PA	PA-Min	22-45	10	10
025-091-49	3134 Thurber Ln, Santa Cruz	1.5	R-UM, O-U	R-UH	RM-4	RM-2	11-30	0	5
025-091-50	3158 Thurber Ln., Santa Cruz	0.52	O-U; R-UM	O-U; R-UH	RM-4	RM-2	11-30	3	9
025-091-52	3161 - 3165 Prather Ln, Santa Cruz	1.909	O-R	R-UH/O-R	PR	RM-2/PR	11-30	5	5
025-111-14	3105 Stanley Ave., Santa Cruz	0.49	R-UL	R-UH	R-1-6	RM-2	11-30	3	9
025-111-15	3111 Stanley Ave., Santa Cruz	0.48	R-UL	R-UH	R-1-6	RM-2	11-30	3	9
025-361-01	2300 Benson Ave., Santa Cruz	0.45	R-UL	R-UH	R-1-6	RM-1.5	11-30	3	9
025-361-03	3570 Winkle Ave., Santa Cruz	0.45	R-UL	R-UH	R-1-6	RM-1.5	11-30	3	9
026-042-15	2507 Paul Minnie Ave., Santa Cruz	0.42	R-UM	R-UH	R-1-5	RM-1.5	11-30	3	9
026-063-13	1127 Rodriguez St., Santa Cruz	0.49	R-UM	R-UH	R-1-5	RM-1.5	11-30	3	10
026-111-40	1308 Rodriguez St., Santa Cruz	0.6	R-UL	R-UH	R-1-6-D	RM-2.5-D	11-30	3	9
026-122-36	2091 17Th Ave, Santa Cruz	1.612	R-UL	R-UH	R-1	RM-1.5	22-45	65	65
026-201-40	1445 17Th Ave., Santa Cruz	0.42	R-UL	R-UH	R-1-6	RM-1.5	11-30	3	9
026-261-13	855 7Th Ave, Santa Cruz	1.83	C-C; O-U	C-C; O-U	C-2	C-2-Min	22-45	65	65
026-261-16	901 7Th Ave, Santa Cruz	6.06	C-C; O-U	C-C; O-U	C-2	C-2-Min	22-45	30	30
026-311-33	1135 17Th Ave, Santa Cruz	0.948	C-N	C-N	C-1	C-1-Min	22-45	30	30
026-461-31	860 Bostwick Ln., Santa Cruz	0.52	R-UM	R-UH	R-1-6	RM-2	11-30	3	9
026-681-08	1810 7Th Ave., Santa Cruz	0.43	R-UM	R-UH	R-1-5	RM-1.5	11-30	3	9
029-031-05	2650 Mattison Ln., Santa Cruz	0.69	R-UM	R-UH	R-1-5	RM-3	11-30	3	10
029-071-03	2021 Chanticleer Ave, Santa Cruz	1	R-UL	R-UH	R1-6	RM-1.5	11-30	5	30
029-081-03	2044 Chanticleer Ave., Santa Cruz	1	R-UL	R-UH	R-1-6	RM-4	11-30	3	9
029-081-04	2030 Chanticleer Ave., Santa Cruz	0.66	R-UL	R-UH	R-1-6	RM-2.5	11-30	3	9
029-111-60	2305 Capitola Rd., Santa Cruz	0.53	R-UM	R-UH	RM-4	RM-2	11-30	3	9
029-162-08	2025 Brommer St., Santa Cruz	1.1	R-UL	R-UH	R-1-6	RM-4	11-30	0	7
029-162-09	(Ns) Andrew Ln. / Brommer St, Santa Cruz	0.54	R-UL	R-UH	R-1-6	RM-2	11-30	3	10
029-162-44	1215 Chanticleer Ave., Santa Cruz	0.41	R-UL	R-UH	R-1-6	RM-1.5	11-30	0	6
029-181-43	1145 Chanticleer Ave. #5, Santa Cruz	0.44	R-UM	R-UH	RM-4	RM-1.5	11-30	0	5
029-181-44	1145 Chanticleer Ave. #1, Santa Cruz	0.63	R-UL	R-UH	R-1-6	RM-2	11-30	0	5
029-182-15	1820 Kinsley St., Santa Cruz	0.46	R-UM	R-UH	RM-4	RM-1.5	11-30	0	6
029-191-38	1300 Chanticleer Ave., Santa Cruz	0.47	R-UL	R-UH	R-1-6	RM-1.5	11-30	3	9
029-192-07	1156 Chanticleer Ave., Santa Cruz	0.47	R-UL	R-UH	R-1-6	RM-1.5	11-30	0	8
029-192-15	1102 Chanticleer, Santa Cruz	0.44	R-UL	R-UH	R-1-6	RM-1.5	11-30	0	8
029-192-27	2275 Kinsley St., Santa Cruz	0.82	R-UL	R-UH	R-1-6	RM-3	11-30	0	3
029-193-03	2240 Kinsley St., Santa Cruz	0.4	R-UL	R-UH	R-1-6	RM-1.5	11-30	3	9
029-391-08	2060 Maciel Ave., Santa Cruz	0.48	R-UL	R-UH	R-1-6	RM-2	11-30	3	9
030-031-04	3425 N Main St., Soquel	0.57	O-U; R-UM	O-U; R-UH	R-1-6	RM-2	11-30	3	9
030-061-06	3845 Soquel Dr., Soquel	2.221	CS, O-U, R-UM	R-UHF	C4	RF	22-45	80	80

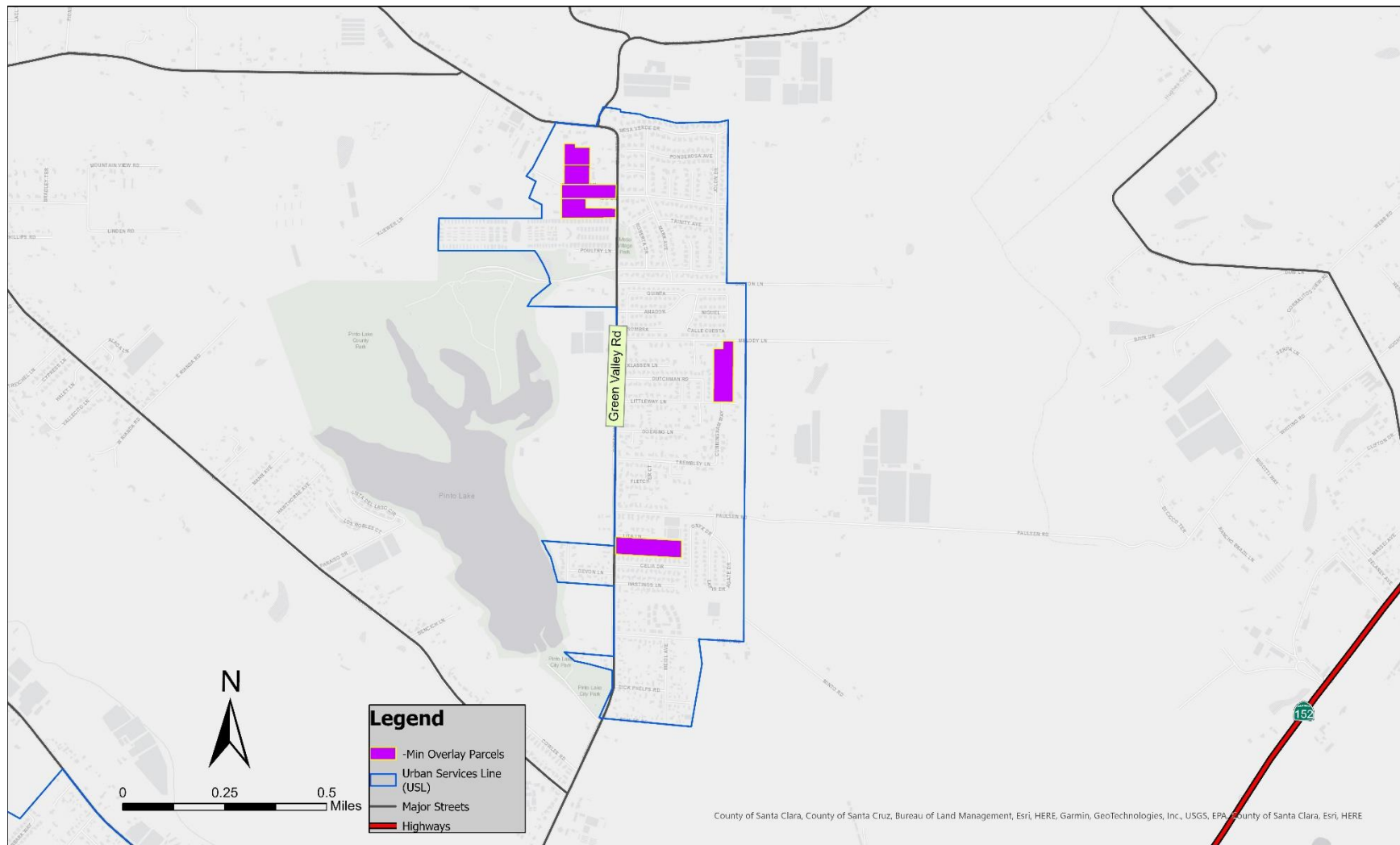
030-092-01	3240 N Main St., Soquel	0.47	R-UM	R-UH	R-1-6	RM-2	11-30	3	9
030-121-61	2755 41St Ave, Soquel	2.58	CS	CC	C4	C1	22-45	93	93
030-221-46	2590 S Main St, Soquel	2.882	C-C	C-C	C-2	C-2-Min	22-45	22	22
030-241-13	2620 Capitola Rd., Santa Cruz	0.51	R-UL	R-UH	R-1-6	RM-1.5	11-30	0	8
030-241-14	2630 Capitola Rd., Santa Cruz	0.68	R-UL	R-UH	R-1-6	RM-2.5	11-30	3	9
030-253-72	2500 Rosedale Ave., Soquel	0.92	R-UL	R-UH	R-1-6	RM-3.5	11-30	3	9
030-281-08	3491 N Main St., Soquel	0.85	O-U; R-UM	O-U; R-UH	R-1-6	RM-3.5	11-30	3	9
030-281-34	3505 N Main St., Soquel	0.75	O-U; R-UM	O-U; R-UH	R-1-6	RM-3	11-30	3	9
031-101-46	(Ns) Thompson Ave., Santa Cruz	0.53	R-UM	R-UH	R-1-4	RM-2	11-30	3	10
031-113-10	1455 Bulb Ave., Santa Cruz	0.42	R-UM	R-UH	R-1-4	RM-1.5	11-30	3	9
031-113-12	1445 Bulb Ave., Santa Cruz	0.41	R-UM	R-UH	R-1-4	RM-1.5	11-30	3	9
031-113-48	1430 Thompson Ave., Santa Cruz	0.47	R-UM	R-UH	R-1-4	RM-2	11-30	3	9
031-152-03	1309 Thompson Ave., Santa Cruz	0.78	R-UM	R-UH	R-1-4	RM-3	11-30	0	8
031-152-24	1115 Thompson Ave., Santa Cruz	2.321	C-S	R-UHF	M-1	RF	22-45	83	83
031-161-11	1110 Thompson Ave, Santa Cruz	1.9	CS	R-UHF	M-1	RF	22-45	68	68
032-041-44	3701 Portola Dr, Santa Cruz	0.351	C-C	C-C	C-2	C-2-Min	22-45	0	1
032-041-67	3621 Portola Dr, Santa Cruz	2.109	C-C	C-C	C-2	C-2-Min	22-45	38	38
032-041-68	3501 Portola Dr, Santa Cruz	1.8	C-C	R-UHF	C2	RF	22-45	65	65
037-112-16	3223 Maplethorpe Ln., Soquel	0.4	R-UL	R-UH	R-1-8	RM-1.5	11-30	3	9
037-191-08	2625 Monterey Ave., Soquel	0.47	O-U; R-UL	O-U; R-UH	R-1-9	RM-1.5	11-30	3	9
037-191-11	2611 Monterey Ave, Soquel	0.266	O-U; R-UL	O-U, R-UHF	R-1-6	RF	22-45	10	10
037-191-12	2603 Monterey Ave, Soquel	3.5	O-U; R-UL	O-U, R-UHF	R-1-6	RF	22-45	47	47
037-191-13	5606 Soquel Dr, Soquel	5.8	O-U; R-UL	O-U, R-UHF	R-1-6	RF	22-45	107	157
037-191-18	2613 Monterey Ave, Soquel	1.935	O-U; R-UL	O-U, R-UHF	R-1-6	RF	22-45	30	30
037-211-19	(Ns) Monterey Ave., Soquel	0.44	R-UL	R-UH	R-1-9	RM-1.5	11-30	3	9
037-211-34	5720 Soquel Dr., Soquel	1.02	R-UL	R-UH	R-1-6; R-1-9	RM-4	11-30	3	9
039-201-36	2600 Mar Vista Dr, Aptos	7.464	O-R	R-UHF	PR	RF	22-45	120	235
039-201-37	2600 Mar Vista Dr, Aptos	6.195	O-R	R-UHF	PR	RF	22-45	95	195
041-233-24	9990 Soquel Dr, Aptos	1.361	C-S; R-UL	C-N	C-4; R-1-20	C-2	22-45	24	24
050-041-35	No Situs, Green Valley Rd / Primrose Ln, Watsonville	10.1	R-UVL	R-UH	R-1-1AC	RM-2	11-30	62	162
050-041-36	235 Primrose Ln, Watsonville	1.932	R-UVL	R-UH	R-1-1AC	RM-2	11-30	10	31
050-041-38	235 Primrose Ln, Watsonville	0.314	R-UVL	R-UH	R-1-1AC	RM-2	11-30	0	5
050-041-45	100 Primrose Ln, Watsonville	2.924	R-UVL	R-UH	R-1-1AC	RM-2	11-30	26	47
050-041-46	No Situs, Green Valley Rd / Primrose Ln, Watsonville	2.974	R-UVL	R-UH	R-1-1AC-AIA	RM-2	11-30	24	48
051-341-13	No Situs, Littleway Ln At Cunningham Wy, Watsonville	4.4	R-UL	R-UH	R-1-10-AIA	RM-2	11-30	60	70
051-521-11	578 Green Valley Rd, Watsonville	4.4	R-UL	R-UH	R-1-10	RM-1.5	11-30	119	119
053-011-01	610 Clubhouse Dr, Aptos	2.5	O-R	O-R / UH	PR	PR/ UH	11-30	11	24
053-011-09	664 Clubhouse Dr., Aptos	48	O-R	O-R / PF	PR	PR / UH	11-30	0	5
Total									2264



## EXHIBIT C







Source: County of Santa Cruz

**Proposed Code Amendments to SCCC 13.10.400 et seq  
to Create Ministerial Combining District**

*Note: Existing code shown in plain text; proposed new text shown underlined; text proposed for deletion shown in ~~strike-out~~ text.*

**Part IV. COMBINING DISTRICTS**

**13.10.400 Combining Districts.**

The following combining designations may be applied to basic zone districts in order to impose particular limitations or exercise some type of planning control. A combining district shall be denoted by the use of a dash and the letter(s) listed below under “Designation,” following the basic zoning designation:

<b>SCCC</b>	<b>Designation</b>	<b>Summary of Limitations Imposed</b>
13.10.416 through 13.10.418	D (Designated Park Site)	Denotes parcels designated in the General Plan and Local Coastal Program Land Use Plan in whole or part as proposed park sites.
13.10.421 through 13.10.423	GH (Geologic Hazards)	Denotes the presence of a particular physical hazard on the property; use and development is subject to the Geologic Hazard Ordinance (SCCC 16.10) regulations.
13.10.424 through 13.10.429	PRH (Permanent Room Housing Combining District)	Denotes parcels with structures originally in use as Type A visitor accommodations, nursing homes, residential care facilities, or other transient accommodations or care facilities, which may be used as permanent multifamily rental housing in multifamily structures or dwelling groups, with specific use and development standards. <sup>1</sup>
13.10.431 through 13.10.433	H (Assisted Housing)	General Plan and Local Coastal Program Land Use Plan policies regarding affordable housing priority sites apply.
13.10.434 through 13.10.436	SBE (Seascape Beach Estates Combining Zone District)	Denotes parcels in the Seascape Beach Estates neighborhood with special residential development standards intended to maintain characteristics of the existing built environment and ensure protection of the public viewshed.
13.10.437 through 13.10.439, 13.12	AIA (Airport Influence Area Combining District)	Denotes parcels within two miles of the boundary of the Watsonville Municipal Airport; use and development is subject to the Airport Combining Zone District Ordinance (SCCC 13.12) regulations.
13.10.441 through 13.10.443	I (Statement of Intention)	Board of Supervisors has agreed not to rezone the property in the foreseeable future.

<b>SCCC</b>	<b>Designation</b>	<b>Summary of Limitations Imposed</b>
13.10.444 through 13.10.448	PP (Pleasure Point Community Design)	Denotes parcels subject to special residential design standards and guidelines specific to the Pleasure Point neighborhood, to be applied in addition to the residential site standards found in SCCC 13.10.323(B).
13.10.451 through 13.10.453	L (Historic Landmark)	Property/structure has been designated a historic landmark and is subject to the regulations of the Historic Resources Ordinance (SCCC 16.42).
13.10.456 through 13.10.458	MH (Mobile Home Park)	Denoted property upon which a mobile home park has been established pursuant to an approved development permit or legally established prior to the requirement for a development permit; mobile home park development, operation, rental, sale and conversion are subject to all provisions of federal, State and County regulations.
13.10.461 through 13.10.463	O (Open Space Easement)	Owner has executed an open space easement contract with the County to maintain the land in its natural state for a period of 10 years. The 10-year period is renewed every year.
13.10.471 through 13.10.473	P (Agricultural Preserve and Farmland Security)	Owner has executed an agricultural preserve contract with the County to maintain the land in agricultural and open space use for a period of 10 years. The 10-year period is renewed every year.
13.10.475 through 13.10.478	R (Regional Housing Need)	Special use and development standards for development of housing at density of 20 units per acre with any RM-2 zoned parcel, or in C-1, C-2, or PA commercial zones, or public facility zones <sup>2</sup>
13.10.481 through 13.10.483	SP (Salamander Protection)	The regulations of the Sensitive Habitat Protection Ordinance (SCCC 16.32) apply and require special site development standards to protect the endangered species.
13.10.491 through 13.10.493	W (Watsonville Utility Prohibition)	Prevention of urban services to undeveloped/rural areas west of the City of Watsonville to protect farmlands and environmentally sensitive areas in the Coastal Zone west of Watsonville.

SCCC	Designation	Summary of Limitations Imposed
<u>13.10.494 through 13.10.497</u>	<u>-Min (Ministerial Combining District)</u>	<u>Proposed rental or for-sale multi-family housing developments in the -Min combining district shall be processed on a ministerial basis (i.e., a “by-right” or “non-discretionary” development review process), if at least 20% of the total units in the multi-family development are restricted lower-income units available for rent or for sale to lower-income households (at or below 80% of Area Median Income). Ministerial projects are exempt from CEQA review pursuant to the Public Resources Code and CEQA Guidelines. Qualifying development applications in this district are subject to and shall be processed consistent with Government Code subsections 65583.2(c), (h) and (i), or their successor subsections, and with Programs H-1B and H-1C of the 2023-2031 Housing Element of the General Plan, as further set forth in SCCC 13.10.494 – 497.</u>

## **Article X. Ministerial Combining District**

### **13.10.494 Purposes of the Ministerial Combining District.**

(A) The Ministerial Combining District (-Min) is established to denote those properties upon which certain qualifying multi-family housing developments as defined herein are eligible for ministerial review (also known as by-right development) in accordance with the provisions of Government Code Section 65583.2 and amendments thereto, and with Programs H-1B and H-1C of the 2023 Housing Element of the Santa Cruz County General Plan. Development applications that qualify for ministerial review pursuant to this section are exempt from CEQA review pursuant to the ministerial exemption in the Public Resources Code.

(B) For purposes of this section, “use by right” or “ministerial review” means that County review of a proposed for-sale or rental multi-family residential development located within the -Min Combining District may not require a conditional use permit, planned unit development permit, or other discretionary County review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Any subdivision of property located within the -Min Combining District shall be subject to all laws, including, but not limited to, County codes that implement the California Subdivision Map Act. The “use by right” or “ministerial review” process established by this section does not exempt a qualifying housing project from design review pursuant to SCCC Chapter 13.11. However, that design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Use by right for all rental multi-family residential housing shall be provided in accordance with Government Code Section 65589.5(f).

(C) The following definitions apply for the purposes of this section:

- (1) “Feasible” means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.
- (2) “Housing development project” means a use consisting of any of the following:
  - (a) Residential units only.
  - (b) Mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use.
  - (c) Transitional housing or supportive housing.

#### **13.10.495 Designation of the Ministerial Combining District.**

(A) Parcels included in the -Min Combining District must be located within the Urban Services Line and have access to municipal water and sewer services and dry utilities. This requirement does not impose any additional duty on the County to construct, finance, or otherwise provide water, sewer, or dry utilities to parcels included in this combining district.

(B) Two types of parcels listed in Table 7 of the Housing Sites Inventory in Appendix HE-E of the 2023 Housing Element (“Table 7”) are eligible for designation into the Ministerial Combining District:

- (1) Parcels described in Housing Element Program H-1C: This type includes parcels included in the 2023 Housing Sites Inventory that were previously included in the 4<sup>th</sup> or 5<sup>th</sup> Cycle Housing Element Sites Inventory as sites for lower-income housing, but have not yet been developed with lower-income housing as projected. These parcels are shown with a designation of “-Min” in the “Proposed Rezoning” column of Table 7 of Housing Element Appendix HE-E.
- (2) Parcels described in Housing Element Program H-1B: This type includes those parcels listed in Table 7 of Housing Element Appendix HE-E that meet all criteria below:
  - (a) The parcel is not covered by the rezoning proposed in Program H-1C;
  - (b) The parcel is projected to yield four or more lower-income units (including any very low- or extremely low-income units) as shown on Table 7;
  - (c) At the time rezoning is proposed, development of the lower-income units projected for the site in Table 7 is necessary for the County to meet its shortfall of lower-income units as defined in Program H-1B, and such housing development has not already been entitled or ministerially approved on the site at the time of rezoning.

### **13.10.496 Use and development standards in the Ministerial Combining District.**

Parcels designated as -Min Combining District are subject to the objective use and development standards of the base district that apply to any multi-family development in that district, provided that such standards do not conflict with this section. The base district may be any of the following districts that allow residential multi-family development: RM, RF, C1, C2, PA, PF. In addition, the following use and development standards shall apply to the -Min Combining District:

(A) In order to qualify for ministerial review pursuant to this section, a proposed housing development in the -Min Combining District must meet all of the following criteria, consistent with State Housing Element law:

- (1) At least 20 percent of the total units in the housing development, inclusive of any density bonus units, shall be provided as deed-restricted units affordable for rent or purchase by lower-income households, as defined in Section 50079.5 of the CA Health and Safety Code. The applicant shall record a restrictive covenant in a form provided by the County that ensures the continued affordability of all lower-income units for the life of the unit, unless a shorter affordability term is required by low-income housing tax credit regulations or other applicable law.
- (2) Housing units restricted for lower-income households pursuant to this section shall be made available at a monthly housing cost that does not exceed 30 percent of monthly income for low-income households, defined for this purpose as households earning exactly 60 percent of Area Median Income (AMI), with adjustments for household size made in accordance with the adjustment factors on which the lower-income eligibility limits are based. For lower-income rental units, that monthly housing cost includes monthly rent and utilities charged to the tenant. For lower-income units in for-sale developments, monthly housing costs include the following: mortgage payments (principal and interest), property taxes, property insurance, and homeowners' association dues, if any. All lower-income units in for-sale projects must be offered for sale at the same time that any market-rate units in the development are offered for sale.
- (3) If the project is subject to the affordable housing requirements of SCCC Chapter 17.10, it must meet the applicable requirements of that Chapter as well as those of this section. Any lower-income units required pursuant to this section may be counted toward the inclusionary requirements of SCCC Chapter 17.10, provided they also meet all standards of that Chapter applicable to affordable housing units in new developments.
- (4) If the applicant applies for a density bonus pursuant to SCCC Chapter 17.12 and State density bonus law, it must comply with all applicable provisions of SCCC Chapter 17.12 and State law in addition to those of this section, including but not limited to replacement housing requirements, if applicable.

(B) The density and development standards of sites in the -Min Combining District shall meet the following minimum criteria:



- (1) Each site proposed for designation into the -Min Combining District (which, for sites designated in the Housing Sites Inventory as “consolidated sites,” may consist of one or more parcels), shall be large enough to permit development of at least 16 units, based on a density of at least 20 units per acre.
- (2) Parcels in the -Min Combining District shall allow rental or for-sale multi-family residential development at a density of at least 20 units per acre, or more if a higher density is allowed by the base district.
- (3) A housing development proposed on a site in the -Min Combining District that is proposed for ministerial review pursuant to this section shall include at least as many lower-income units as are projected for the site in the Table 7 of the Housing Sites Inventory, shall achieve a minimum density of at least 20 units per acre, and shall meet all applicable minimum density policies in the General Plan and/or Zoning Code applicable to the base zoning district in which the project is located, which policies may require a density higher than 20 units per acre.
- (4) A housing development eligible for ministerial review pursuant to this section shall comply with, and is subject to all of the following:
  - (a) All objective, quantifiable, written development standards, conditions, and policies of the General Plan and/or Zoning Code applicable to multi-family developments in the base zoning district where the project is located. These development standards, conditions, and policies shall be applied by the County in such a manner as to facilitate and accommodate the qualifying housing development at the density permitted on the site and proposed by the developer in order to meet the County’s lower-income Regional Housing Needs Allocation (RHNA) for the 6<sup>th</sup> cycle. Notwithstanding the foregoing, if a density bonus application is filed for the qualifying housing development, any concessions or waivers of development standards for which the project qualifies shall not be considered a failure to comply with objective standards.
  - (b) All applicable development impact fees and other exactions otherwise authorized by law and County Code that are essential to provide necessary public services and facilities to the proposed housing development project.
  - (c) Any design review process required for similarly sized multi-family residential projects in the base zoning district. However, any such design review process that may be required shall be exempt from CEQA as provided in 13.10.494(A), above.
- (5) For purposes of this section, a housing development project proposed in the -Min Combining District pursuant to this article shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project is consistent, compliant, or in conformity with it.

**13.10.497 “Min” Combining District permit processing procedures.**

(A) Procedures for Ministerial Processing of Qualifying Projects Outside the Coastal Zone. Applicants for residential and/or qualifying mixed-use projects located in the -Min Combining District for which the applicant seeks ministerial processing pursuant to this section shall submit a Design Review Group (DRG) preliminary application, and subsequently revise their plans to address comments pertaining to any objective standards from any reviewing agencies, to the extent possible without rendering the project infeasible, prior to filing a building permit application and/or any other ministerial permits required for the project (grading permits, encroachment permits, etc.). Projects that qualify for ministerial processing pursuant to Section 13.10.496(A) are not subject to SCCC Chapter 18.10. which pertains only to discretionary review, and therefore no public hearings are required. Projects funded with federal funds are subject to applicable federal environmental review pursuant to the National Environmental Policy Act (NEPA).

(B) Procedures for Ministerial Processing of Qualifying Projects Inside the Coastal Zone. Projects located within the -Min Combining District and in the Coastal Zone are subject to applicable provisions of SCCC 13.20 (Coastal Zone Regulations) as well as the procedures provided in subsection (A) above, except that no public hearing shall be required.

## Exhibit E: Statutory References

### Relevant Excerpts of CA Gov. Code Section 65583.2:

For full text of 65583.2, see this [link](#).

Staff notes in [brackets]. Emphasis added with underlined text.

### Gov Code Section 65583.2

(c) Based on the information provided in subdivision (b), a city or county shall determine whether each site in the inventory can accommodate the development of some portion of its share of the regional housing need by income level during the planning period, as determined pursuant to Section 65584. The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower income housing, moderate-income housing, or above moderate-income housing. A nonvacant site identified pursuant to paragraph (3) or (4) of subdivision (a) in a prior housing element and a vacant site that has been included in two or more consecutive planning periods that was not approved to develop a portion of the locality's housing need shall not be deemed adequate to accommodate a portion of the housing need for lower income households that must be accommodated in the current housing element planning period unless the site is zoned at residential densities consistent with paragraph (3) of this subdivision and the site is subject to a program in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households. Notwithstanding the foregoing, for a local government that fails to adopt a housing element that the department has found to be in substantial compliance with state law within 120 days of the statutory deadline in Section 65588 for adoption of the housing element, rezoning pursuant to this subdivision shall be completed no later than one year from the statutory deadline in Section 65588 for adoption of the housing element.

(h) The program required by subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583 *[the Rezoning Program]* shall accommodate 100 percent of the need for housing for very low and low-income households allocated pursuant to Section 65584 for which site capacity has not been identified in the inventory of sites pursuant to paragraph (3) of subdivision (a) on sites that shall be zoned to permit owner-occupied and rental multifamily residential use by right for developments in which at least 20 percent of the units are affordable to lower income households during the planning period. These sites shall be zoned with minimum density and development standards that permit at least 16 units per site at a density of at least 16 units per acre in jurisdictions described in clause (i) of subparagraph (B) of paragraph (3) of subdivision (c), shall be at least 20 units per acre in jurisdictions described in clauses (iii) and (iv) of subparagraph (B) of paragraph (3) of subdivision (c) *[includes Santa Cruz County]* and shall meet the standards set forth in subparagraph (B) of paragraph (5) of subdivision (b) *[see inset below]*. At least 50 percent of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed uses are not permitted, except that a city or county may accommodate all of the very low and low-income housing need on sites designated for mixed use if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project.

## **Exhibit E: Statutory References**

65583.2(b)(5)(B): *[Site Standards]*

Parcels included in the inventory must have sufficient water, sewer, and dry utilities supply available and accessible to support housing development or be included in an existing general plan program or other mandatory program or plan, including a program or plan of a public or private entity providing water or sewer service, to secure sufficient water, sewer, and dry utilities supply to support housing development. This paragraph does not impose any additional duty on the city or county to construct, finance, or otherwise provide water, sewer, or dry utilities to parcels included in the inventory.

(i) For purposes of this section and Section 65583, the phrase “use by right” shall mean that the local government’s review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Any subdivision of the sites shall be subject to all laws, including, but not limited to, the local government ordinance implementing the Subdivision Map Act. A local ordinance may provide that “use by right” does not exempt the use from design review. However, that design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Use by right for all rental multifamily residential housing shall be provided in accordance with subdivision (f) of Section 65589.5. *[Below]*.

### **Relevant Excerpts of CA Gov. Code Section 65589.5(f)**

*For full text of 65589.5 (the Housing Accountability Act), see this [link](#).*

(f) (1) Except as provided in subdivision (o), nothing in this section shall be construed to prohibit a local agency from requiring the housing development project to comply with objective, quantifiable, written development standards, conditions, and policies appropriate to, and consistent with, meeting the jurisdiction’s share of the regional housing need pursuant to Section 65584. However, the development standards, conditions, and policies shall be applied to facilitate and accommodate development at the density permitted on the site and proposed by the development.

(2) *[Omitted, not relevant to Ministerial Combining District]*

(3) Except as provided in subdivision (o), nothing in this section shall be construed to prohibit a local agency from imposing fees and other exactions otherwise authorized by law that are essential to provide necessary public services and facilities to the housing development project or emergency shelter.

(4) For purposes of this section, a housing development project or emergency shelter shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project or emergency shelter is consistent, compliant, or in conformity.