



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, SUITE 410, SANTA CRUZ, CA 95060
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123
TOM BURNS, DIRECTOR

January 22, 2004

Agenda: February 11, 2004

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

Re: DRAFT HOUSING ELEMENT

Commissioners:

BACKGROUND

State law requires each California city and county to prepare, at periodic intervals, a Housing Element to address the housing needs of the community as specified in housing element Law. Housing element law establishes the procedure for the preparation of the Regional Housing Needs Determination ("RHND": a process that results in the assignment of a minimum housing needs requirement for each jurisdiction). Housing element Law also establishes the process for appealing these determinations, the minimum required contents for the Housing Element, and the review process by the California Department of Housing and Community Development (HCD).

At this point, the Association of Monterey Bay Area Governments (AMBAG) has completed the RHND process for Santa Cruz and Monterey Counties. As your Commission undoubtedly knows, the County of Santa Cruz and the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville have initiated legal action against AMBAG regarding the RHND process and the resulting "fair share" numbers. The "fair share" housing number assigned to the County of Santa Cruz by the RHND is 3,441 housing units (1,351 above moderate income, 651 moderate income, 502 Low income, 937 very low income). The County and the cities contend that if a proper methodology had been used to distribute the Monterey County and Santa Cruz County jurisdictions' regional housing number, the jurisdictions in Santa Cruz County would have significantly lower housing requirements. The lawsuit is pending in Superior Court in Santa Clara County.

In order to demonstrate the County's good faith effort in meeting the requirements of State law while the lawsuit is in process, the Board of Supervisors directed staff to prepare a draft Housing Element and further directed the Planning Department to proceed with the public outreach and public hearings on the document.

DRAFT HOUSING ELEMENT

The Draft Housing Element before you today has been prepared to meet the requirements of State law. It includes specific discussions and statistical information on the population and housing stock in the unincorporated areas of the County based on demographic information from the 2000 Census and other sources. The document includes a lengthy discussion on the housing needs of the County, as well as the housing needs of 'special needs' groups as identified by State law. These special needs groups include the homeless, the elderly, large households, female-headed households, persons with disabilities, farmworkers and students. The document includes an analysis of federally assisted housing that is threatened with conversion to market rate and a discussion of constraints to the development of housing in the County of Santa Cruz. The document, as required by State law, also includes a discussion on energy conservation, an assessment of the 1994 Housing Element and a review of housing in the coastal zone.

To address the RHND, the Draft Housing Element includes a housing site inventory and a series of goals, policies and programs that are proposed to address the need and to provide the opportunity for the development of the required housing units. These policies and programs provide a number of ways that the required housing units, and especially the housing needed for the special needs groups, can be provided. At this time, the Draft Housing Element Housing Site Inventory is based on the number of units allocated in the RHND by AMBAG. These numbers could change pending the outcome of the lawsuit.

In addition, the California Department of Housing and Community Development (HCD) has submitted its comments on the Draft Housing Element (Exhibit D). These comments suggest that a number of changes to the document will be required to comply with State law. Some of these changes have already been incorporated into the document. However, other more policy based comments have not been incorporated. These policy based comments specifically refer to increasing density and height. Changes based on these comments were not incorporated into the Draft Housing Element because it is not necessary to increase density or height to meet the RHND numbers.

PUBLIC PARTICIPATION PROCESS

The Element must document the efforts that have been taken to gain a wide range of public participation. Staff has published a ¼ page advertisement in the two major newspapers in the County informing the public about the release of the Draft Housing Element and describing how the public can get a copy of the document and how

comments can be submitted. This notice also included specific dates and times that the Draft Housing Element would be reviewed by various County Commissions. To date, the following Commissions have reviewed the document:

Childcare Planning Council	Commission on Disabilities
Continuum of Care	First 5 Commission
Housing Advisory Commission	Latino Affairs Commission
Mental Health Advisory Board	Mobile Home Commission
Seniors Commission	Water Advisory Commission
Womens Commission	Workforce Investment Board Exec. Comm

The Housing Advisory Commission (HAC), as specified in its enabling ordinance, plays a major role in the review of the Housing Element. The HAC completed two public hearings on the Draft Housing Element (August 6th and 20th, 2003) and held two meetings to deliberate and formulate its recommendations on the Draft Housing Element (September 17th and 24th, 2003). The HAC recommendations are included as double underline and double strikeout in the version of the Draft Housing Element attached as Exhibit A. Recommended changes from other Commissions or members of the public which were reviewed and approved by the HAC are included in the document as single underline and single strikeout.

The public participation process was instrumental in gaining input from both the Commissions and members of the public. Correspondence received regarding the draft Housing Element is included as Exhibit E.

HOUSING ELEMENT REVIEW PROCESS

Because the Housing Element is one of the mandatory elements of the County's General Plan and, as such, must be adopted as a General Plan amendment by the Board of Supervisors. The Planning Commission is charged with preparing and forwarding a recommendation regarding the proposed General Plan amendment to the Board of Supervisors based on the materials presented, the testimony presented by the public and the discussion among the Commissioners.

At this time, the Initial Study on the Draft Housing Element has been prepared and will be reviewed by the Environmental Coordinator on January 26, 2004. Due to the Environmental Coordinator's review occurring after the completion of this letter, Staff will report the results of the Environmental Review to you at your hearing on February 11, 2004. The review period for the Environmental Coordinator's decision will end on March 3, 2004. The Draft Housing Element is coming to you prior to the completion of the Environmental Review process because the Board of Supervisors will take the final action on this process. Additionally, your recommendation to the Board of Supervisors and/or the Board of Supervisors action on the Draft Housing Element may change the document significantly enough that further environmental review would be necessary. Therefore, the document is before you prior to the completion of the Environmental Review process. The Initial Study is attached as Exhibit 2.

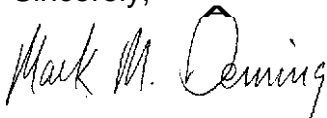
CONCLUSION AND RECOMMENDATION

You have before you the revised draft housing element that incorporates recommendations from the Housing Advisory Commission as well as other changes resulting from comments received from other commissions and from the public participation process. The draft Housing Element meets the requirements of State law and is ready for your review and any recommendations prior to consideration by the Board of Supervisors.

It is, therefore, RECOMMENDED that your Commission:

1. Conduct a public hearing on the Draft Housing Element; and
2. Provide the Planning Department with any comments regarding the Draft Housing Element.
3. Adopt the attached Resolution (Exhibit B) recommending that the Board of Supervisors approve the Housing Element as revised.

Sincerely,



Mark M. Deming, AICP
Assistant Planning Director

Exhibits:

A.	Draft Housing Element
B.	Resolution
C.	Initial Study
D.	Letter of Cathy Creswell, Deputy Director, California Department of Housing and Community Development, dated August 8, 2003.
E.	Correspondence received

cc: County Counsel
Redevelopment Agency
Housing Advisory Commission

EXHIBIT A

COUNTY OF SANTA CRUZ GENERAL PLAN
DRAFT HOUSING ELEMENT

FOR REVIEW BY THE PLANNING COMMISSION
FEBRUARY 11, 2004



SANTA CRUZ COUNTY 2000 - 2007 HOUSING ELEMENT

ADMINISTRATIVE DRAFT

TABLE OF CONTENTS

4.1	INTRODUCTION	1
4.1.1	DEFINITION AND PURPOSE	
4.1.2	STATUTORY REQUIREMENTS	
4.1.3	ORGANIZATION OF THE HOUSING ELEMENT	
4.1.4	CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS	
4.1.5	DEFINITION OF TERMS	
A.2.	BACKGROUND ANALYSIS	5
4.2.1	POPULATION TRENDS	
4.2.2	RACIAL/ETHNIC MAKEUP OF SANTA CRUZ COUNTY AND THE STATE OF CALIFORNIA	
4.2.3	AGE DISTRIBUTION	
4.2.4	NUMBER AND SIZE OF HOUSEHOLDS	
4.2.5	FAMILY/NON-FAMILY HOUSEHOLDS	
4.2.6	HOUSEHOLD COMPOSITION	
4.2.7	HOUSING STOCK	
4.2.8	AGE AND CONDITION OF HOUSING STOCK	
4.2.9	NUMBER OF ROOMS/UNIT	
4.2.10	OVERCROWDING	
4.2.11	VACANCY RATES IN SANTA CRUZ COUNTY OF SANTA CRUZ	
4.2.12	INCOME CHARACTERISTICS	
4.2.13	EMPLOYMENT AND WAGE CHARACTERISTICS	
4.2.14	EDUCATION	
4.2.15	HOUSING COSTS	
4.2.16	OVERPAYMENT	
4.2.17	HOUSING TENURE	
4.3	HOUSING NEEDS	32
4.3.1	REGIONAL HOUSING SHARE	
4.3.2	REGIONAL HOUSING NEEDS DETERMINATION	
4.3.3	ABILITY TO PAY BY INCOME CATEGORY	
4.3.4	RELATIONSHIP TO HISTORICAL HOUSING PRODUCTION	
4.3.5	HOUSING NEEDS OF SPECIAL POPULATION GROUPS	
4.3.6	HOMELESS PEOPLE	
4.3.7	ELDERLY	
4.3.8	LARGE HOUSEHOLDS	
4.3.9	FEMALE HEADED HOUSEHOLDS	
4.3.10	PEOPLE WITH PHYSICAL, MENTAL AND/OR DEVELOPMENTAL DISABILITIES	
4.3.11	FARMWORKER HOUSEHOLDS	
4.3.12	STUDENTS	

4.3.13 CHILD CARE

4.4	ASSISTED HOUSING ELIGIBLE FOR CONVERSION	79
4.4.1	STATUS OF SEASIDE APARTMENTS	
4.4.2	HUD PROCESS FOR ADDRESSING EXPIRING RESTRICTIONS	
4.4.3	STATE LAW REQUIREMENTS FOR PROJECTS CONSIDERING OPTING-OUT OF RESTRICTIONS	
4.4.4	LOCAL OPTIONS AVAILABLE TO ADDRESSING PROJECTS OPTING-OUT OF RESTRICTIONS	
4.4.5	COST ANALYSIS OF PRESERVING "AT-RISK" PROJECTS	
4.4.6	QUANTIFIED OBJECTIVES FOR PRESERVATION OF AFFORDABLE "AT-RISK" UNITS	
4.5	CONSTRAINTS	87
4.5.1	POTENTIAL GOVERNMENTAL CONSTRAINTS AND EFFORTS TO REMOVE THEM	
4.5.2	POTENTIAL NON- GOVERNMENTAL CONSTRAINTS	
4.6	HOUSING SITE INVENTORY	120
4.6.1	OVERALL HOUSING CAPACITY	
4.6.2	SITES AND CAPACITY BY HOUSING CATEGORY	
4.6.3	DEVELOPMENT POTENTIAL OF VACANT AND UNDERUTILIZED PARCELS	
4.6.4	SUMMARY OF HOUSING SITE INVENTORY	
4.7	HOUSING GOALS, POLICIES, PROGRAMS AND QUANTIFIED OBJECTIVES	131
4.7.1	GOALS AND POLICIES	
	GOAL 1. PROMOTE PRODUCTION OF AFFORDABLE HOUSING UNITS	
	GOAL 2. PROMOTE THE USE OF AVAILABLE SITES FOR AFFORDABLE HOUSING CONSTRUCTION AND PROVIDE ADEQUATE INFRASTRUCTURE	
	GOAL 3. SUSTAIN EXISTING AFFORDABLE HOUSING PROGRAMS AND AFFORDABLE UNITS	
	GOAL 4. INCREASE FUNDING FOR AFFORDABLE HOUSING	
	GOAL 5. PROMOTE PRODUCTION OF SPECIAL NEEDS HOUSING	
	GOAL 6. IMPROVE CONSERVATION OF ENERGY AND NATURAL RESOURCES	
4.7.2	QUANTIFIED OBJECTIVES	
4.7.3	HOUSING ACTION PROGRAMS	
4.7.4	PUBLIC FINANCIAL RESOURCES FOR AFFORDABLE HOUSING IN SANTA CRUZ COUNTY	
4.8	OPPORTUNITIES FOR ENERGY CONSERVATION	179
4.8.1	ENERGY CONSERVATION IN RESIDENTIAL DEVELOPMENT	
4.8.2	OPPORTUNITIES TO CONSERVE ENERGY	

4.9	ASSESSMENT OF THE 1994 HOUSING ELEMENT	182
4.9.1	BACKGROUND INFORMATION	
4.9.2	EFFECTIVENESS OF THE 1994 HOUSING ELEMENT AND PROGRESS IN IMPLEMENTATION	
4.9.3	REVIEW OF EXISTING HOUSING PROGRAMS	
4.9.4	AFFORDABLE HOUSING PRODUCTION SUMMARY	
4.10	LOW AND MODERATE INCOME HOUSING WITHIN THE COASTAL ZONE	206
4.11	EFFORTS TO ACHIEVE CITIZEN PARTICIPATION	218
4.11.1	PUBLIC MEETINGS AND HEARINGS	

APPENDIX A: URBAN AND RURAL RESIDENTIAL DEVELOPMENT POTENTIAL,
VACANT AND UNDERUTILIZED

APPENDIX B: RESIDENTIAL CONSTRUCTION POTENTIAL IN CONJUNCTION
WITH DEVELOPMENT OR REDEVELOPMENT OF COMMERCIAL
PARCELS

APPENDIX C: SECOND UNIT POTENTIAL BUILDOUT CALCULATIONS

APPENDIX D: TABLE OF SITE STANDARDS FOR RESIDENTIAL DEVELOPMENT

SANTA CRUZ COUNTY 2000 – 2007 HOUSING ELEMENT
LIST OF TABLES AND FIGURES

- 4.2.1 POPULATION GROWTH IN SANTA CRUZ COUNTY AND THE STATE OF CALIFORNIA (1960 – 2000)
- 4.2.2 RACE AS A PERCENTAGE OF THE POPULATION IN SANTA CRUZ COUNTY AND IN CALIFORNIA IN 1990 AND 2000
- 4.2.3 COMPARISON OF HISPANIC/LATINO ETHNICITY BY COUNTY AND STATE POPULATION
- 4.2.4 AGE DISTRIBUTION OF SANTA CRUZ COUNTY AND CALIFORNIA STATE IN 1990 AND 2000 AS A PERCENTAGE OF THE POPULATION
- 4.2.5 HOUSEHOLD ESTIMATES FOR SANTA CRUZ COUNTY AND THE STATE OF CALIFORNIA
- 4.2.6 NUMBER OF EXISTING HOUSEHOLDS AND HOUSING UNITS
- 4.2.7 NUMBER OF PERSONS IN FAMILY/NON-FAMILY HOUSEHOLDS IN SANTA CRUZ COUNTY
- 4.2.8 HOUSEHOLD COMPOSITION BY TYPE IN SANTA CRUZ COUNTY IN 1990 AND 2000
- 4.2.9 HOUSING UNIT TYPES IN SANTA CRUZ COUNTY
- 4.2.10 AGE OF HOUSING STOCK IN SANTA CRUZ COUNTY
- 4.2.11 ROOMS PER HOUSING UNIT IN SANTA CRUZ COUNTY
- 4.2.12 PERSONS PER ROOM IN ALL OCCUPIED HOUSING UNITS IN SANTA CRUZ COUNTY
- 4.2. 3 TOTAL VACANT UNITS AND VACANCY RATE IN UNINCORPORATED SANTA CRUZ COUNTY
- 4.2. 4 RENTAL AND OWNER VACANCY RATE IN THE UNINCORPORATED AREAS OF SANTA CRUZ COUNTY
- 4.2. 5 TYPE OF VACANT UNITS IN SANTA CRUZ COUNTY
- 4.2. 6 RISE IN MEDIAN HOUSEHOLD INCOME IN SANTA CRUZ COUNTY AND CALIFORNIA
- 4.2. 7 SANTA CRUZ COUNTY AND STATE OF CALIFORNIA HOUSEHOLD INCOME
- 4.2.18 RANKING OF THE MEDIAN INCOME OF CENSUS DESIGNATED PLACE (CDP) AREAS WITHIN SANTA CRUZ COUNTY
- 4.2.19 INCREASE IN SANTA CRUZ COUNTY HOUSEHOLD INCOME RANGE BY INCOME CATEGORY (1989, 1999, 2000 AND 2002)
- 4.2.20 SANTA CRUZ COUNTY INCOME CATEGORIES
- 4.2.21 RANK OF CDP AREAS WITHIN SANTA CRUZ COUNTY THAT HAVE A HIGHER PROPORTION OF HOUSEHOLDS WITH LOWER INCOME OR LESS (<80% OF MEDIAN INCOME OF \$62,000 IN 2002), BASED ON THE SANTA CRUZ COUNTY GUIDELINES OF AFFORDABLE HOUSING FOR A 3-PERSON HOUSEHOLD
- 4.2.22 OCCUPATIONAL EMPLOYMENT AND WAGE DATA FOR SANTA CRUZ COUNTY
- 4.2.23 CALIFORNIA AND SANTA CRUZ COUNTY EDUCATIONAL ATTAINMENT OF PERSONS MORE THAN 25 YEARS OLD

- 4.2.24 RANGE OF RENTAL RATES FOR AVERAGE APARTMENTS, HOUSES AND CONDOMINIUMS IN SANTA CRUZ COUNTY, 2002
- 4.2.25 FAIR MARKET RENTS FOR EXISTING HOUSING IN SANTA CRUZ COUNTY
- 4.2.26 MEDIAN GROSS RENT IN DOLLARS PER MONTH WITHIN CDP AREAS IN SANTA CRUZ COUNTY, 2000
- 4.2.27 MEDIAN COST OF A HOME WITHIN CDP AREAS IN SANTA CRUZ COUNTY, 2000
- 4.2.28 MEDIAN HOME SALES PRICES IN SANTA CRUZ COUNTY (JANUARY 1999 – APRIL 2002)
- 4.2.29 MEDIAN HOME PRICES IN SANTA CRUZ COUNTY OF SANTA CRUZ
- 4.2.30 PERCENTAGE OF HOUSEHOLDS PAYING OVER 30% OF INCOME ON HOUSING IN 2000
- 4.2.31 HOUSING TENURE BY AGE OF HOMEOWNER IN SANTA CRUZ COUNTY
- 4.2.32 HOUSING TENURE BY RACE OF HOMEOWNER IN SANTA CRUZ COUNTY
- 4.2.33 HOUSING TENURE BY LATINO/HISPANIC ETHNICITY IN SANTA CRUZ COUNTY

- 4.3.1 AMBAG REGIONAL HOUSING NEEDS ALLOCATION
- 4.3.2 AFFORDABLE HOUSING PRICE ESTIMATE FOR HOME PURCHASE
- 4.3.3 AFFORDABLE HOUSING PRICE ESTIMATE FOR RENTAL UNITS
- 4.3.4 SHELTER STATUS OF HOMELESS PERSONS IN THE COUNTY OF SANTA CRUZ
- 4.3.5 2001 FAIR MARKET MONTHLY RENTS (HUD 2001) BY NUMBER OF BEDROOMS
- 4.3.6 WAIT LIST FOR SUBSIDIZED HOUSING, APRIL 2001
- 4.3.7 LIST OF SHELTER SERVICES FOR HOMELESS PEOPLE IN SANTA CRUZ COUNTY
- 4.3.8 SUBSIDIZED SENIOR HOUSING PROJECTS IN THE UNINCORPORATED AREA
- 4.3.9 HOUSING FOR THE ELDERLY IN SANTA CRUZ COUNTY
- 4.3.10 HOUSEHOLDS IN SANTA CRUZ COUNTY WITH 5 OR MORE INDIVIDUALS AND UNITS WITH 5 OR MORE ROOMS
- 4.3. 1 PERCENTAGE OF THE NUMBER OF INDIVIDUALS LIVING IN OVERCROWDED AND NON-OVERCROWDED HOUSEHOLDS IN SANTA CRUZ COUNTY
- 4.3. 2 SURVEY OF LARGE RENTAL UNITS AVAILABLE IN SANTA CRUZ COUNTY ON JULY 15TH, 2002
- 4.3. 3 PERCENTAGE OF OVERCROWDED HOUSEHOLDS AND LARGE HOUSING STOCK BY JURISDICTION AND CENSUS DESIGNATED PLACE (CDP)
- 4.3. 4 U.S. POVERTY RATES BY HOUSEHOLD TYPE
- 4.3. 5 PERCENTAGE OF THE CIVILIAN NON-INSTITUTIONALIZED DISABLED POPULATION OVER THE AGE OF 5 IN SANTA CRUZ COUNTY IN CONTRAST TO INDIVIDUALS WITHOUT DISABILITIES
- 4.3. 6 SANTA CRUZ COUNTY HEALTH SERVICES AGENCY ANTICIPATED NEW HOUSING UNITS FOR PSYCHIATRICALY DISABLED

- 0
- 4.3.17 SAN ANDREAS REGIONAL CENTER (SARC) CLIENTS BY JURISDICTION IN SANTA CRUZ COUNTY
 - 4.3.18 FARMWORKER HOUSING RESOURCES
 - 4.3.19 STUDENT HOUSING NEED IN SANTA CRUZ COUNTY

 - 4.4.1 AT RISK UNITS BY JURISDICTION
 - 4.4.2 TRULY AT-RISK UNITS IN UNINCORPORATED AREA

 - 4.5.1 MAXIMUM GROSS FLOOR AREA WITHIN THE URBAN SERVICES LINE (USL) [FOR SECOND UNITS]
 - 4.5.2 MAXIMUM GROSS FLOOR AREA OUTSIDE OF THE URBAN SERVICES LINE (USL) [FOR SECOND UNITS]
 - 4.5.3 TYPICAL BUILDING PERMIT FEES
 - 4.5.4 SANTA CRUZ COUNTY MEDIAN HOME PRICES

 - 4.6.1 POTENTIAL BUILD OUT - 1994 GENERAL PLAN/LCP
 - 4.6.2 POTENTIAL NEW UNITS BY AFFORDABILITY LEVEL FOR HOUSING ELEMENT 2000 - 2007 (URBAN AND RURAL)

 - 4.7.1 POTENTIAL NEW UNITS BY AFFORDABILITY LEVEL FOR HOUSING ELEMENT 2000 - 2007 (URBAN AND RURAL)



4.1 INTRODUCTION

This section of the Santa Cruz County General Plan presents goals, objectives, policies, and supporting information related to the provision of housing for existing and future residents of the County. The purpose of the Housing Element is two-fold: 1) to present specific policies and actions for housing development in the context of the Land Use Element of the County's General Plan; and 2) to meet regional standards and achieve State certification, pursuant to statutory requirements, which in turn will help the County qualify for State and federal funding sources for housing development.

4.1.1 DEFINITION AND PURPOSE

The Housing Element of the General Plan is a comprehensive statement by the County of Santa Cruz of its current and future housing needs and proposed actions to facilitate providing housing to meet those needs at all income levels. The Element is based on an assessment of existing housing policies and programs, current and projected housing needs, especially related to low income households and special needs populations, an inventory of sites available for housing construction, and analysis of market, environmental, governmental, and other factors which constrain housing production. and an assessment of new programs and policies that can enhance housing production in the County.

The policies contained in the Housing Element are the County's action plan for achieve the statewide housing goal of "attaining decent housing and a suitable living environment for every California family," as well as a reflection of the particular concerns of the community. The purpose of the Housing Element is to establish specific goals, policies and objectives relative to the provision of housing, and to adopt an action plan to achieve these goals. In addition, the Housing Element identifies and analyzes housing needs and resources and the constraints to meeting these needs.

The County of Santa Cruz Housing Element is based on five strategic goals:

- 1) accommodating the County's fair share of the region's housing needs,
- 2) promoting the construction of housing affordable to low- and moderate-income households,
- 3) assisting low-income property owners in improving substandard dwelling units,
- 4) preserving the current stock of affordable housing in the County, and
- 5) assuring non-discrimination in housing.

4.1.2 STATUTORY REQUIREMENTS

Government Code Section 65580 states that local and state governments have a responsibility to use their vested powers to facilitate housing development and to make “adequate provision for the housing needs of all economic segments of the community.” At the same time, the Legislature acknowledges the need for jurisdictions to consider “economic, environmental, and fiscal factors and community goals set forth in the general plan.”

State law requires the Housing Element to be consistent and compatible with other General Plan Elements. Additionally, Housing Elements must provide clear policy and direction for making decisions pertaining to zoning, subdivision approval, housing allocations, and capital improvements. State law (Government Code Sections 65580 through 65589) mandates the contents of the housing element. By law, the Housing Element must contain:

- ✘ An assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs;
- ✘ A statement of the community’s goals, quantified objectives, and policies relevant to the maintenance, improvement and development of housing; and
- ✘ A program that sets forth a five-year schedule of actions that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

In addition, Fthe housing program must also identify adequate residential sites available for a variety of housing types for ail income levels; assist in developing adequate housing to meet the needs of low- and moderate-income households; address governmental constraints to housing maintenance, improvement, and development; conserve and improve the condition of the existing affordable housing stock; and promote housing opportunities for all persons.

4.1.3 ORGANIZATION OF THE HOUSING ELEMENT

The Housing Element will be incorporated into the County General Plan as Chapter 4, to replace the Housing Element adopted in 1994. The Housing Element is organized into twelve sections. Section 4.1 is the introduction to the overall effort. Section 4.2 provides background on population, employment, and housing trends in Santa Cruz County. Section 4.3 presents the County’s regional share of housing needs, and describes special needs housing. Section 4.4 provides an inventory of affordable units at-risk of losing their affordability restrictions. Section 4.5 describes the governmental and non-governmental constraints to affordable housing provision. Section 4.6 presents a detailed

housing site inventory. Section 4.7 establishes housing goals, policies, and quantified objectives. Section 4.8 discusses opportunities for energy conservation. Section 4.9 reviews the 1994 Housing Element and provides information on existing housing programs and affordable unit production since 1994. Section 4.10 discusses the Coastal Requirements of the Housing Element. Section 4.11 describes the citizen participation activities organized to solicit input on housing needs in the community and through the development of the Housing Element.

4.1.4 CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS

The County's General Plan serves as the legal framework or "constitution" for development in the unincorporated area of Santa Cruz County. This long range planning document describes goals, programs and policies upon which all future permitting decisions will be based. Once the General Plan is adopted, all development-related decisions in unincorporated areas must be consistent with the General Plan. If a development proposal is not consistent with the plan, it must be revised or the plan itself must be amended. State law requires a community's General Plan to be internally consistent. This means that the Housing Element must function as an integral part of the overall General Plan, and be consistent with each other element of the General Plan.

The Housing Element is consistent with the Land Use, Circulation, Conservation and Open Space, Public Safety and Noise, Parks, Recreation and Public Facilities, and Community Design elements. Housing Element policies promote housing consistent with the various land use designations set forth in the Land Use Element.

4.1.5 DEFINITION OF TERMS

Throughout this Housing Element, a number of technical terms are used in describing and quantifying conditions and objectives. The definitions of these terms follow:

"Affordable Housing" - Housing which costs no more than 30 percent of a low or very low income household's gross monthly income. For rental housing, the residents can pay up to 30 percent of gross income on full-service rent (including utilities) or the combination of rent and separate utility costs. For homeownership, residents can pay up to 30 percent on the combination of mortgage payments, property taxes, homeowners insurance, and utility costs.

"Area Median Income (AMI)" - The income figure representing the middle point of all Santa Cruz County household incomes. Half of all households earn more than or equal to this figure and half earn less than or equal to this figure. The AMI varies according to the size of the household. For the year 2002, the AMI for a four person household in Santa Cruz County was \$69,000, and for a three

person household, the AMI was \$62,100. In general, the four person AMI is used as the standard.

"Very Low income Households" - Households earning not more than 50 percent of the Santa Cruz County AMI.

"Low Income Households" - Households earning between 51 and 80 percent of the Santa Cruz County AMI.

"Moderate Income Households" - Households earning between 81 and 120 percent of the Santa Cruz County AMI.

"Above Moderate income Households" - Households earning more than 120 percent of the Santa Cruz County AMI.

"Unincorporated Santa Cruz County" - Incorporated cities in Santa Cruz County include Capitola, Santa Cruz, Scotts Valley and Watsonville. All properties outside the jurisdictional boundaries of these four incorporated cities are in unincorporated Santa Cruz County, and constitute the geography to which this Housing Element pertains.

4.2 BACKGROUND ANALYSIS OF POPULATION TRENDS, EMPLOYMENT TRENDS, AND HOUSING STOCK¹

4.2.1 POPULATION TRENDS

The population of Santa Cruz County has grown by over one third since 1980. According to the U.S. Census Bureau, Santa Cruz County's population grew from 188,141 in 1980 to 255,602 in the year 2000 (Table 4.2.1). Since 1980, the rate of growth has declined as indicated by the percent change in population for each 10 year period. The Association of Monterey Bay Area Governments has projected that the population of Santa Cruz County will grow 10% by 2010, an increase of 26,112 persons who will need to be housed between 2000 and 2010 (Table 4.2.1).

Table 4.2.1: Population Growth in Santa Cruz County and the State of California (1960-2000)

Year	Santa Cruz County Population	Change (Santa Cruz County)	State of California Population	Percent Change (California)
*1960	84,219	--	15,720,860	--
*1970	123,788	32%	19,957,304	21%
*1980	188,141	34%	23,668,145	16%
1990	229,734	18%	29,760,021	20%
2000	255,602	10%	33,871,648	12%
AMBAG Forecast of Population Growth in Santa Cruz County 1990-2020				
1995	241,935	5%		
2000	257,737	6%		
2005	270,060	6%		
2010	281,714	4%		
2015	292,988	4%		
2020	303,646	4%		

Source: U.S. Census Bureau. 1990 Census. Census 2000.
*1994 County of Santa Cruz Housing Element
Association of Monterey Bay Area Governments Projections (AMBAG)

¹ Note- Data used in this section is the entire Santa Cruz County population, including the cities, unless otherwise noted.



4.2.2 RACIAL/ETHNIC COMPOSITION OF SANTA CRUZ COUNTY AND THE STATE OF CALIFORNIA

Compared to the 1990 population of Santa Cruz County, in 2000 there were fewer self-identified White residents and more residents who did not identify with any of the described racial/ethnic groups and identified themselves as "other" (Table 4.2.2). The 2000 Census reported that Santa Cruz County residents were predominately White (75%), while only 1% identified themselves as Black or African American, 1% as American Indian or Alaskan Native, 3.4% as Asian, 0.1% as Native Hawaiian or Pacific Islander. Another 15% of the population did not identify with any of these categories and are designated as 'Other' (Table 4.2.2).

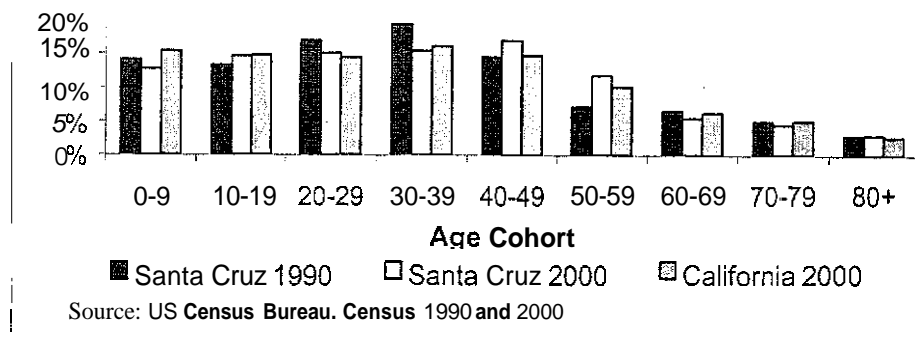
Table 4.2.2: County and State Population by Race 1990 and 2000				
	1990		2000	
Race	Santa Cruz	California	Santa Cruz	California
White	83.9%	69.0%	75.0%	59.5%
Black	1.1%	7.4%	1.0%	6.7%
American Indian and Alaska Native	0.8%	0.8%	1.0%	1.0%
Asian	3.7%	9.6%	3.4%	10.9%
Native Hawaiian and Pacific Islander	included as part of Asian Race		0.1%	0.3%
Other	10.4%	13.2%	15.0%	16.8%
Two or more races	Not included in Census		4.4%	4.7%
Total	100%	100%	100%	100%

Only 26.8% of Santa Cruz County residents of all races classified themselves as Hispanic or Latino compared to 32.4% throughout the State of California (Table 4.2.3). However, this is an increase from 1990 when only 20.4% of the population was classified as being of Hispanic or Latino. Compared to the racial/ethnic makeup of the State of California, Santa Cruz County has significantly more White identified residents (15%), and a smaller proportion of Black or African American, Asian and Hispanic or Latino residents.

Table 4.2.3: Comparison of Hispanic/Latino Ethnicity by County and State Population

	Santa Cruz County (1990)	California (1990)	Santa Cruz County (2000)	California (2000)
Hispanic or Latino (of any race)	20.4%	25.8%	26.8%	32.4%
Not Hispanic or Latino (of any race)	79.6%	74.2%	73.2%	67.6%
Total	100.0%	100.0%	100.0%	100.0%

**Figure 4.2.4: Age Distribution of Santa Cruz
County and California State in 1990 and 2000 as
a percentage of the population**



4.2.4 NUMBER AND SIZE OF HOUSEHOLDS

In Santa Cruz County, the number of households increased by 8.3% between 1990 and 2000 (Table 4.2.5). Average household size tends to increase in high cost markets as more people crowd into smaller housing units in order to share the high costs. In Santa Cruz, the household size remained relatively stable between 1990 and 2000 and closely paralleled the average household size for the State of California.

Table 4.2.5 Estimated Number and Size of Households for Santa Cruz County and the State of California

	Santa Cruz County (1990)	Santa Cruz County (2000)	% Growth	California (1990)	California (2000)	% Growth
Households	83,566	91,139	8.3%	10,381,206	11,502,870	9.8%
Persons per Household	2.66	2.71	1.8%	*	2.87	*

Source: U.S. Census Bureau, 1990 Census, Census 2000

*Not a 1990 Census Category

**Table 4.2.6 Number of Existing Households and Housing Units
Housing Tenure**

	Owner	Renter	Vacant	Total
Households	34,283	16,068	n/a	50,351
Housing Units - Countywide	54,681	36,458	7,734	98,873
Housing Units - Unincorporated Area	54,681 34,283	36,458 16,068	5,591	55,942

Source: U.S. Census Bureau, Census 2000

Of the housing units listed under vacant for the unincorporated area, 4,033 housing units are seasonal, recreational and occasional occupancy units. This is consistent with the tourism and visitor supported economy of the County as well as the burgeoning number of Silicon Valley residents who have purchased second homes in the coastal areas.

4.2.5 FAMILY/NON-FAMILY HOUSEHOLDS

In 1990, most of the "family" households in the County contained two members. Large families (5+ persons) comprised less than 4.0% of all households (Table 4.2.7). However, this differed from non-family households who were more likely to consist of individuals living alone (Table 4.2.7). Overall, there was little change in the distribution of persons in both family and non-family households since 1990.

Table 4.2.7: Number of Persons in Family/Non-Family Households in Santa Cruz County

Number of Persons	Family				Non-Family			
	1990	%	2000	%	1990	%	2000	%
1	n/a	n/a	n/a	n/a	20,137	67.5%	22,905	67.4%
2	21,497	40.0%	22,277	39.0%	6,532	21.9%	7,889	23.2%
3	12,380	23.0%	12,715	22.3%	1,828	6.1%	1,802	5.3%
4	10,969	20.4%	11,502	20.1%	794	2.7%	764	2.2%
5	4,690	8.7%	5,250	9.2%	306	1.0%	359	1.1%
6	2,044	3.8%	2,417	4.2%	120	0.4%	158	0.5%
7+	2,172	4.0%	2,971	5.2%	97	0.3%	130	0.4%
Total	53,752	100%	57,132	100%	29,814	100%	34,007	100%

Source: US Census Bureau, Census 1990 and 2000

4.2.6 HOUSEHOLD COMPOSITION

Further analysis of household composition indicates that there was a 9% increase in the total number of households in Santa Cruz County even though the proportion of family to non-family households remained relatively constant from 1990 to 2000 (Table 4.2.8). Although Santa Cruz County was once described as a retirement community equal in comparison to communities within the State of Florida, the number of households comprised of elderly persons in the County has decreased over the past few years indicating a slow turn in the composition of the character of the community itself, possibly related to the increasing price of rent and the increasing influence of both the local Colleges, the University of California, and Silicon Valley. Contrary to what would be expected in communities with high rental rates, the percentage of people living alone remained stable instead of decreasing as a way to decrease living expenses. Other categories, such as persons living in group quarters, institutionalized, and families with children remained relatively constant with only a slight decrease.



Table 4.2.8: Household Composition by Type in Santa Cruz County in 1990 and 2000

Household Type	1990		2000	
	Number of Households	% of Total	Number of Households	% of Total
Family households	53,752	64.3%	57,132	62.7%
Non-family households	29,814	35.7%	34,007	37.3%
Total	83,566	100%	91,139	100%
*Elderly (65 +) Households	3,413	22.1%	18,173	19.9%
People Living Alone	20,137	24.1%	22,905	25.1%
Families With Children	27,744	33.2%	29,111	31.9%
Group Quarters				
Institutionalized persons	1,643	21.8%	2,174	24.0%
Other persons in group quarters	5,895	78.2%	,854	75.9%
Total	7,538	100%	9,028	100%

Source: US Census Bureau, census 1990 and 2000
 * Elderly households includes 1 person households, 2 or more person households and non-elderly households

4.2.7 HOUSING STOCK

The majority of housing units in Santa Cruz are single family homes, which (63% of the housing stock in 2000) (Table 4.2.9). Overall, there was very little change in the proportion of multi-family and other types of homes in the housing stock between 1990 and 2000. However, there has been a slight decrease in the number of mobile homes within Santa Cruz County over the Last

decade. Since mobile homes are generally more affordable than other homes and accommodate many individuals with special needs, including the elderly, a loss of these units is a concern. This could be due to the legalization of illegal mobile homes counted in 1990, which are now legal units under the RV park conversion ordinance in 2000.



Table 4.2.9: Housing Units by Number in Structure

Units in Structure	1990		2000	
	Number of Units	%	Number of Units	%
1-Unit, Detached	58,316	63.5%	62,706	63.4%
1-Unit, Attached	7,376	8.0%	8,750	8.8%
2 Units	3,050	3.3%	3,181	3.2%
3 or 4 Units	4,608	5.0%	5,187	5.2%
5 to 9 Units	3,181	3.5%	3,622	3.7%
10 to 19 Units	2,782	3.0%	2,560	2.6%
20 or More Units	3,933	4.3%	5,604	5.7%
Mobile Home	7,157	7.8%	6,916	7.0%
Boat, RV, Van, etc.	1,475	1.6%	347	0.4%
Total	91,878	100%	98,873	100%

Source: US Census Bureau, Census 1990 and 2000

*The categories for "Mobile Home" and "Boat, RV, Van, etc." do not correspond in the 1990 and 2000 Census data.

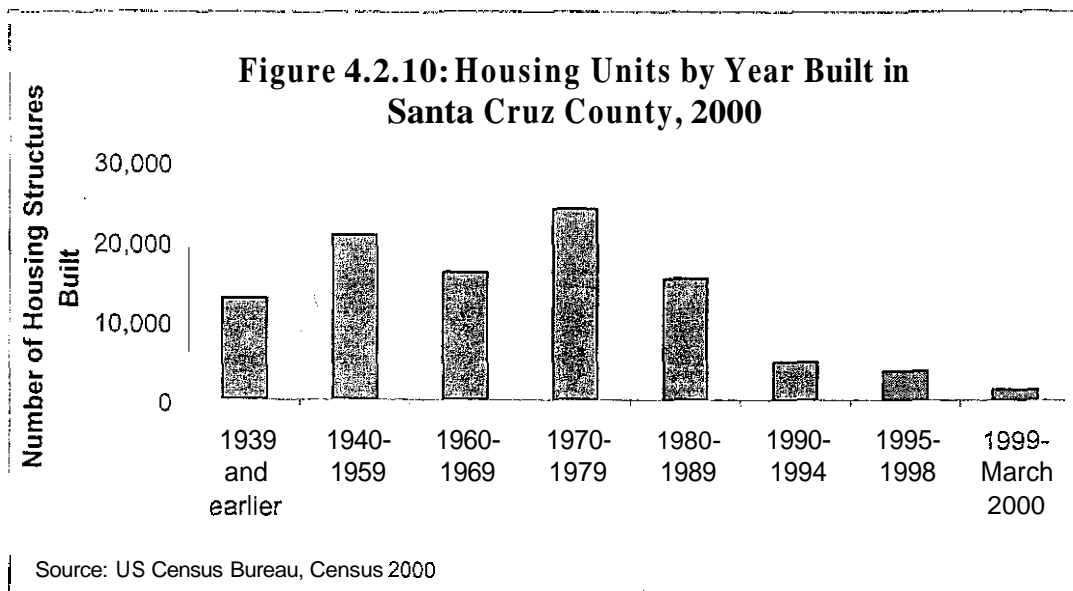
4.2.8 AGE AND CONDITION OF HOUSING STOCK

The age and condition of the housing stock is an additional factor in housing adequacy and availability in many communities. Although age does not always correlate with substandard housing conditions, neighborhoods with a prevalence of homes more than 40 years old are more likely than newer neighborhoods to have a concentration of housing problems related to deferred maintenance, inadequate landscaping, outdated utilities or interior amenities, and a need for housing rehabilitation.

The year a structure was built can, at times, be an indicator of the current condition of the housing unit. Housing units built before 1940 may be old, but may not necessarily be in a rundown condition. In contrast, newer homes that

were built equipped with adequate utilities and amenities may already be rundown due to abuse or general lack of care. However, it is useful to look at the age of the housing stock to determine where inadequacies may lie, or why certain units remain vacant. Table 4.2.10 shows that more housing units in the County were built between 1970-1979 than during any other decade. Census data indicates that over 50% of the housing stock in Santa Cruz County was built prior to 1970 (30 years old) while over 1/3 of the housing stock is over 40 years old. Given the age of the housing stock, it is likely that many units in Santa Cruz need replacement or rehabilitation.

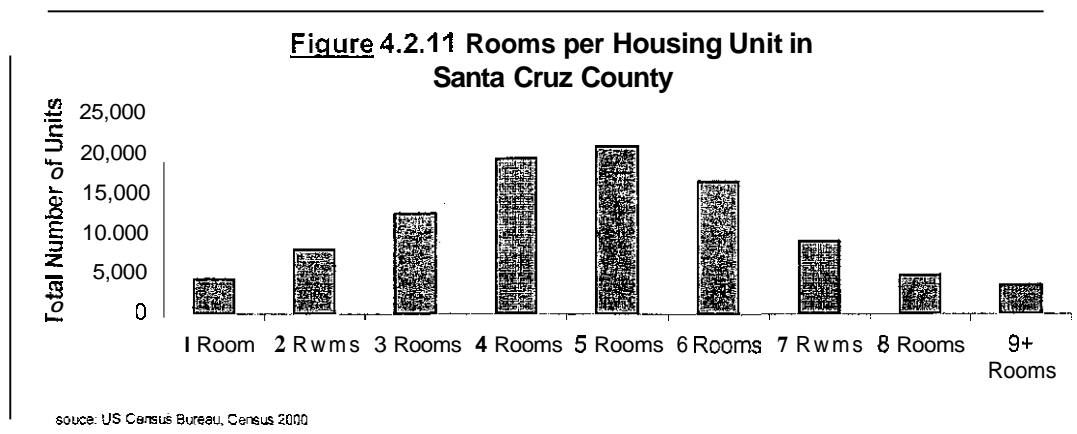
Given the characteristics of certain neighborhoods, the need for replacement or rehabilitation of housing is more prevalent in these areas. Areas of the San Lorenzo Valley, where many full-time homes were constructed as vacation cabins, replacement or rehabilitation may be more necessary than in neighborhoods designed for full-time residential use. Additionally, in some areas of Live Oak, Soquel and Aptos, both apartments and single family dwellings were built in the 1960s and 1970s. Many of these structures are in need of rehabilitation and/or upgrading.



4.2.9 NUMBER OF ROOMS/UNIT

In the American Community Survey, the U.S. Census Bureau defines "rooms" as including living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Nearly 60% of the housing in the County has between 4 and 6 rooms as shown in Table Figure 4.2.11. From this data it can be inferred that most of the housing units within the County have fewer than 3 or 4 bedrooms. The trend in California, as in the nation, has been a shrinking average family size. However,

housing stock with few rooms make it difficult for Larger families to find adequate housing. In addition, larger units tend to be high-cost due to the high level of demand for such units by students, large families and large non-family households.



4.2.10 OVERCROWDING

The 2000 Census defines overcrowding as more than one person per room, and extreme overcrowding as more than 1.5 persons per room (see previous definition). Overcrowding typically results when either: 1) the cost of larger units available for sale or rent is more than the families can afford, or 2) unrelated individuals (such as students or low-wage single adult workers) share dwelling units due to high housing costs. This can lead to overcrowded housing situations if the housing unit is not large enough to accommodate all of the people comfortably. In general, the degree of overcrowding reflects the availability and affordability of local housing to residents. Overcrowding can result in deterioration of the quality of life within a community. The average in Table 4.2.12 includes older and wealthier individuals who own large homes as well as large families and households who often live in overcrowded units. With a rental vacancy rate of 2.5%² and an above average cost of living, a significant number of households in Santa Cruz County suffer from overcrowded conditions. The 2000 Census data indicates that there were 1,678 owner-occupied and 2,089 renter-occupied housing units in the unincorporated area. Table 4.2.12 summarizes the overcrowding status in the County where over 4% of the County's occupied housing units were overcrowded, and over 6% are extremely overcrowded according to the Census Survey data.

² 2000 Census

Table 4.2.12: Persons per Room in All Occupied Housing Units in Santa Cruz County

Persons	Number		%	
	1990	2000	1990	2000
1.00 or less	76,064	91,139	91.0%	89.1%
1.01 to 1.50	3,169	3,892	3.8%	4.3%
1.51 or more	4,333	6,014	5.2%	6.6%
Total	83,566	101,045	100%	100%

Source: U. S. Census Bureau, Census 2000, 1990 Census

4.2.1 1 VACANCY RATES IN SANTA CRUZ COUNTY

Vacancy rates are the most straightforward indicator of existing housing need. The threshold vacancy rate of 5% for rental housing and 2% for for-sale housing are considered necessary to facilitate mobility within the community. When vacancy rates fall below these levels, residents will have a difficult time finding appropriate units and competition for available units will drive up housing prices. The rental vacancy rate and the for-sale vacancy rate are well below the optimum threshold in Santa Cruz County, which indicates that there is an immediate need for a significant number of new rental and for sale housing units within the County (Table 4.2.13).

Table 4.2.13 Total Vacant Units and Vacancy Rate in Unincorporated Santa Cruz County

	Number of Units	Percent of Population
All Vacant Housing Units	5,591	9.9%
Vacant Housing Units held for Seasonal or Occasional Use	4,033	7.2%

In some areas of the County, the rental and homeowner vacancy rates are even more problematic. Areas such as Ben Lomond and Freedom have a homeowner vacancy rate of less than 0.1%, while Corralitos has a rental vacancy rate of less than 0.1% (Table 4.2.14).

Table 4.2.14 Rental and Owner Vacancy Rate in the Unincorporated Areas of Santa Cruz County

Jurisdiction (CDP)	Rental	Owner
Amesti	2.1%	0.6%
Aptos	3.0%	0.8%
Aptos Hills-Larkin Valley	1.2%	0.7%
Ben Lomond	2.1%	<0.1%
Boulder Creek	2.4%	1.4%
Corralitos	<0.1%	0.8%
Day Valley	1.8%	0.9%
Felton	1.4%	2.1%
Freedom	1.0%	<0.1%
Interlaken	3.6%	0.3%
Live Oak	1.5%	0.4%
Opal Cliffs	3.3%	1.7%
Rio Del Mar	4.8%	0.6%
Soquel	1.3%	0.3%
Twin Lakes	1.8%	0.7%

Source: US Census Bureau, Census 2000

Table 4.2.15 shows an interesting trend in the types of vacant units in the Countywide; the percentage of vacant for-rent and for-sale only units have decreased significantly, whereas the percent of seasonal, recreational or occasional use units have increased dramatically from 1990 to 2000. The housing shortage for Santa Cruz residents is becoming more severe, perhaps due to the increasing numbers of people who work 'over the hill' in San Jose and choose to live and commute from the Santa Cruz area. The increasing number of university students may also explain the decline in vacant for-rent units.

Table 4.2.15: Type of Vacant Units in Santa Cruz County

Unit	Number of Vacant Units in Santa Cruz County		Percent of Vacant Units in Santa Cruz County	
	1990	2000	1990	2000
For Rent	1,516	934	18.2%	12.0%
For Sale Only	1,243	424	15.0%	5.5%
Rented Or Sold. Not		474	7.2%	6.1%
For Seasonal, Recreational or Occasional Use	3,659	5,051	44.0%	65.4%
For Migrant Workers	16	24	0.19%	0.31%
Other Vacant	1,277	827	15.4%	10.7%
Total	8,312	7,734	100%	100%

Source: U.S. Census Bureau, 1990 Census, Census 2000

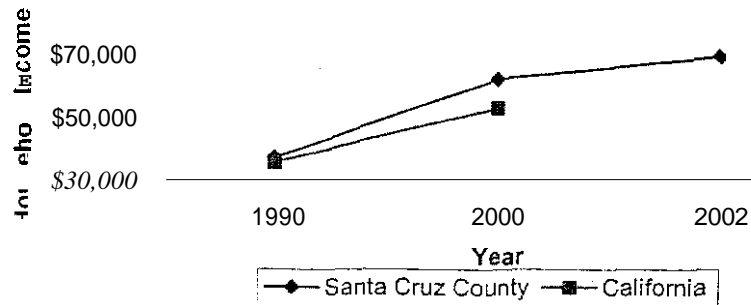
4.2.12 INCOME CHARACTERISTICS

Household income in Santa Cruz County has risen significantly between 1990 and 2000, as illustrated in Table Figure 4.2.16. In 1990, about 35% of the households had incomes over \$50,000 a year, whereas in 2000, over 50% of Santa Cruz County Households had incomes above \$50,000 a year (Table 4.2.17). The most significant categorical increases since 1990 were in above moderate income levels for Santa Cruz County: those in the \$75,000-\$99,000 income bracket, \$100,000-\$149,000 income bracket, and those who make over \$150,000. Table 4.2.17 show that the percentages of households in the County who make more than \$75,000 a year are higher than the percentages of households in California who make more than \$75,000 a year. In addition, the percentage of households in the County earning more than \$75,000 a year rose from 15.3% in 1990 to 34.6% in 2000. This trend suggests that Santa Cruz is attracting residents who earn enough income to afford homes or rent in Santa Cruz while many, including the elderly and younger residents (including entry-level workers) are finding themselves financially unable to live in Santa Cruz. Table 4.2.18 displays the ranking of household income by jurisdiction within Santa Cruz County and indicates that there is some segregation into poorer and wealthier areas of the County.





Figure 4.2.16: Increase in Median Household Income in Santa Cruz County and California



source: US Census Bureau. Census 1990 and 2000 2002

Table 4.2.17: Santa Cruz County and State of California Household Income

Income	% Total Santa Cruz County Households (1990)	% Total Santa Cruz County Households (2000)	% Total California Households (1990)	% Total California Households (2000)
Less than \$10,000	10.7%	6.8%	11.5%	8.4%
\$10,000-\$14,999	6.7%	4.7%	7.4%	5.6%
\$15,000-\$24,999	14.7%	9.7%	15.2%	11.5%
\$25,000-\$34,999				
\$35,000-\$49,999				
\$50,000-\$74,999				
\$150,000 or more	2.3%	8.7 %	2.5%	6.9%

Source: U.S. Census Bureau, 1990 Census, Census 2000

**Table 4.2.18: Ranking of the Median Income
of Census Designated Place (CDP) areas
within Santa Cruz County**

1	Rio Del Mar	\$75,282
2	City of Scotts Valley	\$72,449
3	Day Valley	\$72,437
4	Corralitos	\$70,781
5	Aptos Hills- Larkin Valley	\$70,417
6	Aptos	\$61,843
7	Boulder Creek	\$60,455
8	Ben Lomond	\$57,241
9	Soquel	\$55,230
10	Interlaken	\$53,875
11	City of Santa Cruz	\$50,605
12	Felton	\$48,102
13	Live Oak	\$47,949
14	City of Capitola	\$46,048
15	Amesti	\$45,558
16	Opal Cliffs	\$42,673
17	Freedom	\$40,600
18	Twin Lakes	\$39,057
19	City of Watsonville	\$37,617
20	Santa Cruz County	\$53,998

Source: US Census Bureau, Census 2000

In evaluating income levels, four standard measures are often used: very-low income, low-income, moderate-income, and above moderate-income (See Definitions Section 4.1.4). Santa Cruz County has a very wide range in income distribution due to a large agricultural sector with many migrant workers who earn very low wages, and a wide range of highly paid technical and management workers. Therefore, another category of "extremely low-income" (0%-30% of median income) has been added here due to the large number of people that fall within this extremely low-income range. These income levels are expressed as a percentage of the County median income and are adjusted for household size. Table 4.2.19 shows the estimated shift in income distribution in the County since 1989, adjusted for inflation.



Table 4.2.19: Increase in Santa Cruz County Household Income Range by Income Category (1989, 1999, 2000 and 2002)

Income Category	Income Range	Income Range	Income Range	Income Range
	1989	1999	2000	2002
Extremely Low income (0%-30% Median)	\$0-\$11,134	\$0-\$16,119	\$0-\$18,582	\$0-\$20,700
Very Low Income (30%-50% Median)	\$11,135-\$18,556	\$16,200-\$26,999	\$18,583-\$30,970	\$20,700-\$34,500
Low Income (50%-80% Median)	\$18,557-\$29,690	\$27,000-\$43,198	\$30,971-\$49,552	\$34,500-\$55,200
Moderate Income (80%-120% Median)	\$29,691-\$44,534	\$43,199-\$64,798	\$49,553-\$74,329	\$55,200-\$82,800
Above Moderate Income (120%+ Median)	\$44,535+	\$64,799+	\$74,330+	\$82,800+

Source: US Department of Housing and Urban Development (HUD)

The U.S. Department of Housing and Urban Development publishes estimates of household income each year for the County, based on household size and broken into the same category ranges as shown above. These estimates are used in many jurisdictions to determine eligibility for various housing programs. The income guidelines are adjusted for household size. For a family of four, the median income was estimated to be \$69,000 in Santa Cruz County in 2002. Income limits for households are shown in Table 4.2.20.



Table 4.2.20 Santa Cruz County Income Categories

Household Size	Extremely Low Income (<30% of Median)	Very Low Income (30-50% of Median)	Lower Income (50-80% of Median)	Moderate Income (80-120% of Median)	Above Moderate Income (>120% of Median)
1 Person	\$14,490	\$24,150	\$38,350	\$48,300	\$57,960
2 Persons	\$16,560	\$27,600	\$43,850	\$55,200	\$66,240
3 Persons	\$18,630	\$31,050	\$49,300	\$62,100	\$74,520
4 Persons	\$20,700	\$34,500	\$54,800	\$69,000	\$82,800
5 Persons	\$22,350	\$37,250	\$59,200	\$74,500	\$89,400
6 Persons	\$24,015	\$40,000	\$63,550	\$80,050	\$96,060
7 Persons	\$25,665	\$42,800	\$67,950	\$85,550	\$102,660
8 Persons	\$27,330	\$45,550	\$72,350	\$91,100	\$109,320

Source: HCD 2002 Income Limits

Since the average family size and household size was 3-persons per household, the median income for Santa Cruz based on a 3-person household in 2002 was used to estimate the rank of each census designated place (CDP) based on the percentage of households that have a lower income and may have trouble affording housing within the County (Table 4.2.21). These statistics reflect that nearly 50% of the CDPs within the County have households who make less than a moderate income and may not necessarily be able to afford housing in the area without overpaying for housing related costs.



Table 4.2.21: Rank of CDP areas within Santa Cruz County that have a Higher Proportion of Households with Lower Income or Less (<80% of median income of \$62,000 in 2002), Based on the Santa Cruz County Guidelines of Affordable Housing for a 3-person Household

	Lower Income or Less	Extremely- Low of median)	Very-Low (25%-56% of median)	Lower (57%-80% of median)	Moderate (81%- 120% of median)	Above Moderate (121% of median)
1 City of Watsonville	62.8%	15.9%	30.1%	16.8%	19.6%	17.6%
2 Freedom	59.8%	17.8%	26.3%	15.7%	19.0%	21.2%
3 Twin Lakes	59.0%	16.6%	22.2%	14.2%	19.2%	21.8%
4 Opal Cliffs	57.3%	16.4%	22.2%	12.2%	15.5%	21.3%
5 Amesti	56.4%	18.4%	19.1%	18.9%	19.1%	24.4%
6 Felton	55.2%	15.0%	18.3%	21.9%	21.1%	23.6%
7 City of Capitola	54.6%	13.7%	22.9%	18.0%	18.9%	26.4%
8 Live Oak	52.4%	10.5%	24.3%	17.6%	20.4%	27.2%
9 City of Santa Cruz	49.4%	14.5%	20.6%	14.3%	18.9%	31.6%
10 Soquel	45.8%	12.1%	14.6%	19.1%	20.1%	34.2%
11 Interlaken	45.6%	7.0%	20.3%	18.3%	28.4%	26.1%
12 Ben Lomond	43.4%	10.2%	17.5%	15.7%	22.6%	34.1%
13 Boulder Creek	42.1%	11.5%	20.3%	10.5%	20.5%	37.4%
14 Aptos	39.2%	8.4%	17.1%	13.7%	20.8%	40.1%
15 Corralitos	37.3%	3.5%	17.6%	16.2%	13.3%	49.1%
16 Day Valley	36.8%	7.4%	13.8%	15.6%	14.1%	48.9%
17 Aptos Hills- Larkin Valley	34.8%	8.2%	14.1%	12.5%	23.5%	41.7%
18 City of Scotts Valley	34.7%	5.8%	17.0%	11.9%	16.5%	48.7%
19 Rio Del Mar	32.0%	6.0%	11.3%	12.7%	17.7%	50.3%

Source: US Census Bureau, Census 2000

4.2.1.3 EMPLOYMENT AND /AGE CHA TERISTICS

There were approximately 141,000 people in the civilian labor force in the County in 2000. This number was 2100 more workers than in 1999. Santa Cruz County's 2000 annual figure for unemployment rate, 5.6%, was higher than the State of California's average rate of 4.9% but has been decreasing since 2000. Over the 1996-2000 time period, 6,700 new jobs were created in the County, a total growth of 6.8%. In 2000 alone, the County added 2,700 new jobs, the largest annual increase since 1996. The services industry contributed the largest share of jobs (2,000 jobs). Table 4.2.22 presents a look at some of the average hourly and annual earning of various professions in Santa Cruz County taken from the 2000 Occupational Employment Statistics Survey. In 2000, services, retail trade, and government jobs dominated Santa Cruz employment,

accounting for 67% of the total employment in the County. Projections have shown that from 1997-2004, 84% of all new jobs in the County will be within the three industrial sectors of services, retail trade and government.³

Only two of the jobs listed below pays enough to afford current rental prices (fair market rent for a 2 bedroom unit).

Table 4.2.22: Occupational Employment and Wage Data for Santa Cruz County		
Job Type	Mean Hourly Wage	Mean Annual Earnings
Salesperson, Retail	\$9.84	\$20,482
Cashier	\$9.34	\$19,438
Waiter & Waitress	\$9.75	\$20,282
Food Preparation & Svcs	\$8.81	\$18,306
General Manager	\$38.98	\$81,087
Landscaping/Grounds-keeping	\$10.94	\$22,741
Teachers/Second. School	n/a	\$48,024
Receptionist and Information Clerks	\$12.47	\$25,924
Carpenter	\$23.18	\$48,215
Farmworkers and Laborers	56.88	\$14,309
Bus Drivers. School	\$12.35	\$25,699
Social Workers	\$21.16	\$44,001
Registered Nurses	\$28.28	\$58,817
Fire Fighters	\$22.54	\$46,879
Current housing wage to pay fair market rent for a 2 bedroom rental unit: \$24.96		
Source: Occupational Employment (2000) and Wage (2001) Data from the Occupational Employment Statistics (OES) Survey		

4.2.13.1 JOBS/HOUSING BALANCE

One of the most telling, housing, indicators is the jobs/housing balance. Between 1990 and 2000 in Santa Cruz County, the ratio of new jobs created to the number of new housing units was 1.53 (10,700 new jobs/6,995 new units). During that same time period, the jobs/housing ratio in Santa Clara County has been 12 jobs for every 1 new housing unit. The need to house all of the workers not housed in Santa Clara County is one of the major causes of the

³ Source: California Employment Development Department, Labor Market Information Division: Santa Cruz County Snapshot, 2001

traffic and infrastructure problems in the counties and cities near this County. In Santa Cruz, because the housing prices have historically been much lower than in Santa Clara Valley, this has caused a dramatic increase in housing demand, especially for single family dwellings in the above moderate household income category.

4.2.14 EDUCATION

Table 4.2.1.23 shows the educational attainment of Santa Cruz County residents. In 2000, over 66% of the adult residents of Santa Cruz County attained additional education after high school and less than 17% of adults had less than a high school education. Compared to 1990, the percentage of the population that completed some or all of high school declined by the year 2000. At the same time, the percentage of the population that have completed Bachelors and Professional Degrees has increased over this time period, possibly due to the presence of the University of California, Santa Cruz and other local colleges. This indicates that there is a large base of educated people to fill the few job vacancies in the County.

Table 4.2.23: California and Santa Cruz County Educational Attainment of Persons more than 25 years old

Educational Level	% of California State Population (1990)	% of Santa Cruz County Population (1990)	% of California State Population (2000)	% of Santa Cruz County Population (2000)
Less than 9 th Grade	9.4%	9.1%	11.5%	9.7%
9 th to 12 th Grade- No Diploma	8.7%	9.5%	11.7%	7.1%
High School Graduate (or GED)	19.0%	19.3%	20.1%	16.6%
Some College- No Degree	24.6%	27.9%	22.9%	25.1%
Associate Degree	8.5%	7.9%	7.1%	7.3%
Bachelor's Degree	19.3%	17.3%	17.1%	21.7%
Graduate or Professional Degree	10.4%	8.8%	9.5%	12.5%
Total	100%	100%	100%	100%

Source: U.S. Census Bureau, Census 2000

4.2.1 5 HOUSING COSTS

Lack of available rental units raises rental prices. In the County of Santa Cruz, the vacancy rate averages 2.5%, which is considered to be quite low. This low vacancy rate is an important factor in the increasing cost of rental housing in Santa Cruz County. Table 4.2.24 shows that typical monthly rents in Santa Cruz County are extremely high, even by California standards. Due to the shortage of decent rental units, rents have increased, as more people compete for a fixed number of units. This results in many households paying more than 30% of their income on rent, or more people sharing less space. This cycle puts considerable strain on lower priced, affordable rental housing because below moderate households compete for a limited number of affordable units. In addition, high rental rates and low vacancy rates reduces the incentive for landlords to repair units that are in poor condition when renters are willing to 'take what they can get' in a market that offers them little choice.

Table 4.2.24: Typical Rents for Average Rental Units in Santa Cruz County, 2002

Type	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
Apartment	\$875-\$1195	\$1075-\$1450	(uncommon) \$1400-\$1900	Rare
House	\$1050-\$1400	\$1400-\$1850	\$1800-\$2600	\$2200-\$3200+
Condominium	(uncommon) \$950-\$1300	\$1200-\$1700	\$1600-\$2150	Rare
Average Range For all Types				
Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
\$600-\$800	\$875-\$1400	\$1075-1850	\$1500-2600	\$2200+
Source: Planning Department Survey of Santa Cruz County Property Management Realtors, September 9 th and 11 th , 2002.				

The average current rental rate in Santa Cruz County by definition exceeds the Fair Market Rents, which is a rent level established by the federal government for participation in various rental subsidy programs but does not necessarily indicate the average market rents being charged in an area. Rental costs have increased far more quickly than incomes throughout the County. In Santa Cruz County, a worker earning the minimum wage (\$6.25 per hour) must work 145 hours per week in order to afford a two-bedroom unit at the area's prevailing average rental rate. Clearly this is not possible. Table 4.2.25 compares the Fair Market Rents for 0-4 bedroom units in the County with the necessary hourly wage and annual income to afford these residences. At the market rent, a very

low-income (50% of the median income) family of 4 could not afford to live in a one-bedroom housing unit. Table 4.2.25 Lists the average monthly gross rent an individual in Santa Cruz County pays by planning area.

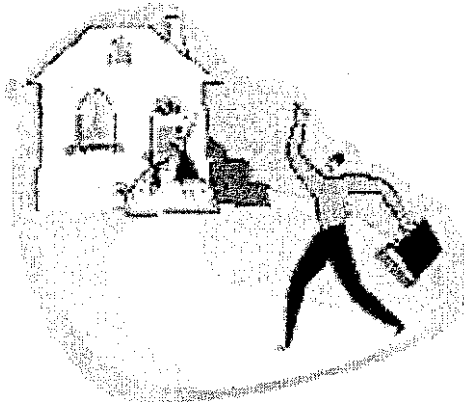


Table 4.2.25: Fair Market Rents for Existing Housing in Santa Cruz County

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
2001 Fair Market Rents (FMR)	\$739	\$880	\$1,175	\$1,634	\$1,914
Hourly Wage Needed to Afford FMR	\$14.21	\$16.92	\$22.60	\$31.42	\$36.81
Annual Income Needed to Afford FMR @ 40hr/wk	\$29,560	\$35,200	\$47,000	\$65,360	\$76,560

Source: National Low Income Housing Coalition

Table 4.2.26: Median Gross Rent in Dollars per Month within CDP Areas in Santa Cruz County, 2000		
1	Rio Del Mar	\$1,375
2	City of Scotts Valley	\$1,177
3	Soquel	\$1,147
4	Aptos	\$1,091
5	Opal Cliffs	\$1,035
6	Twin Lakes	\$998
7	Live Oak	\$979
8	City of Capitola	\$973
9	Aptos Hills-Larkin Valley	\$950
10	Boulder Creek	\$949
11	Ben Lomond	\$946
12	City of Santa Cruz	\$941
13	Interlaken	\$929
15	City of Watsonville	\$742
16	Amesti	\$733
17	Corralitos	\$713
18	Freedom	\$663
19	Day Valley	\$598
Source: US Census Bureau, Census 2000		

Table 4.2.27~~26~~ displays the median for-sale home price within Census Designated Places (CDPs) within Santa Cruz County. Between the years 1990 (June-December) and 2002 (January-June), the median sale price of a single-family home in the County rose dramatically, from \$271,000 to \$499,933⁴. This represents an 84.5% increase in the median home sale price. Table Figure 4.2.28 depicts the current trend in the median sale price of a single-family home since 1999 in the County.

⁴ Santa Cruz County Board of Realtors

12/16/03

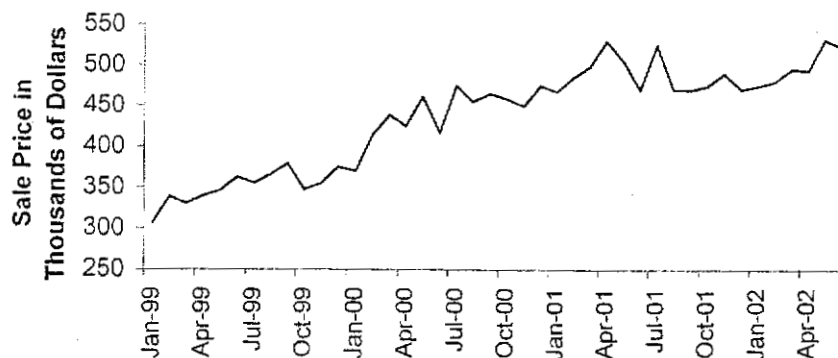
Table 4.2.27: Median Cost of a Home within CDP Areas in Santa Cruz County, 2000

1	Aptos Hills-Larkin Valley	\$570,000
2	Day Valley	\$467,400
3	Rio Del Mar	\$448,100
4	Scotts Valley City	\$447,900
5	Twin Lakes	\$435,800
6	Opal Cliffs	\$419,600
7	City of Santa Cruz	\$411,900
8	Corralitos	\$408,000
9	Aptos	\$403,400
10	Capitola City	\$397,600
11	Soquel	\$357,400
12	Live Oak	\$345,500
13	Felton	\$325,900
14	Amesti	\$307,200
15	Ben Lomond	\$289,300
16	Boulder Creek	\$279,100
17	Interlaken	\$254,800
18	Freedom	\$226,400
19	City of Watsonville	\$224,700

Source: US Census Bureau, Census 2000



Figure Table 4.2.28: Median Home Sales Prices in Santa Cruz County (January 1999-April 2002)



Source: Santa Cruz County Association of Realtors

The median sale price of homes in the unincorporated Santa Cruz area has also increased considerably from 1999-2000 as shown in Table 4.2.29. Sales of existing homes in the unincorporated areas of the County posted a 52% increase from 1999-2000 as the median home price rose to \$535,000.

Table 4.2.29: Median Home Prices in Santa Cruz County		
Year	County of Santa Cruz	Unincorporated Only
1999	\$356,000	\$351,000
2000	\$359,000	\$535,000
Source: AMBAG study- Tools For Assessing Jobs-Housing Balance And Commute Patterns In The Monterey Bay Region		

4.2.16 OVERPAYMENT

When rental rates and home ownership costs are high, many people spend more of their income on housing related costs, which reduces the amount of money left over for other living costs and saving for future needs. The U.S. Department of Housing and Urban Development (HUD) defines households who pay more than 30% of their monthly income for housing costs, rent or mortgage and additional housing costs, as overpaying for housing. Overpayment can result in a reduction in the overall quality of life within each household. Table 4.2.30 reflects the distribution of persons in Santa Cruz who are overpaying for housing by income bracket. The statistics indicate that 66% of households who make below the median income are overpaying for housing costs. This high percentage further establishes the widespread need for affordable housing in Santa Cruz County.

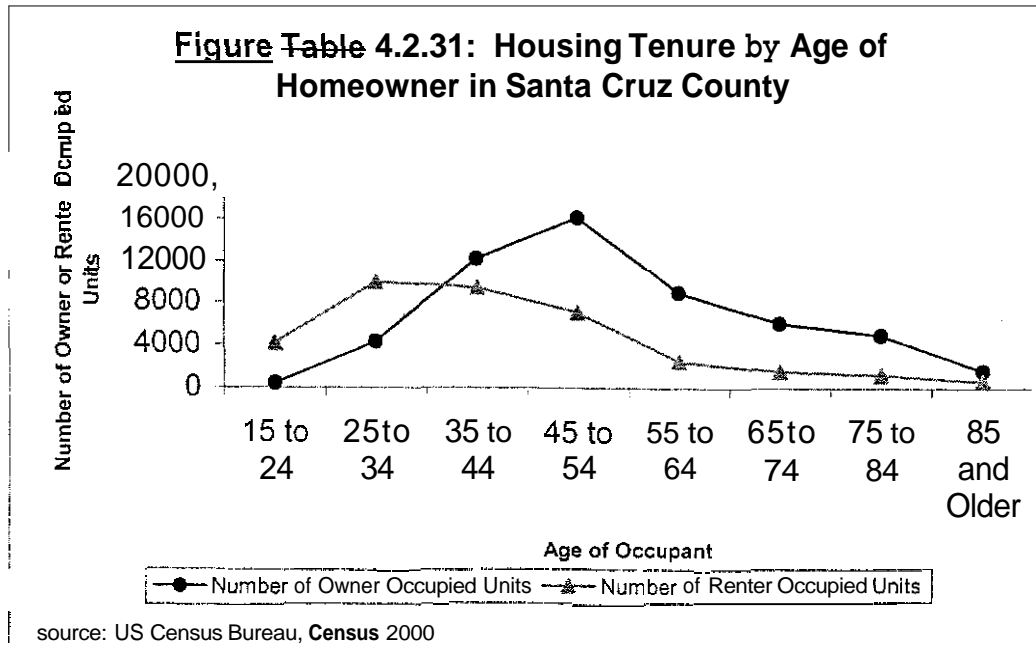
Table 4.2.30: Percentage of Households Paying Over 30% of Income on Housing in 2000

Income	Owners	Renters	Total number of households overpaying
Extremely-Low Income* (0%-32.3% of median income)	51.5%	88.1%	9,559
Very-Low Income* (32.3%-56.5% median income)	54.9%	70.6%	7,604
Low-Income* (56.5%-80.7% of median income)	56.6%	41.2%	5,323
Moderate Income* (80.7%-121% of median income)	45.7%	15.6%	5,080
Above-Moderate* Income (121%+ of median income)	15.2%	3.7%	3,566
Number of Computed Households who make less than moderate income	Percentage of all Households who make less than a moderate income and overpay for housing costs	Total Households Overpaying who make less than moderate income	
33,954	66.2%	22,486	

*Categories are adjusted to fit Census income categories for households overpaying for housing costs
Source: US Census Bureau, Census 2000; out of 77,508 computed households

4.2.17 HOUSING TENURE

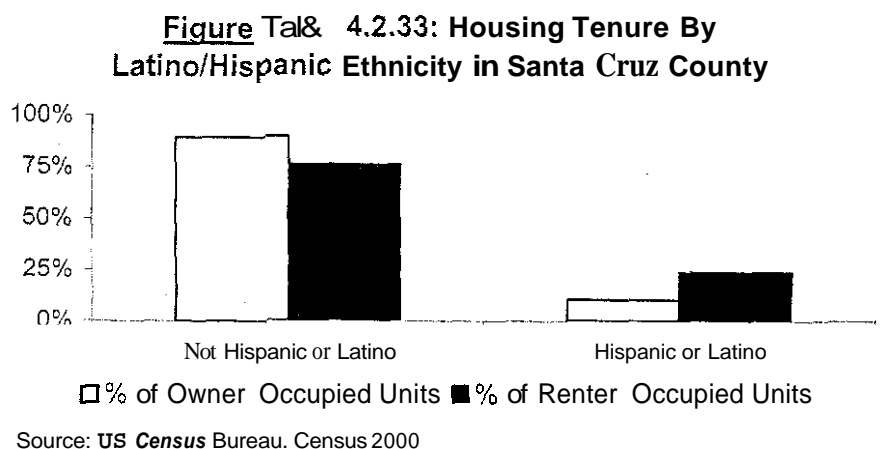
Analysis of census data on tenure by age of householder (Table Figure 4.2.31) in Santa Cruz County reveals adults aged 45 and over tended to own their own housing units rather than rent, while younger adults mostly rented rather than owned their own homes. About 60% of all Santa Cruz County residents own their home. Of these homeowners, 25% of residents under 35 and 69% of residents over the age of 35 own their homes.



Analysis of tenure by ethnicity reveals that individuals who are White are the only race category more likely to own their own home than rent (Table 4.2.32). Homeownership amongst White households far exceeds that of minority households in the County. Additionally, homeownership by Hispanic or Latino households was 13.6% lower than homeownership by White households (Figure 4.2.33).

Table 4.2.32: Housing Tenure by Race of Homeowner in Santa Cruz County

Race	Percentage of Owner Occupied Units	Percentage of Renter Occupied Units
White	88%	76%
Black or African American alone	0%	1%
Native American and Alaska Native alone	1%	1%
Asian alone	3%	3%
Native Hawaiian and Other Pacific islander alone	0%	0%
Some Other Race alone	5%	14%
Two or More Races	2%	5%



4.3 HOUSING NEEDS

GOVERNMENT CODE SECTION 65583 (C) REQUIRES THAT THE HOUSING ELEMENT SET FORTH A "FIVE-YEAR SCHEDULE OF ACTIONS" FOR MEETING ITS HOUSING NEEDS, INCLUDING UNITS FOR HOUSEHOLDS IN VARIOUS INCOME CATEGORIES AS WELL AS UNITS FOR "SPECIAL NEEDS POPULATIONS." THIS SECTION OF THE HOUSING ELEMENT AIMS TO DESCRIBE AND QUANTIFY THE NEED FOR UNITS FOR EACH OF THESE IDENTIFIED GROUPS.

4.3.1 REGIONAL HOUSING SHARE

California Government Code Sections 65583 (a) (1) and 65584 require that a Housing Element include "documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels...[including] the locality's share of the regional housing need. The overall housing unit demand for the Monterey Bay Area region is estimated by the California Department of Housing and Community Development (HCD). The Association of Monterey Bay Area Government (AMBAG) has constructed a Regional Housing Needs Determination (RHND) model to distribute HCD's projected demand for housing by jurisdiction within the region. Each jurisdiction is assigned a share of HCD's housing growth overall, as well as a number of units in various income categories so that lower income households will be appropriately distributed throughout the counties and region.

4.3.2 REGIONAL HOUSING NEEDS DETERMINATION

Table 4.3.1 shows the AMBAG adopted RHND estimates for housing demand in each jurisdiction within Santa Cruz County, and for the entire Monterey Bay Area region. AMBAG projected a need for 3,441 total new housing units in the unincorporated areas of the County (approximately 530 units per year) during the ~~6.5~~ 7.5 year planning period between January 1, 2000 and June 30, 2007. AMBAG's model then holds that 27-percent determination included the allocation of housing units by income category as established by HCD's regional allocation. This allocation requires that 27% of new units must be affordable to "very low income households" (households with income of less than 50 percent of the regional median income). Another 15% percent of new units must be affordable to "low income households" (earning 50 to 80 percent of the median), and 19% percent must be affordable to "moderate income households" (earning 80 to 120 percent of median). The remaining 39% percent of units are projected to be demanded by "above moderate" households earning greater than 120 percent of the median income.

The County of Santa Cruz and the cities within the County believe that the methodology used in preparing the RHND distribution of the regional housing need between Santa Cruz and Monterey Counties was flawed and have initiated

litigation to address this issue. The basis of the litigation is the assertion by Santa Cruz County jurisdictions that AMBAG did not comply with the requirements of State law and customary demographic practices in the preparation and approval of the RHND. In addition, the Santa Cruz County jurisdictions believe that the Monterey County jurisdictions have failed to assume their rightful share of the regional housing needs as evidenced by a Jobs/Housing Balance Study prepared by Monterey County that indicated the need for over 16,000 new housing units to meet the increase in employment expected during the planning period. Until this litigation is resolved, the County is proceeding with the preparation of this Draft Housing Element using two sets of numbers: the AMBAG RHND and the County's preferred alternative (see footnote-Table 4.3.1). This Housing Element includes Objectives, Policies and Programs to address the County's preferred alternative. The Objectives, Policies and Programs to implement the AMBAG RHND are included in Appendix D and E.

Table 4.3.1 AMBAG Regional Housing Needs Allocation

	Housing Required	Moderate Units	Income Units	Income Units	Income Units
Regional Total	23,130	8,641	5,200	3,909	5,380
Monterey County	13,415	4,561	3,354	2,549	2,951
Santa Cruz County	9,715	4,080	1,846	1,360	2,429
Unincorporated Santa Cruz County Only*	3,441	1,351	651	502	937
City of Capitola	337	150	63	41	82
City of Santa Cruz	2,850	1,204	543	410	694
City of Scotts Valley	804	289	161	122	232
City of Watsonville	2,283	1,087	428	284	484

*County of Santa Cruz	2,621	1,029	496	382	714
-----------------------	-------	-------	-----	-----	-----

4.3.3 ABILITY TO PAY BY INCOME CATEGORY

"Affordable housing" means housing with monthly costs of not more than 30 percent of a household's gross monthly income. For home-ownership housing,

this 30 percent proportion must include mortgage payments, property taxes, insurance, and homeowner's association dues, if applicable. For rental units, the affordable price must include both rent and utility costs.

Tables 4.3.2 and 4.3.3 shows the estimates for maximum for-sale and rental home prices affordable to households in each income category. The affordable price for home-ownership units is calculated using mortgage payments of 25 percent of annual gross income (the remaining five percent is assumed to be used for taxes, insurance, etc.), plus a down payment equal to 20 percent of the purchase price. For rental units, the price is an estimate of the monthly full-service rent, including utilities.

Table 4.3.2 Affordable Housing Price Estimate for Home Purchase

Income Category	Household Size	Household Income Range ¹	Number of Bedrooms	Affordable Sale Price Range ²	Midpoint of Affordable Price Range
Moderate (81% to 120% of Median)	3 people	\$49,301 to \$74,500	2	\$203,121 to \$306,945	\$255,033
	4 people	\$54,801 to \$82,800	3	\$225,781 to \$341,142	\$283,462
Low (51% to 80% of Median)	3 people	\$31,051 to \$49,300	2	\$142,144 to \$203,120	\$172,632
	4 people	\$34,501 to \$54,800	3	\$153,474 to \$225,780	\$189,627
Very Low (0% to 50% of Median)	3 people	\$31,050 or less	2	up to \$142,143	\$71,072
	4 people	\$34,500 or less	3	\$0 to \$153,473	\$76,737

¹ Median Income for 4-person (3 bedroom) household is: \$69,000

² Median Income for 3-person (2 bedroom) household is: \$62,100

² Assumes mortgage payments of: 25% of gross monthly income

Interest rate of: 6.5%

Payment period: 30 years

Downpayment: 20%

1/5/04

Table 4.3.3 Affordable Housing Price Estimate for Rental Units

Income Category	Household Size	Household Income Range ³	Number of Bedrooms	Affordable Rent Range ⁴	Midpoint of Affordable Rent Range
Moderate (81% to 120% of Median)	3 people	\$49,301 to \$74,500	2	\$1,234 to \$1,863	\$1,549
	4 people	\$54,801 to \$82,800	3	\$1,371 to \$2,070	\$1,721
Low (51% to 80% of Median)	3 people	\$31,051 to \$49,300	2	\$864 to \$1,233	\$1,049
	4 people	\$34,501 to \$54,800	3	\$932 to \$1,370	\$1,151
Very Low (0% to 50% of Median)	3 people	\$31,050 or less	2	up to \$863	\$432
	4 people	\$34,500 or less	3	\$0 to \$932	\$466

The proportion of Santa Cruz County's housing stock priced at these "affordable" levels is relatively insignificant ~~absent affordability restrictions for home ownership housing, and relatively available for moderate income rental housing.~~ Lower and Very Low income households have difficulty locating affordable rental housing absent affordability restrictions or subsidies. As a result, many Santa Cruz County residents are currently paying more than 30 percent of gross income for housing costs and have a housing cost burden. This cost burden is especially prevalent among lower income populations.

4.3.4 RELATIONSHIP TO HISTORICAL HOUSING PRODUCTION

Recent housing production trends in Santa Cruz County have not approached the quantities **AMBAG** has estimated to be required in future years. Whereas the need calculation methodology suggests that 3,441 units will be required during the next five years, only 2,475 residential permits were issued in Santa Cruz County over the last 10 years.⁵ This historical pace of development, should it continue unaccelerated, would fall 50.3 percent short of the required housing unit demand over the next five years. This imbalance between **AMBAG**-based projections and actual market trends has been a long standing issue in Santa Cruz County.

³ Median Income for 4-person (3 bedroom) household is: \$69,000
 Median Income for 3-person (2 bedroom) household is: \$62,100

⁴ Assumes full service rent (utilities included) equal to 30% of gross monthly income

⁵ January 1, 1993 through September 30, 2002

4.3.5 HOUSING NEEDS OF SPECIAL POPULATION GROUPS

[Govt Code 65583(a)(6) An analysis of any special housing needs such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter.]

In addition to overall housing needs, the County must plan for housing that meets the special housing needs of certain groups, such as the elderly, persons with disabilities, large families, farmworkers, female heads of households, and homeless people. To meet the community's special housing needs, Santa Cruz County must be creative and look to new ways of increasing the supply, diversity and affordability of this specialized housing stock. These needs can be accommodated through a wide range of housing option including independent living, supportive housing, group housing, transitional housing, SRO accommodations, and homeless shelters. However, many of these options are dependent on funding from State and Federal sources. Housing policy implementation strategies should ensure that an appropriate proportion of affordable units constructed in the County are suitable for and targeted to special needs populations.

While it is clearly true that special needs populations face a variety of housing challenges in Santa Cruz County, the dimensions of those challenges are very difficult to calculate. The current estimates, detailed below, have largely been based on various data sources, from the early 1990s to the present. Where available, the 2000 Census data information is included on some of these subgroups (elderly, disabled, large families, single parent households). Advocates and service workers for the homeless, developmentally disabled, mentally ill, elderly, and agricultural workers have provided information explaining and clarifying the particular housing needs of these populations.

These various population groups warrant particular attention because the existing housing market has not adequately met their needs in the past. These groups include:

- (1) homeless people
- (2) the elderly
- (3) large households (5+ people)
- (4) female headed households
- (5) people with disabilities
- (6) farmworker households
- (7) students

These population groups are not mutually exclusive and their needs may overlap. For example, it is estimated that between 60-80% of the homeless

suffer from one or more physical disability, mental illness or substance addiction and as many as 23% of the elderly have mobility or self-care limitations.

4.3.6 HOMELESS PEOPLE⁶

In the Santa Cruz County Homeless 2000 Census and Needs Assessment Comprehensive Report (Needs Assessment), 3,293 homeless persons were counted. However, there is an acknowledged undercount in the Needs Assessment of homeless youth; agricultural workers; families who are not in transitional housing; shelters or voucher programs; individuals without citizenship; individuals without citizenship; individuals living in substandard or overcrowded housing; people who do not access homeless services; people who work; and those who live in extremely rural areas. It is estimated that approximately 8,500 people experience homelessness in Santa Cruz County in any given year.

EXISTING RESOURCES FOR THE HOMELESS

According to the Santa Cruz County Homeless 2000 Needs and Assessment Survey the homeless generally fall into three broad categories:

- *Habitually Homeless*: Individuals who have been homeless for over 2 years.
- *Episodically Homeless*: This group often struggles with drug-use, alcohol-use and/or other issues that can recur but do not typically last longer than a year at a time.
- *Non-recurring, Acute Crisis Homeless*: Often the result of a personal or family crisis such as a job loss, eviction, health issues or disability, or an incident of domestic violence. This usually affects people for less than 2 years.

DEMOGRAPHIC PROFILE OF THE HOMELESS:

Age: The mean age of the homeless population is 36 years old. Over half of the homeless people in the County surveyed (55%) are between 30 and 50 years of age.

Gender: 57% are male.
43% are female.

Ethnicity: Compared with their proportions in the County as a whole, Hispanics/Latinos are over-represented and Whites/Caucasians under-represented in the homeless population. Almost 33% of

⁶ Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan, September 10, 2002

respondents to the Needs Assessment identified themselves as "Hispanic/Latino" and 50% as "White/Caucasian." According to the 2000 Needs Assessment, 27% of the County population is Hispanic or Latino, and 66% is White and not Hispanic or Latino.

Marital Status⁷: Most of the homeless people surveyed (80%) are single. 85% of homeless men and 74% of homeless women are single.

Families: Over half of the homeless people surveyed (56%⁸) have children; it is not known whether or not the children are living with the parents. Of those with children, 63% have more than one child, and 31% have more than two children.

Children: The total number of homeless children currently living in the County is unknown. Studies from the County Office of Education indicate a growing number of school-aged homeless children (students living in cars, shelters, motels and overcrowded homes) who are in classes:

1992-1993	818
1995	900
1996	1,000
1999	1,907
2000	1,401
2001	2,327

The Needs Assessment reveals that compared with North County, South County has a higher proportion of homeless children who are younger (ages 2-10 years old). In South County, 75% of respondents' children are age 10 years and younger; in North County, the proportion is 47%.

Education:⁹ 62% of the homeless population has a high school or general education degree. Almost one third have completed some college courses. In South County, 48% of respondents had an 8th grade education or less, compared with only 7% of those in North County. In North County, 40% had some college, or degrees from junior college, college or graduate programs, compared to 10% in South County.

⁷ 805 responses.

⁸ 758 responses.

⁹ 799 responses.

Residence in the County:¹⁰

The homeless population in Santa Cruz County comprises many long term residents. Over 80% have lived in the County for more than a year, 52% for more than 10 years, and 23% for over twenty years.

Duration and Frequency of Homelessness:

Most respondents (47%) have been homeless for more than two years. 47% had been homeless, then housed "permanently," then homeless again.

HOUSING NEEDS OF THE HOMELESS:

The Homeless Needs Assessment counted 3,293 homeless persons in various living situations throughout the County (Table 4.3.4). The census tracts around the City of Santa Cruz and in the unincorporated areas contained the largest number of homeless persons, while the Capitola and Scotts Valley areas had the fewest. According to the Needs Assessment, many homeless persons in the County are not sheltered: 1,608 are living outdoors or in vehicles.

Table 4.3.4 Shelter Status of Homeless Persons in the County of Santa Cruz						
Area*	Vehicular/Housed	Unsheltered	Emergency Shelter	Transitional Housing	Other	Total
Capitola area	21	21	0	28	64	134
City of Santa Cruz area	306	287	226	359	95	1,273
Scotts Valley area**	137	27	0	10	0	174
Watsonville area	75	117	89	321	90	692
Unincorporated area	443	174	9	350	44	1,020
Total	982	626	324	1,068 ¹¹	293	3,293
Percentage of Total	29.82%	19.01%	9.84%	32.43%	8.90%	100%

¹⁰ 626 responses.

¹¹ This number is inconsistent with the known capacity of the County for transitional housing units; the data collection appears to have included people who were in temporary housing, as well as those in transitional housing programs.

** It should be noted that the City of Scotts Valley disputes these estimates and holds that the number of homeless persons in the Scotts Valley area is significantly lower.

EMERGENCY SHELTER:

The purpose of emergency shelter is to provide temporary or transitional shelter for the homeless. Emergency shelter can be provided in a congregate living facility, through a voucher to a motel, or in a private home. Shelters may provide services concerned with employment, health, drug abuse, and/or education. This basic service enables people to get off the streets each night and facilitates their access to other supportive services and longer-term housing options.

The County has approximately 219 emergency shelter beds available between April and October and an additional 122 beds available between November and March when the temporary winter shelters open. Some shelters serve special groups such as families, youth or severely mentally ill adults, while others serve the general homeless population (and may set aside beds for particular subpopulations.)

One in five homeless people has tried to use a shelter in Santa Cruz County and been turned away,¹² typically for lack of space (45%) but also for eligibility criteria, including age (15%).¹³ Almost 40% of the 330 people¹⁴ who responded said they have given up trying to get into a shelter (46% of respondents from North County", and 25% from South County"). It cannot be determined from the data whether or not those who have "given up" had actually attempted to stay in a shelter.

IDENTIFIED NEED: There is a need for additional emergency shelter beds, and for further investigation of barriers to accessing shelter.

TRANSITIONAL HOUSING:

Transitional Housing is one type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. It is housing in which homeless persons live for up to 24 months and receive supportive services that enable them to live more independently. The supportive services may be provided by the organization managing the housing or coordinated by them and provided by other public or private agencies. Transitional housing can be provided in one structure or several structures, at one site or in multiple structures at scattered sites.

¹² 166 of 794 responses.

¹³ 141 responses.

¹⁴ This equates to 128 people who have "given up."

¹⁵ 216 responses from North County.

¹⁶ 111 responses.

Countywide, there are approximately 400 units of transitional housing available, with an estimated need for an additional 641 beds for individuals and 405 for families with children.

Responses to the Needs Assessment indicate that many homeless feel that transitional housing would be of benefit -- a temporary boost or some transitional help to get them through a difficult time. The majority of respondents (56%) said the County should put more money into transitional housing than anything else.

IDENTIFIED NEED: Santa Cruz County needs more transitional housing, especially for families and others with potential for self-sufficiency.

STABLE HOUSING:

The priority need for the County's homeless population is stable, affordable housing.

Housing costs of available rentals are out of reach for many county residents. Compared to statewide rents, Santa Cruz County rents are high (Table 4.3.5).

Table 4.3.5 2001 Fair Market Monthly Rents (HUD 2001) by Number of Bedrooms				
Geographic Area	Studio	One	Two	Three
California	\$649	\$763	\$957	\$1,312
Santa Cruz County	\$739	\$880	\$1,175	\$1,634

According to the National Low Income Housing Coalition, a person earning minimum wage would need to work 108 hours per week to afford a one bedroom fair market rental unit in Santa Cruz County. Further, according to data from the Housing Authority of the County of Santa Cruz, publicly subsidized housing is not available in sufficient supply as the following table illustrates:

Table 4.3.6 Wait List for Subsidized Housing, April 2001

Bedroom Size	Santa Cruz	Watsonville	Capitola	Scotts Valley	County	Total
Studio	33	15	1	1	25	75
One Bedroom	843	416	84	38	822	2,203
Two Bedroom	480	774	52	31	1,898	3,235
Three Bedroom	228	632	23	19	478	1,380
Four Bedroom	18	92	1	0	72	183
Five Bedroom	4	19	0	0	12	35
Total	1,606	1,948	161	89	3,307	7,111

Based upon past wait periods, the Housing Authority estimates a current 4 to 6 year wait to receive a housing voucher. Even when a subsidized housing Section 8 voucher (Housing Choice) is available, there is no guarantee that one can find housing with it. In fact, escalated rents and the reluctance of some landlords to rent to Section 8 recipients result in approximately one-half of new voucher recipients forfeiting their vouchers because their time within which to locate housing (120 days) expires before housing is located. According to the Housing Authority, since the inception of the Section 8 program, approximately 5% of the voucher holders do not use them. The reasons are varied and do not necessarily indicate a tightness in the rental market. How quickly Section 8 voucher holders Lease up seems to be a better indicator of the rental market. In a soft market, voucher holders lease up almost immediately, certainly within the first 30 days because landlords are more likely to accept Section 8 vouchers to insure that their units are rented. In a tight market, voucher holders may go for 60 days or more before finding a suitable rental. Another reliable indicator is the number of people on the Housing Authority waiting list each month. At times, there have been as few as 100 added per month. However, in tighter markets, there may be as many as 400 added each month. Currently, there are less than 300 names added per month. Another measure of the availability of housing to Section 8 voucher holders is the number of ads appearing in the newspaper. One day each month, the Housing Authority counts the number of rental ads and the rents being asked. This average has been tracked since 1990. Currently, there is the highest number of units available for rent advertised in the paper since 1990, approximately 600 per month.

housing with it. In fact, escalated rents and the reluctance of some landlords to rent to Section 8 recipients result in approximately one-half of new voucher recipients forfeiting their vouchers because their time within which to locate housing (120 days) expires before housing is located.

Thirty percent of those who responded to the Needs Assessment are on a waiting list for some type of housing assistance, and 94% said they would choose to be in “permanent” housing now. Further, because of their disabilities (mental health, substance abuse, HIV/AIDS), some people need supportive services in housing. There is a current inventory of approximately 277 permanent supportive housing units for individuals, and an estimated 569 more are needed; and no permanent supportive housing units for families with children¹⁷, although approximately 254 are needed.

IDENTIFIED NEED: The County needs more stable affordable housing and more permanent supportive housing, targeted to people who are homeless.

RESOURCES FOR HOMELESS PEOPLE

There are numerous services in Santa Cruz County to assist the homeless. The County of Santa Cruz provides three types of shelter for the homeless:

- Emergency Shelters: short-term shelters designed to meet the immediate needs of first time homeless.
- *Transitional* Shelters: are intended to assist people into independent living. They may include job training and placement services, substance abuse treatment, short-term mental health services and/or independent Living skills training and counseling, in addition to the shelter provided.
- Permanent Supportive Housing: facilities for individuals with special needs or for individuals unable to gain complete financial independence. They are distinguishable from other homeless facilities based on their institutional structure and the fact that their clients have no other permanent place of residence.

Recent accomplishments for housing the homeless include the October 23, 2003 groundbreaking of a new County/City collaborative effort to develop a new family shelter that will house 27 families (and up to 90 family members), as well as serve as the new home of the County's Homeless Person's Health Project, and development of the Above-the-Line Residential Youth facility by Mercy Housing. An inventory of shelters can be found in Table 4.3.7. It is important to note that because homelessness can be a result of physical or mental illnesses, income level/occupation, and family status, many facilities listed are cross-referenced in

¹⁷ Some projects which will provide permanent supportive housing for families with children are in the pipeline however.

the other special needs section for the mentally ill, disabled, single parent, senior, overcrowded and farmworker households.

Table 4.3.7 List of Shelter Services for Homeless People in Santa Cruz County

County Wide Shelters	Description	Number Sheltered
Housing for Medical Emergencies (Community Action Board)	Medical emergency shelter at motels for people recently released from hospital, or with TB or HIV/AIDS. Part of the intersatellite program.	Average 291 per year
Santa Cruz Aids Project	Motel vouchers for people living with HIV/AIDS-	Average of 13.3 per month
Community Counseling Center	Permanent supportive housing for individuals with mental illness	118 (+8 currently being rehabilitated)
Watsonville and South County Shelters	Description	Number of Beds
Above the Line	Transitional shelter and services for homeless youth. Must be clean and sober.	9
Tyler House	Drug and alcohol rehabilitation program 6 months. Transitional housing for 6 youths and 4 males + 2 females or 4 females and 2 males	10
Salvation Army	Emergency shelter with 51 beds onsite, up to 20 more transitional, 2 houses through HUD and, up to 5 churches. 60 emergency, 20 transitional during the summer and an additional 20-65 beds onsite in the winter.	Emergency: 60 Transitional: Nov-March= 40-8E April-Oct= 20
San Jose Prieta Transitional	Permanent supportive and emergency shelter	Permanent: 17 Emergency: 51
Pajaro Rescue Mission	Emergency shelter	40
Paloma House	Transitional housing for individuals with dual diagnosis	12

Paloma House Annex	Transitional housing for individuals with dual diagnosis	6
Pajaro Valley Shelter Services (Community Action Board)	Emergency shelter and permanent supportive housing	Emergency: 20 Permanent: 17 units
Santa Cruz City and North County Shelters	Description	Number of Beds
Darwin House	Permanent supportive housing for individuals with mental illness	15
El Dorado Residential	Permanent supportive housing for individuals with mental illness	16
Youth Services-Community Counseling	Counseling, shelter, reunification, outreach service for 12-17 year olds. Emergency shelter	4
Santa Cruz Clean and Sober	Transitional housing for people with substance abuse	49
Interfaith Satellite Shelter Program	Church emergency shelter year round with use of the Armory 11/15-3/15.	April-Oct=45 Nov-March=145
	Permanent supportive housing for individuals with mental illness and graduates from transitional housing	<u>10 apartments; 3 SRO's; +1 on-site manager</u>
Jesus, Mary, and Joseph Home		14
New Life Community Services	Emergency and transitional shelter for adults with substance abuse and their families	40
Page Smith Community House	Transitional housing for homeless adults	40
River Street Shelter	Emergency and transitional shelter for Shelter's 32 beds are provided under contract with Santa Cruz County	32
Rose Acres	Permanent supportive for homeless adults with mental illnesses	25
	Transitional housing for adults with mental illness	10
Opal Cliffs	supportive housing for adults with dual diagnosis	15
Front Street Residential Care Facility	Permanent supportive housing for mentally ill	47

Defensa De Mujeres/ Women's Crisis Support	Emergency shelter for women and their children, domestic violence/sexual assault. No boys over 12. Must be drug and alcohol free.	12
Sienna House Maternity Home of Santa Cruz County	Housing for single pregnant women.	19
TOTAL	Number of beds in all County facilities	1243 - 165 Nov-March

Housing Element planning period.

RECOMMENDATIONS FOR THE HOMELESS (COUNTY-WIDE)

- There is a need for 270 additional emergency shelter beds¹⁸, and for further investigation of barriers to accessing shelter.
- Santa Cruz County needs 614 more transitional housing units for individuals, and 423 more units for persons in families with children¹⁹.
- The County needs 668 more stable affordable housing units or permanent supportive housing units, targeted to people who have been homeless²⁰.

¹⁸ Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan

¹⁹ Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan

²⁰ Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan

4.3.7 ELDERLY

Senior households need affordable housing, physically accessible housing, and/or specialized personal and medical care on site. In addition, as people live longer, there is a need to provide a spectrum of housing types for seniors that include services for the “active” as well as the “frail” older person.

For purposes of this discussion, “senior” indicates a person 60 years or older, unless otherwise noted. There were approximately 33,307 persons 60 years or older in the incorporated and unincorporated areas of Santa Cruz County (2000 U.S. Census). These seniors represent approximately 13% of the total County population. In 1990, seniors comprised 15% of the County’s total population (33,428 seniors; 1990 U.S. Census); therefore the percentage of seniors in the Countywide population has decreased over the last 10 years. The actual number of seniors, however, has remained relatively constant in Santa Cruz County from 1990 to 2000. In the unincorporated area of the County only there were 18,717 persons over the age of 60 years according to 2000 Census data.

While the number of people who are at least 60 years of age has remained relatively constant during the last 10 years, there has been an increase in the number of persons who are 85 years of age or older. In 1990, there were 3,059 persons over the age of 85 years in the County (incorporated and unincorporated areas); by 2000, however, that figure had increased to an estimated 3,845 persons. It is expected that seniors will continue to represent an important segment of the County’s population.

EXISTING RESIDENTIAL OPPORTUNITIES FOR SENIORS (UNINCORPORATED AREAS)

Rental Housing: There are various types of rental housing available for seniors, including market- rate rental units, subsidized rental units, congregate care facilities, residential care facilities, accessory units and shared housing (rooms for rent).

- **Market Rate Rentals**

A survey of Santa Cruz Sentinel classified ads for rental units indicated that one bedroom apartments available on February 24, 2003 were renting for an average of \$1,007, while the average rent for studios was \$796 per month.

- **Subsidized Rentals**

There are some subsidized rental units for low and moderate income seniors in Santa Cruz County; however, demand for these units exceeds the available supply. This assistance is provided in the form of Section 8 certificates or vouchers, which pays for a large portion of their monthly rent. To qualify for this assistance, the maximum annual income in 2002

for a one person household was \$24,150 and for two persons was \$27,600.

In addition to Section 8 rental assistance, there are some housing developments that are subsidized and have affordable rents. Some of these developments are for seniors only, while others contain senior as well as family units. The following table lists subsidized developments that are located in the unincorporated areas of the County. Only those units appropriate for senior households are identified by number and type of units.

Table 4.3.8 Subsidized Senior Housing Projects in the Unincorporated Area		
Casa La Familia	2296 7 th Avenue,	8 Studio Units
Dominican Oaks	3400 Paul Sweet Road, Santa Cruz	44 One Bedrooms 7 Two Bedrooms
Elizabeth Oaks	1460 Jose Avenue, Santa Cruz	48 One Bedrooms
Pajaro Vista*	1955 Pajaro Lane, Watsonville	106 One Bedrooms
Paloma Del Mar*	2030 Pajaro Lane, Freedom	103 One Bedrooms 26 Two Bedrooms
Seapines	1806 Sumner Avenue, Aptos	6 One Bedrooms
Seaside Apartments	30 th and Brommer, Santa Cruz	16 One Bedrooms
Sunny Meadows	220 Ross Avenue, Freedom	24 Studio Units 32 One Bedrooms 64 Two Bedrooms
Via Pacifica	1860 Via Pacifica, Aptos	20 Studio Units 60 One Bedrooms
Vista Prieta	Vista Prieta Court, Santa Cruz	38 One Bedrooms 4 Two Bedrooms
Volunteers of America	1635 Tremont Street, Santa Cruz	19 Studios 55 One Bedrooms
Woodland Heights ("Woodland Senior Apartments")	3050 Dover Drive, Santa Cruz	12 Studio Units 56 One Bedrooms
Total		83 Studio Units 579 One Bedroom 101 Two Bedrooms

* Have been annexed into the City of Watsonville.

The units Listed total 763 units. Managers of all these housing developments report 100%occupancy and waiting lists of 1-2 years.

- **Congregate and Independent Living Facilities**
In addition to “traditional” rental units, there are also congregate living and independent living facilities in Santa Cruz County. These facilities typically are “apartment-like,” in that each household has a single living unit with a kitchen and bathroom facilities but there is also a common dining facility with at least one meal provided per day. In addition, there may be other amenities offered that include transportation for shopping and cultural events, crafts and entertainment facilities, and meeting rooms. Congregate living facilities do not provide a system of care.

There are currently 5 congregate and independent living facilities in Santa Cruz County; Oak Tree Villa in Scotts Valley, Brommer Manor Cottages and La Posada in the City of Santa Cruz, Dominican Oaks in the Live Oak area of the County Via Pacifica Gardens, and Valley heights in Watsonville. These facilities are comprised of a total 588 units; 220 studio/alcove units, 329 one bedroom units, 35 two bedroom units, 4 disabled units. Oak Tree Villa is a market rate development with 2002 monthly rents (including meals) ranging from \$2,200 for an alcove unit to \$2,250 for a one bedroom unit. La Posada contains mostly subsidized units with some market rate units. Dominican Oaks, located on Paul Sweet Road adjacent to Dominican Hospital, provides a total of 156 congregate care living units, 52 of which are “affordable inclusionary units” based on rates established by the County of Santa Cruz as 30%of monthly income. As of 2002, monthly market rents for “market-rate” congregate units were \$2,800- \$2,950 for one bedroom units and \$3,200 - \$3,400 for two bedroom units.

- **Residential Care Facilities**
There are also residential care facilities available in Santa Cruz County. The term residential care refers to a system of custodial care which can be provided in a single family residence, a retirement residence or in any appropriate care facility including a nursing home. The three main types of residential care facilities are: Residential Care Facilities, Assisted Living Facilities, and Skilled Nursing Facilities.
 - **Residential Care**
Residential care facilities differ from other facilities in that they offer non-medical custodial care and are usually group living quarters with staff supervised meals, housekeeping and personal care. An example of a residential care facility in Santa Cruz County is “The Mansion” which is located on Glen Canyon Road

near Scotts Valley. This facility contains ten studio apartments and two larger units of approximately 600 square feet. Rents range from \$3,600 for a shared unit, and \$4,500 for the private units. "Sunshine Villa," located in the City of Santa Cruz, is another residential care facility. This facility can accommodate approximately 150 - 160 persons.

- o Assisted Living

Assisted Living facilities have comprehensive programs designed specifically for the elderly who cannot live on their own. Sometimes these facilities are conversions of retirement residences or small apartments into care centers. In some retirement residences a separate section will be dedicated to Assisted Living residents, but in other residences there is no segregation of those who need care and those who don't. Assisted Living Facilities differ from Residential Care Facilities because they are generally laid out apartment style with special amenities such as walk in showers, wide doors for wheelchair access, emergency call pull cords and are generally larger facilities.

- o Skilled Nursing Facilities

Skilled Nursing Homes are considered health care facilities. Skilled Nursing Facilities are medical facilities and they are allowed to provide services that cannot be dispensed in assisted living or residential care facilities. Typically these services involve managing complex and potentially serious medical problems such as infections, wound care, IV therapy, and coma care. They offer both short and long term care options for those with serious problems and disabilities such quadriplegics, Multiple Sclerosis patients, Lou Gehrig's Disease ("Amyotrophic Lateral Sclerosis") patients and others who are bedridden and are unable to do anything on their own. Skilled nursing facilities differ from traditional residential care facilities because the cost of monthly or weekly rent depends on the patient's Medicare and Medicaid supplements.

- Second Units

Second units are another housing option available to seniors. These units are up to 640 square feet in the urban area and up to 1200 square feet in the rural area separate dwelling units added to an existing single family property and are designed for one or two person households. Second units are often called "granny flats" and are a traditional housing form used in many countries, including the U.S.

Second units are deed restricted in perpetuity as affordable units. Senior households of moderate income are eligible to occupy second units, as are family members of the property owner. Like many other California communities, second units in Santa Cruz County are slowly gaining popularity. The cost of construction and permitting costs make Second Units expensive for most property owners, but recent Legislation (AB1866) requires that the County approve second units ministerially. This will result in reduced processing time and reduced fees associated with second unit permits.

- Shared Housing

Another option available to seniors is shared housing. In shared housing arrangements, senior households are matched with other senior or non-senior households to share a dwelling unit. For example, a single senior who lives in a two bedroom house could rent out one of his/her bedrooms to another single senior household. The County of Santa Cruz contributes funding assistance to Senior Network Services to provide a shared housing counseling program which matches compatible households. From 1995 through 2002, Senior Network Services had completed 399 matches, with 228 of those matches being in the unincorporated areas of the County.

OWNER OCCUPIED HOUSING FOR SENIORS

- Single Family Dwellings

2000 U.S. Census data indicate that 78.5%¹ of the County's seniors owned their own home, compared to 59.1% for County residents aged 25-64 as a whole. It is assumed that many of these households purchased their homes years ago, and have since built up equity that could potentially be used for future living expenses

There are two seniors-only, owner occupied housing developments in the unincorporated area of Santa Cruz County, Casa La Familia is located on 7th Avenue, in the Live Oak Planning Area, and includes 23 one bedroom townhouses for sale to qualified lower and moderate income seniors. Vista Prieta is the second development, which is located off 17th Avenue, in the Live Oak Planning Area, and includes one bedroom condominiums available for sale to qualified seniors 62 years and older. Many of these have been converted to rental use, however, the age restrictions and rental rate restrictions remain in effect.

¹ 25,934 County seniors owned their own home according to the 2000 U.S. Census, while 7103 seniors rented.

- **Mobile Homes**
Mobile homes are an important housing resource for seniors. According to the 2000 Census, there are 2,567 mobile homes in the unincorporated County. The majority of these are located in mobile home parks. A number of the parks are restricted to occupancy by seniors age 55 years and older. Rules or regulations restricting the age of park residents must comply with the provisions of the federal Fair Housing Amendments Act of 1988 (P.L. 100-430) and implementing regulations. To ensure their continued use as mobile home parks, the County adopted Chapter 13.30 of the County Code (Mobile Home Park Conversions) and Section 13.10.455 (Mobile Home Park Combining District). The first restricts mobile home park owners from converting parks to other uses. The second requires that a rezoning be a part of any mobile home park conversion. Further, the County also adopted a Mobile Home Rent Stabilization Ordinance, which regulates rent increases. One area of concern with mobile homes is to ensure that they are maintained and repaired when necessary.

FUTURE HOUSING NEEDS OF SENIOR HOUSEHOLDS

- **Affordable Housing**
The most important need in terms of housing for seniors is the need for more affordable housing. In fact, the local Area Agency of Aging has identified affordable housing as their number one priority for future program planning. The need for affordable housing derives from most seniors having very low fixed and/or limited incomes with minimal cost of living adjustments
- **Variety of Housing Types**
Another housing need for seniors is the provision of a variety of housing opportunities and types. The term "seniors" includes active younger seniors, as well as seniors who are in their 70s, 80s, and 90s who may require more personalized care. Therefore, affordable housing developments catering to the active, independent senior are needed as well as specialized facilities that provide more individualized care and services.

RECOMMENDATIONS FOR SENIOR HOUSEHOLDS

- Improve the range of available housing choices for seniors by zoning more areas for multifamily units such as condominiums, small townhouses and mixed use units; to allow more second units, senior housing developments, Single Room Occupancy units, shared housing opportunities and other creative solutions

- Support the Housing Authority's "Home Equity Conversion Counseling Program" and a "Consumer Housing information Service for Seniors" by the Area Agency on Aging.
- Maintain and preserve the existing inventory of subsidized senior housing units and rental subsidies available for seniors.
- Facilitate the development of medium to high density residential developments in appropriate locations for new senior housing.
- Consider designating appropriate sites as "senior housing priority sites" in the General Plan. Continue to retain and maintain existing senior-only mobile home parks and to support the maintenance of existing mobile homes.
- Continue to retain and maintain existing senior-only mobile home parks and to support the maintenance of existing mobile homes.

Table 4.3.9 Housing for the Elderly in Santa Cruz County

	Number of Units/Beds	Unit or Bed Cost per Month (unless indicated)*
<i>Residential Care and Assisted Living Facilities</i>		
Aegis of Aptos	88	\$2300-\$4500
Alexandria Victoria Retirement Assisted Living	8	\$3,500
Chanticleer Home	48	\$2,000-\$3,200
Chateau Guest Home	26	\$812
De Un Amor	13	\$2,500-\$3,500
Dominican Oaks (nonsubsidized units)	50	\$3,400
Flor's Guest Home	18	\$1,500-3,000
Freedom Manor	10	\$2,500-\$3,500+
Hanover Guest Home	10	\$1,100-\$2,200
The Mansion	24	\$3,600-\$4,500
The Maple House	22	\$1,800+ and \$2,100+
Mystic Oaks	6	\$2,400+
Oliveira's Guest Home	3	\$2,100
Resent (at Sunshine Villa) Assisted Living	106 (some	\$3,100-\$5,000

Ril Guest Home	5	\$960-\$2,000
Rosehill	9 (Traumatic Brain injury Survivors. not limited to elderly)	\$3,700
Seaview Guest Homes	6	\$1700+
Shady Rest Manor	6	\$812-\$1,400
Soquel Leisure Villa	10	\$812, \$1,500 and \$2,000+
Twilight Manor	58	\$2,000-\$4,500
Vera's Guest Home	elderly)	2012
Villa Cruz Guest Home	6	\$2,000
Watsonville Residential Care, Inc.	43	\$2,800-\$4,200
Total	632	
Congregate/ Independent Living		
Dominican Oaks (nonsubsidized units)	156	\$2,800 - \$3,400
La Posada	150	\$2,000-\$2,050
Brommer Manor Cottages	6	\$1950-\$2,150
Oak Tree Villa	196	\$2,200-\$2,750
Valley Heights	80	\$1,950-\$3,110
Total		
Skilled Nursing Facilities		
Brommer Manor	99	or Social Security
Cresthaven Nursing Home	20	Medicaid/Medicare/Medical or Social Security
Driftwood Healthcare Center	32 beds + 42 units	Medicaid/Medicare/Medical or Social Security or \$149/day
Golden Age Convalescent Hospital	40	Medicaid/Medicare/Medical or Social Security
Pacific Coast manor	99	\$4,000
Pleasant Care	180-200	\$110 (Medicaid/Medicare/Medical or Social Security) or \$500(private) per day
Sunbridge Care Center For Watsonville	94+ 87 (East and west buildings)	Medicaid/Medicare/Medical or Social Security or \$139-\$150/day
Valley Convalescent Hospital	59	
Total	832	

<i>Senior Apartments and Residential Hotels</i>		
Arbor Cove		
Dakota St. Apartments		
Garfield Park Apts.		
Pajaro Vista	106	
Vista Prieta	42	
Casa la Familia	23	
Elizabeth Oaks	48	
Volunteers of America	74	
Seapines	6	
Seaside Apartments	16	
Palomar Inn	97 (not limited to elderly)	\$448
Via Pacifica Gardens	80	30% of income
Paloma Del Mar	130	\$726-\$866
Woodland Senior Apartments	68	\$700-\$800
Silvercrest Apartments	96	30% of income or \$386-\$441
EL Centro Residential Suites	45	\$369
St George Residences	124(not limited to elderly)	\$680
Resetar Residential Hotel	93(Not limited to elderly)	\$355-\$595
Total	733	
Total Beds/Units for Elderly	2785	
Listed above is an estimated cost of units or rooms provided by facilities that can house the elderly. For many facilities, the cost of a unit/bed depends on the level of service needed and/or the amount of supplements they accept through medcare, medicaid, medcal or from Social Security. The cost of the room is listed as cost per month unless otherwise noted.		

4.3.8 LARGE HOUSEHOLDS (5+ PERSONS PER HOUSEHOLD)

The U.S. Census defines large households as households with 5 or more persons. Since large housing units are rarely affordable, and rental units containing more than 3 bedrooms are not common, adequate sized housing is difficult to obtain for most low and moderate income large households. The 2000 Census determined there were 3,418 ownership households and 1,843 renter households with 5 or more persons. Households with 5 or more individuals, family and non-family, compose 12.38% of the population in Santa Cruz County while housing units with 5 or more rooms compose 55.3% of Santa Cruz County's housing stock (Table 4.3.10). The US census defines a 'room' as any room in the structure except kitchens or bathrooms. Therefore, units with 5 or more rooms were estimated to have 3 or more bedrooms in order to compare data to actual rental/housing market. There was little increase or decrease in the proportion of large households and large housing units in Santa Cruz County from 1990 to 2000 (Table 4.3.10).

Table 4.3.10: Households in Santa Cruz County with 5 or more Individuals and Units with 5 or more Rooms				
	1990		2000	
Households	Number of people	Percent	Number of People	Percent
Family	8,906	10.70%	10,638	11.67%
Non-family	523	< 0.01%	647	<0.01%
Total Households with 5 or more individuals	9,429	11.28%	11,285	12.38%
Units	Number of Units	Percent	Number of Units	Percent
5 or more rooms	51,097	55.60%	54,757	55.30%

Source: US Census Bureau, Census 2000 and Census 1990
Utilizes Countywide numbers, not unincorporated only.

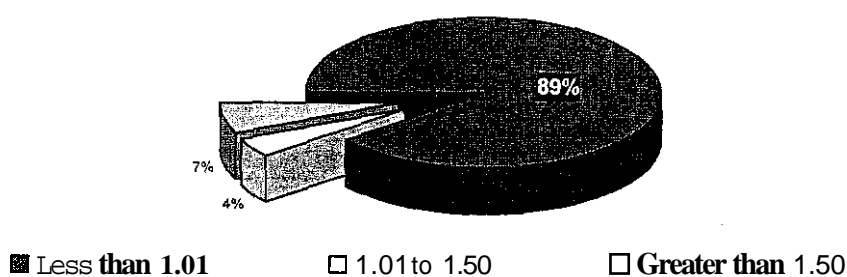
According to the Housing Authority, for the last 15 to 20 years, the Housing Authority waiting list has consistently indicated more families require 2 bedroom units than any other bedroom sizes. The next highest in demand

switches between 1 bedroom and 3 bedrooms. The list for 4 bedrooms and higher is very small. Certainly, it is more difficult to find larger units for larger families, but if construction follows demand then 2 bedroom units are in the highest demand.

Additionally, the State Tax Credit Allocation Commission recently issued a letter to the Housing Authority stating that putting larger units into tax credit requests when not needed for any other reason would no longer be acceptable. This indicates that the State also recognizes that the preference for large families is not reflecting demand.

Many Large households are not able to afford adequately sized housing and as a result many large households are living in overcrowded houses/apartments. In Santa Cruz County 9,906 housing units housed families and non-families in overcrowded households.¹ Overcrowded households are defined by the Census as households with more than 1 person per room in the living structure. Santa Cruz County has a Lower proportion of individuals living in overcrowded housing conditions compared to the State of California, however some areas within the County have severe problems of overcrowding (Table 4.3.10). Countywide, 10.9% of all households are overcrowded, 4% of all housing units contain 1.01 to 1.50 persons per room and 7% contain more than 1.51 persons per room (Figure Table 4.3.11). This represents a 3.7% increase in the percentage of overcrowded households in the housing stock compared to 1990.

**Figure Table 4.3.11: Percentage of the Number of
Individuals Living in Overcrowded and Non-
Overcrowded Households in Santa Cruz County**



Source: U.S. Census Bureau, Census 2000

¹ US Census 2000

12/16/03

ESTIMATED LARGE HOUSING AVAILABLE

Large Households have trouble obtaining large housing units. Most rental units containing 3 or more bedrooms are financially out of reach for large households because of the high rents in Santa Cruz County. A survey of vacant units in the Santa Cruz Sentinel on February 24, 2003 indicated that the average monthly rent for a three-bedroom unit was \$1,999 (Table 4.3.12). In addition to the high cost of housing, rental units that have more than 3-bedrooms are in short supply. The February 24, 2003 survey indicated that although rental units containing three-bedrooms were abundant, units containing 4 or more bedrooms were rare (Table 4.3.12).

Table 4.3.12: Survey of Large Rental Units Available in Santa Cruz County on February 24, 2003

Number of Bedrooms	Average Cost of the Rental Unit	Number of Available Units
3	\$1999	84
4	\$2,496	13
5	\$2,350	1
6	\$3500	1

Source: Santa Cruz Sentinel online, <http://www.santacruzsentinel.com> February 24, 2003

FUTURE NEEDS FOR HOUSING LARGE HOUSEHOLDS

In Santa Cruz County, the subpopulations of farmworker and student households fall under the special needs group of large households because they are more likely to be found living in overcrowded houses/apartments with 5 or more individuals. One subpopulation that warrants particular attention because of its large household size is farmworkers. Farmworkers represent a distinct population of large families with the average family size of a farmworker household being 5.4 persons, far greater than the average 2.7 persons per household for Santa Cruz County. Of 167 respondents living in 3-bedroom households, 20% had more than 8 people residing there². Affordable housing units with 3 or more bedrooms are needed for this distinct population within Santa Cruz County, although the need may be overstated given the recent experience of various non-profit housing providers. These housing providers

² Farmworker Housing and Health Assessment Study, Salinas and Pajaro Valley Final Report, June 2002

have discovered that “extended” families would rather not be placed in large units if smaller units were available to meet their family’s needs. Housing providers also note that more units can be provided in most projects if the unit sizes are smaller.

Families and non-families often double up in rooms to reduce the percentage of their income that goes to rent and other housing related costs. Based on the current housing deficit for large households and the overcrowding that is associated with inadequate housing size, housing for large families and non-families is needed in Santa Cruz County in many areas. For Large households, affordable, adequately sized housing is of the utmost importance. The disproportionate percentage of overcrowded households and large average household size between various parts of the County should be examined when constructing affordable, adequately sized housing for large households (Table 4.3.13).

Recommendations for Housing Larger Households

- Encourage the developers of affordable housing (both for-profit and non-profit) to provide units with 3+ bedrooms if it can be demonstrated that a demand exists for these types of units.
- Work with non-profit housing providers to document the need for larger units.

Table 4.3.13: Percentage of Overcrowded Households and Large housing Stock by County Sub-Areas

	Occupants per room		Total	
	1.01 to 1.50	1.51 or more	Percent of overcrowded	Percentage housing units 5
California	6.1%	9.1%	15.2%	55.9%
Santa Cruz County	4.3%	6.6%	10.9%	55.3%
CITIES				
Capitola	2.1%	3.9%	6.0%	40.5%
Santa Cruz	3.2%	5.0%	8.2%	48.7%
Scotts Valley	1.9%	1.5%	3.4%	65.6%
Watsonville	11.9%	23.4%	35.3%	43.9%
CENSUS DESIGNATED PLACES, UNINCORPORATED COUNTY				
Amesti	9.3%	7.6%	16.9%	70.7%
Aptos	2.8%	1.8%	4.6%	61.0%
Aptos Hills-Larkin Valley	3.3%	1.3%	4.6%	77.8%
Ben Lomond	0.6%	1.7%	2.3%	54.5%
Boulder Creek	4.0%	1.9%	5.9%	54.3%
Corralitos	8.3%	3.9%	12.2%	67.1%
Day Valley	3.3%	2.4%	5.7%	77.6%
Felton*	5.9%	0.0%	5.9%	58.2%
Freedom	10.0%	18.3%	28.3%	48.6%
Interlaken	11.8%	17.9%	29.7%	71.9%
Live Oak	3.3%	5.9%	9.2%	49.0%
Opal Cliffs	2.2%	4.7%	6.9%	42.2%
Rio del Mar	2.3%	0.3%	2.6%	75.5%
Soquel	2.3%	3.3%	5.6%	55.2%
Twin Lakes	3.2%	5.5%	8.7%	42.4%

Source: U.S. Bureau of the Census, Census 2000

*Census boundary of Felton more accurately represents census boundary for ~~ML~~ Hermon

4.3.9 FEMALE HEADED HOUSEHOLDS

Female headed households are comprised of a female household head and children. The 2000 U.S. Census showed 5.605 female headed households with children under age 18 in Santa Cruz County. Nationally, the number of children living with only one parent increased by 4.29% from 1990 to 2000. In 1990, there were 8.55 million children living with a single parent, usually a female parent; by 2000, that figure had increased to 9.75 million children living in single parent households of which 7.56 million children lived in female headed households.¹ Reduced household income levels and poverty rates are particularly significant for this type of household. Table 4.3.14 demonstrates the high incidence of poverty among single parent households compared to other household types.

Table 4.3.14 U.S. Poverty Rates by Household Type					
Head of Household (Under 65 Years)		1974	1980	1989	2000
Single (ars)	1960 33.2	18.6	17.6	15.7	12.7
Married With Children	18.7	6.5	8.8	6.9	6.0
Married Without Children	12.5	4.5	6.1	3.7	3.9
Single Female With Children	57.6	36.1	35.6	37.9	32.5
Other Households	26.4	14.7	16.0	13.1	8.7

University

*Source: US Census Bureau Historical Poverty Tables; Table 4.

As Table 4.3.14 illustrates, since 1960, single parent households with children have consistently had the highest poverty rates of all households (with household heads under 65 years). The Table also illustrates that female-headed households have had a higher percentage of improvement than any other category.

In California, 16.8% of all families are single parent households, with the majority of those households being female headed. (Source: US Census Bureau, Census 2000). The 2000 U.S. Census data for Santa Cruz County indicates that

¹ Source: "The State of the Nation's Housing," by the Joint Center for Housing Studies at Harvard University, 2000

there were 2,696 female-headed households in the unincorporated areas (5.3% of all households). The 2000 County mean income for female-headed families with children under 18 years was \$33,141 [in 1995: \$21,905). ~~In contrast, the mean income for married couple families with children under 18 years was more than double that amount, at \$74,123 (in 1995: \$60,854).~~

FUTURE HOUSING NEEDS OF FEMALE HEADED HOUSEHOLDS

- Affordable Housing: With average incomes of \$33,000, female headed households and single parents cannot afford the current fair market rates and average home prices in this County. Therefore, having affordable units at these income levels (low and very low) is needed. As Table 4.3.14 indicates, according to National Statistics, single parent households in Santa Cruz County had lower mean incomes than married couple households in 1990. With more limited household incomes, the need for affordable housing units is especially critical.
- Adequately Sized Housing: An additional need of female headed households is appropriately sized housing. Female headed households often resort to living in units that are too small for their households (i.e. studios or 1 bedroom units), resulting in overcrowded housing situations. Therefore, there is a need for multiple bedroom units affordable to single parent households.
- On-site day care, proximity to schools, on-site laundry, tot-lots, safe night-time conditions, and proximity to shopping and public transportation are needed.

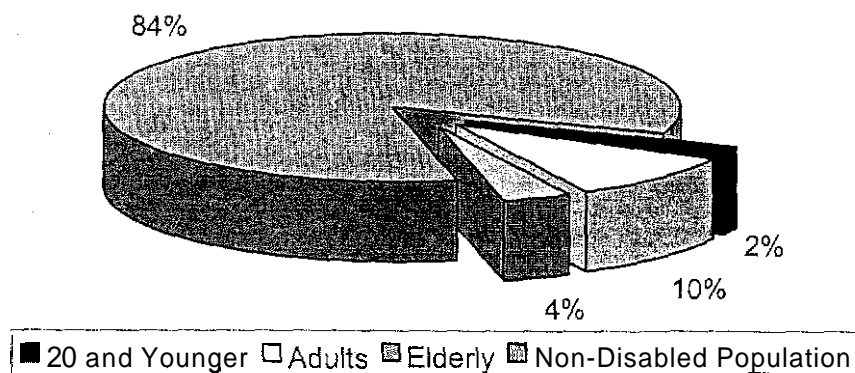
Recommendations for Housing Female-Headed Households

- Increase the number of units affordable to low and very low incomes.
- Provide incentives for the development/creation of new day care facilities for lower income households.
- Actively enforce anti-discrimination regulations in rental housing.

4.3.10 PEOPLE WITH PHYSICAL, MENTAL AND/OR DEVELOPMENTAL DISABILITIES

People with disabilities accessible to them despite their various disabilities have difficulty acquiring housing. Those who are considered to be persons with disabilities include the psychiatrically disabled, physically challenged/disabled individuals, and developmentally disabled individuals. These subpopulations all face one major challenge in acquiring housing, and that is the cost of housing. This is because their disability often prevents them from earning a steady or sufficiently high income. Because they enter the housing market with fewer resources and more obstacles, their risk for becoming homeless is much greater than for those without disabilities. It is not known how many of the estimated 3,293 homeless people in the County¹ have disabilities of some kind. According to the 2000 Census, 15.9% (37,895 persons) of the civilian non-institutionalized population over the age of 5 had physical, mental or emotional disabilities in Santa Cruz County (Figure 4.3.15).

Figure 4.3.15: Percentage of the Disabled Population Over the Age of 5 in Santa Cruz County in Contrast to Individuals without Disabilities



Note: Non-Institutionalized Civilian Population Only
Source: US Census Bureau, Census 2000

4,068 County residents received Supplemental Social Security Insurance (SSI) for disabilities in 2001 and an additional 3,255 persons received disability insurance under Old Age Survivor and Disability Insurance (SSD) in 2000 (SSI candidates may also be receiving disability insurance)². According to the Santa Cruz County Community Mental Health and Housing Plan, \$807 is the most a

¹ Santa Cruz County Homeless 2000, Needs and Assessment Survey. United way of Santa Cruz, Applied Survey Research.

² US Social Security Administration

person could receive from both SSD and Supplemental Income from work income through the Social Security Administration (SSI) in 2001. In 2001, fair market rent for a studio apartment in Santa Cruz County was \$737³. Disability insurance is not an adequate source of income in Santa Cruz County for renters. In addition, if a person earns more than \$500 a month, he/she generally cannot receive SSD. This restriction can make it difficult for a person who has a disability to afford housing in Santa Cruz because an individual with income from disability insurance plus a monthly salary of less than \$500 would spend more than 56% of their household income for a studio apartment at fair market rent. This significantly exceeds the affordability standard of 30% of monthly income allocated to housing costs and would not leave sufficient income to cover an individual's other expenses.

Many disabled persons often require assistance within their living environment since their condition can make it difficult to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from leaving home alone or from working. Individual needs vary widely from one person to the next. Persons with physical disabilities require accessible housing with special design features, for example: the height of cabinets, the positioning of electrical outlets, the layout of fixtures and appliances, and the provision of wide interior spaces for wheelchair circulation. Few housing units are designed with these features.

Another concern for the disabled is the ability to visit friends and relatives who are not disabled. Most homes present some type of barrier to disabled visitors. As a result, there is a great deal of interest in the development of "visitability" ordinances. These ordinances would require that all new homes be visitable by disabled person, and be convertible to future use by disabled persons.

PSYCHIATRICALY DISABLED

Those who are mentally ill face a unique challenge when acquiring housing because landlords may be reluctant to rent to individuals with a history of psychiatric illness. If their illness requires hospitalization, they may lose their housing, forcing them into a cycle of homelessness. The housing needs of those who are mentally ill can vary widely. According to the Santa Cruz County Community Mental Health Housing Plan, many individuals benefit from Living in shared housing because "it break[s] the isolation that often comes with the disease and exacerbated stigma," while some mentally ill individuals prefer to live alone. Many individuals with severe cognitive disorganization require assistance or supervision. Clustered housing, that is, integrated housing consisting of studios and small apartments with individual bath and cooking

³ Housing Authority of the County of Santa Cruz

facilities located within walking distance of other psychiatrically disabled households, have proven effective in housing mentally ill persons.

The Santa Cruz County Community Mental Health Housing Plan estimates that at least 2,850 County residents are eligible for supportive housing and are not receiving it. A 1992 estimate in the Mental Health Housing Plan stated a need for at least 640 additional beds when 256 existed. Based on prevalence data from the National Institute of Mental Health based on population size, 2% of the general population is seriously mentally ill. It is estimated that 5,000 adults with serious mental disorders and 900 children with serious emotional disorders reside within Santa Cruz County today.⁴ Currently there are fewer than 360 beds in the County's system of care for all levels of independent living and residential care facilities capable of serving individuals with psychiatric disabilities. This indicates that there is a serious need for mental health housing facilities within Santa Cruz County.

Housing for individuals with mental illness in Santa Cruz County includes:

- Emergency Shelter: County Mental Health contracts with Community Support Services River Street Shelter to house a minimum of 19 beds for mentally ill clients. (for terms of up to 22 days)
- Crisis Residential Facilities: The El Dorado Center (EDC) provides 16 beds for crisis residential treatment under contract with County Mental Health. (up to 2 weeks)
- Transitional Housing: Community Support Services (CSS) provides 10 beds of transitional housing at T-house. (up to 12 months)
- Social Rehabilitation: County Mental Health contracts with Front Street Inc. to provide social rehabilitation at Opal Cliff and Darwin House and CSS provides at Paloma House. (up to 18 months)
- Board and Care Facilities: Privately owned and operated care facilities for the mentally ill, licensed by the State Department of Community Care Licensing. They offer 24-hour supervision.
- Permanent Supportive Housing: Permanent housing that includes support services, which can include case management, peer support, and referrals to jobs, and supportive property management.
- Sober Living Environments: Housing intended to help residents maintain sobriety after treatment.
- Health Services Agency: Table 4.3.16 shows the County Health Services Agency's plans for 51 housing units for the psychiatrically disabled to be developed during the Housing Element planning period.

⁴ Santa Cruz County Community Mental Health Housing Plan 2001-2004

Table 4.3.16 Santa Cruz County Health Services Agency Anticipated New Housing Units for Psychiatrically Disabled				
PROJECT	ADDRESS	NUMBER OF UNITS	INCOME SERVED	YEAR COMPLETED
Monarch Housing	2206 40 th Avenue Live Oak	6 bedrooms 1 house	30%AMI	2003
Wheelock Housing	South County	4 units 15 beds	30%AMI	2002
SHP	TBD	5	30% AMI	2003
Plan for 10 beds per year total—project ½ in unincorporated	TBD	5	30%AMI	2003
Plan for 10 beds per year total—project ½ in unincorporated	TBD	5	30%AMI	2004
Plan for 10 beds per year total—project ½ in unincorporated	TBD	5	30%AMI	2005
Plan for 10 beds per year total—project ½ in unincorporated	TBD	5	30%AMI	2006
Plan for 10 beds per year total—project ½ in unincorporated	TBD	5	30%AMI	2007
PROJECTED TOTAL: 51 Units				

NOTE: Because each room has an individual lease, the shared housing could be counted per bed.

A complete List of facilities for the mentally ill can be found in the Santa Cruz County Community Mental Health Plan.

DEVELOPMENTALLY DISABLED

Individuals with developmental disabilities include persons with Down's Syndrome and other conditions which cause a delay in mental development. The degree to which a person is affected by developmental disability can vary greatly. Some people with developmental disabilities require constant supervision throughout their adult life. People with developmental disabilities may live at home with their parents, but many wish to acquire their own housing when they

reach adulthood or when they feel prepared for independent living. According to the San Andreas Regional Center, there are 953 individuals in Santa Cruz County with developmental disabilities, 480 of whom are adults and 473 are children. Of the adults in Santa Cruz County known to have developmental disabilities, 248 are living in their parents' home. In addition, 127 persons with developmental disabilities reside in group homes.

Many developmentally disabled persons in Santa Cruz County also have difficulty walking or require a wheelchair⁵:

- 14% of adults and 16% of children aged 12-18 require a wheelchair.
- 6% of adults and 12% of children aged 12-18 are unable to climb stairs.
- 20% of adults and 28% of children aged 12-18 have difficulty walking.

One of the major issues facing developmentally disabled persons is the progression of children with developmental disabilities into adulthood, and the inability of aging parents to continue providing care to family members. The San Andreas Regional Center estimates the need for community housing to meet the needs of this group of disabled persons at 250 units over the next 5 years for the entire County (cities included).

Table 4.3.17: San Andreas Regional Center (SARC) Clients by Jurisdiction in Santa Cruz County⁵

	Adults	Children aged 12-18
Aromas	1	0
Ben Lomond	3	2
Boulder Creek	5	8
Brookdale	1	1
Capitola	30	4
Felton	6	4
Freedom	11	4
Mount Hermon	1	1
Santa Cruz	135	37
TOTAL	220	74

RECOMMENDATIONS FOR HOUSING PERSONS WITH DISABILITIES:

⁵ San Andreas Regional Center

12/16/03

-
- The County should work in cooperation with the cities and the disabled community to develop the following facilities:
 - Add a 6 bed Crisis Treatment Facility in South County of Santa Cruz for persons with mental illnesses.
 - Add 5 beds to T-House: the site can accommodate a remodel, which would allow for cost effective expansion by 5 beds with sufficient development and operating costs for persons with mental illnesses.
 - Add another 15 bed Social Rehab Program for persons with mental illnesses.
 - Add 40 permanent affordable Supportive Housing Beds.
 - Add 15-20 RCFE beds with an enriched program for elderly people with mental illness.
 - Provide a locked-perimeter facility where people with dementia can safely live.
 - Housing for those person transitioning into adulthood and losing parental support (50 units/year)
 - The County should develop a strategy to address the alarming loss of Board and Care facilities by advocating increased reimbursement rates for Board and Care facilities and skilled nursing facilities. ~~Address the loss of board and care beds for adults and older adults that will take MediCal since the dramatic decline in the number of Board and Care Facilities is due to the low reimbursement rates for the care providers on SSI that do not cover the cost of providing the care mandated by the board and care license. This~~ strategy should include a study of incentives to the maintenance and development of board and care facilities county-wide.
 - The County should, in cooperation with the appropriate agencies, conduct a Santa Cruz County Disabled (physically **challenged/disabled** and mentally **ill**) Comprehensive Census and Housing Needs Assessment Survey.
 - The County should expand access to housing opportunities by:
 - Implementing a visitability ordinance.
 - Supporting an annual joint meeting, between the Commission on Disabilities and the Housing Advisory Commission to identify housing, issues for future action.
 - Develop and maintain an inventory of accessible units.
 - Maintain the Reasonable Accommodations Ordinance

4.3.11 FARMWORKER HOUSEHOLDS

Farmworkers in Santa Cruz County play a vital role in the County's economic sector and also contribute to the nation's health by putting fruits and vegetables on the tables of U.S. households. Dr. Alice Larson's statewide Migrant and Seasonal Farmworkers Enumeration Profiles Study Draft Report, July 2000 indicates that the numbers of migrant and seasonal farmworkers in Santa Cruz County range from a low of 18,069 to a high of 32,155 individuals. According to the Santa Cruz Sentinel, "agricultural employment in the Pajaro and Salinas Valley has risen 30 percent in the past 15 years, driven in part by the production of labor intensive crops like strawberries" (Holbrook, 2000).

Farmworkers have special housing needs because safe, and sanitary housing affordable to farmworker wages is virtually nonexistent in the marketplace for the vast majority of California's farmworkers. Farmworkers have lower annual earnings than any other occupational category. In California, the median yearly income of an individual worker in 1997 was \$9,828. According to the Farmworker Housing, Health and Needs Assessment Survey, the combined family income from all sources in Santa Cruz County in 1998 was \$15,006¹. The annual median incomes of farmworkers were 3 times lower than the California's self-sufficiency standard of \$45,841 for a household with 2 adults and 2 children while the average size of farmworker households in this County is 5.4 people.² Across the United States, farmworkers have the second lowest rate of home ownership and the lowest rates of health insurance coverage, as identified in the March 1997 Current Population Survey.

ESTIMATED FARMWORKER POPULATION IN SANTA CRUZ COUNTY

The following is a brief profile of the Farmworker Housing and Health Needs Assessment Study, Salinas and Pajaro Valley Final Report, June 2001, produced by United Way; Applied Survey Research; and Life on the Ranches, the Davenport/North Coast Farm Labor Camp Survey October-December 1999³:

- Farmworkers generally work year round in this area (94%, 754 respondents) and consider California their permanent place of residence (92.5%, 760 respondents).

¹ Farmworker Housing and Health Needs Assessment Survey, June 2001, United Way, Applied Survey Research.

² Pearce, D and Brook, J. 2000. The Self Sufficiency Standard for California. San Francisco *Equal Rights Activists*.

³ Sotelo, Susan and Wennberg, Marc. (1999). Life on the Ranches, the Davenport/North Coast Farm Labor Camp Survey October-December 1999. Davenport Resource Service Center and the Community Action Board (CAB) of Santa Cruz County.

- Farmworkers in south Santa Cruz County typically pay 40% of their income for housing costs and live in overcrowded households (68%, 775 respondents). Farmworkers in the north County also experience overcrowded housing arrangements, generally sleeping 2 to a room or in barracks-style housing. In addition, north County entire families often sleep in a single room.
- Many farmworkers in the region live in substandard housing units that have: no plumbing (17%), leaky faucets (34%), cracked, peeling or chipped paint (33%), holes in the wall or floor (20%), mice (18%) or, a leaky ceiling (15%) (567 respondents). Substandard housing conditions exacerbate the health risks associated with the strenuous working conditions, pesticide use, poor or no health insurance, and lack of access to health and social services.
- Most farmworkers are male (61%), Spanish speaking (97%), and Mexican or Mexican American (99%), (774 respondents).

In 1995, there were 7,540 farmworker households living in Santa Cruz County⁴.

HOUSING FOR FARMWORKER HOUSEHOLDS

Housing for farmworkers is scarce in Santa Cruz County. Table 4.3.17 lists the housing available to farmworkers in Santa Cruz County. These units are maintained by the Housing Authority, private farm labor camps and the Mid Peninsula Housing Coalition.



⁴ Farmworker Housing Needs Assessment Study, December 1995

Table 4.3.18 Farmworker Housing

Private Farm Labor Camps		
Name	Location	Number of Employees Housed
South County		
Bontadelli Inc.	705 San Andreas Rd Watsonville	7
Chu Family Trust	15 Lilly Way Watsonville	6
Jones Farm Labor Housing	243 Spring Valley Rd Watsonville	10
J & D Farms	187-B San Andreas Rd Watsonville	15
Kizuka	885 Carlton Watsonville	5
R & A Farms	143 Paulson Rd Watsonville	32
North County		
Jacobs Farm (Wilder Ranch)	1751 Coast Rd, Santa Cruz	9
Jacobs Farm North	2101 Coast Rd, Santa Cruz	18
Don Bargiacchi Co	751 Coast Rd, Santa Cruz	11
M. Rodoni and Co "Muchos Gatos"	2691 Coast Rd, Santa Cruz	21
Ocean Cliff Ranch	451 Coast Rd, Santa Cruz	20
Rancho del Ollo	3050 Coast Rd, Santa Cruz	10*
Raymond Fambrini & Co	Hwy 1, 2 miles S. of Davenport	14
San Vicente (Bontadelli)	7002-7200 Coast Rd, Santa Cruz	25*
Seaside Ranch	Hwy 1, West side Santa Cruz	Closed- waiting for non-op
Sunset Farms	3451 Coast Rd, Santa Cruz	22
Swanton Berry Farm	25 Swanton Rd, Davenport	10
Valley Farm/ Steve Dellamora Farms	5511 Coast Rd, Santa Cruz	20*
Total		245

Source: Employee Housing Control Log of County of Santa Cruz

*Source: The Davenport/North Coast Farm Labor Camp Survey, Oct-Dec 1999



Housing Managed by Mid Peninsula Housing Coalition		
Name	Location	Approximate Number of individuals Units
Jardines del Valle (formally Murphy's crossing)	76 Murphy's Crossing Watsonville	400 18 (including 1 manager's unit)
San Andreas	295 San Andreas Rd Watsonville	200 43 (including 1 manager's unit)
	Total	300 61
Source: A Survey of Santa Cruz County's Housing Activities and Accomplishments June 26, 2001		
Housing Managed by the Housing Authority		
Name	Type	Number of units
Tierra Alta (USDA)	Permanent	17
Buena Vista (State)	Seasonal (May-Oct)	106
	Total	123
	TOTAL	423 184 Units 545 Individuals
[Source: The Housing Authority of the County of Santa Cruz		

FUTURE HOUSING NEEDS FOR FARMWORKER HOUSEHOLDS

The amount of farmworker housing registered with the State has declined dramatically from 9,000 labor camps in 1955 to 500 in 1998. In an effort to encourage the reconstruction of farm labor housing in Santa Cruz County, a new ordinance was developed which would allow for the reconstruction or rehabilitation of existing farm labor camps through incentives to property owners to maintain and upgrade existing facilities. Through this rehabilitation program, Mid Peninsula Housing Coalition (MPHC) rehabilitated and now manages Jardines del Valle, formerly Murphy's Crossing Farm Labor camp, which houses about 100 individuals in 18 units. In addition, through the Farmworker Reconstruction program, the San Andreas Farm Labor Camp now houses about 200 people in 43 units.

Constraints on developing farmworker housing are similar to those of developing low-income housing. From 1992 to 1997 Santa Cruz County experienced a 34% increase in the amount of land used for agriculture, most attributed to the boom in the organic food industry (USDA) and the conversion of hillsides to berry crops. The vacancy rate of housing units for migrant

12/16/03

farmworkers in the County is extremely low (0.31%)⁵. It is important to have adequate, affordable farmworker housing that protects not only farmworker health but also the health of their families. The agricultural industry in California maintains that farmworker housing is difficult to create and provide. Of the agricultural operators surveyed, 62% respond that farmworker housing is expensive to provide and 49% responded that governmental regulations and community opposition make farmworker housing difficult to build and maintain'.

RECOMMENDATIONS FOR HOUSING FARMWORKERS

1. Implement a California State Employee Housing Act pilot farmworker program that would permit farmworker housing to be built, as allowed, on agricultural land specifically for farmworker housing, ~~if economically and procedurally feasible~~
2. Provide technical assistance to public and private developers (for-profit and non-profit) that sponsor assisted housing and farmworker housing for low-income households.
3. Facilitate public and private partnerships to finance farmworker housing.
4. Develop an educational information dissemination program which includes:
 - a. An information packet for persons who inquire about developing farmworker housing.
 - b. Information to property owners to inform them of their option to voluntarily allow developers to construct farmworker housing projects on their land while retaining title to their land.
5. ~~Encourage the provision of affordable housing opportunities for the County's seasonal and permanent farmworkers and their families, located near social and community services, by creating a farmworker housing incentive zone and overlay for the development of farmworker housing.~~
6. Create incentives for developers and farms to construct farmworker housing beyond that allowed by the California State Employee Housing Act, including by considering the following:
 - a. Deferral of farmworker housing project fees until project is completed
 - b. Adoption of fee waiver programs
 - c. Streamline the permit process
 - d. Create "generic building blueprints"
 - e. Priority processing for farmworker housing projects
 - f. Set aside a portion of affordable housing in-lieu fees specifically to assist in the development of housing for farmworkers.

⁵ US Bureau of the Census, Census 2000

⁶ Survey of Farmer/Rancher-Operation of Farm Labor Housing in California, October 2000

-
- g. Set aside a percentage of the money from the housing rehabilitation funds for farmworker housing.
 - 7. Develop a second Migrant Farmworker Center in Santa Cruz County when the need for the second migrant farmworker center materializes.
 - 8. Support the efforts of the City of Watsonville to implement the voter-approved Measure U and the associated development patterns envisioned in the Action Paiaro Valley Plan.
 - 9. Continue to implement Ordinance No. 4388, adopted in 1995, which provides that existing, farm worker housing, may be rehabilitated by demolition and subsequent on site reconstruction of structures that are larger than those demolished.

4.3.12 STUDENTS

Students are defined as adult individuals attending a college, university or technical school (beauty, mechanic, etc.) full-time or part-time. Students are a part of the special needs section because they tend to have very low incomes and high expenses. Most students have very little income apart from scholarships, student loans and part-time jobs, which can make it difficult to afford rent in this County. In addition, many renters and property managers are reluctant to rent to student households, who have little previous renting experience and are stereotyped as irresponsible tenants even though many students require a quiet living environment in order to facilitate an atmosphere conducive to studying. Since most students are single, they require either single rooms, studios or shared housing. In addition, many students do not have private transportation and require housing that is located near services, such as grocery stores, employment opportunities and public transportation.

There are a total of 5 major colleges and universities in the local area, which includes Santa Cruz and Monterey Counties (Table 4.3.19). The University of California, Santa Cruz, Bethany Bible College and Cabrillo College are located within Santa Cruz County. Monterey Peninsula College and California State University of Monterey Bay are located in Monterey County but a few students may commute from Santa Cruz in order to reduce living expenses by living with friends or family in the County of Santa Cruz.

- The University of California, Santa Cruz has a student enrollment of about 13,000. In the fall quarter of 2001, the University's on and off campus housing accommodated 5,500 students. This leaves 7,500 students that seek housing off-campus either in the City of Santa Cruz or elsewhere in the County. The university has recently approved plans to create 1,460 more bed spaces for students. Ultimately, the university hopes to provide housing for 70% of the undergraduate student body and 50% of graduate students.
- Cabrillo Community College has a current enrollment of approximately 14,900 students at its two campuses in Aptos and Watsonville. The college does not provide student housing, as it is a community college designed to serve people already living in Santa Cruz County.
- Bethany Bible College currently has around 240 students enrolled. Housing is provided to the majority of the student body, with the exception of married students.
- Monterey Peninsula College currently has a student enrollment of 19,168. The College does not provide student housing.

- California State University of Monterey Bay presently has an enrollment of 3,200 students. The University facilitates on campus housing for 1,842 of its students. About 1,358 seek out housing in surrounding areas.

There are a total of 42,926 students in both Monterey and Santa Cruz that are not provided with housing by the local colleges and universities. 22,400 of these students attend the colleges or the university located in Santa Cruz County.

Table 4.3.19 Student Housing Need in Santa Cruz County

Educational Institution	Approximate Number of Students Not Provided With Housing
UCSC	7,500
Cabrillo College	14,900
Monterey Peninsula College (Monterey County)	19,168
California State University, Monterey Bay (Monterey County)	1,358
Bethany Bible College	negligible
Total	42,926

Recommendation for Student Housing

Support the efforts of UCSC, Cabrillo College, CSU-MB and other educational institutions to provide adequate housing opportunities for students, staff and faculty.

4.3.13 CHILD CARE

The nature of working America has changed and child care has changed with it. The structure and economics of family life has gone through a dramatic transformation in the last two decades. One consequence of this transformation is that child care - in a single generation - has gone from the exception to the norm.

In California, more than 4 million children ages 13 and under live either in two-parent households where both parents are employed or in single-parent families where the parent works outside the home. Many of these parents are no longer able to use extended family or stay-at-home moms as providers and therefore need access to licensed establishments such as child care centers and family child care homes. Santa Cruz County's working parents are no exception.

According to the 1999 Child Care Needs Assessment, Santa Cruz County's unincorporated area is home to 11,935 children under the age of 14. While an estimated 53% (6,276) of these children are in need of full day or after school child care, the unincorporated area of the County currently has a licensed child care capacity to serve only 2,668 children, about one third of the need.

Across the nation, city officials are beginning to recognize that:

- Studies have shown that children enrolled in high quality child care and youth programs at an early age are more apt to be well-adjusted and perform better in school. Providing good quality, affordable child care is a sound investment in a community's future. Increasingly, research indicates that it is far less expensive to pay for child care today than to bear the costs of social problems caused by the lack of quality care.
- Effective child care systems help to enhance the capacities of families to carry out all of the five core functions of families, as identified by the National League of Cities' 1992 Futures Report. These functions are to provide a healthy and secure environment, to care for each generation, to transmit values, to meet economic needs and to establish social networks. Child care contributes to each of these functions.
- Child care is a factor in the economic life of California cities. A community that joins with employers to increase the supply of child care will attract and retain workers and their families. As child care becomes a recruitment issue for employers, a community's supply of child care can provide a competitive edge in attracting or retaining business and industry.

- Child care that is strategically and conveniently located in residential neighborhoods, near places of work and near transit center hubs can reduce the number of auto trips made by parents, help contribute to traffic trip reductions, encourage the use of public transportation, and help contribute to neighborhood safety. Child care is a key ingredient to neighborhood sustainability.

Adding child care to the Housing Element presents child care advocates and the public with the opportunity to:

- Make child care as important as other community services when long range planning is done;
- Develop a legal basis for requesting that child care needs be considered before building permits, site permits, subdivision approvals, and other land use approvals are given;
- Develop zoning ordinances which would be favorable to the establishment of child care; and
- Educate decision-makers and the public about the need for child care and the importance of planning affirmatively for it.

The County of Santa Cruz recognizes that children represent the future. The County also recognizes that the existing child care services and facilities are not adequate to meet today's and future demand.

Although child care is not a state-mandated element of the General Plan, the County has included Child Care as a part of its Housing Element to address the growing need for child care facilities and services.

HOUSING ISSUES RELATED TO CHILD CARE

Employee-assisted housing emerged during the 1980s and 1990s as employers in high-cost housing markets recognized the housing dilemmas confronting their employees and how these issues impacted the employer, the community and the employee. Child care programs in Santa Cruz County are particularly hard hit by the high-cost housing situation. The relative low wages of child care workers has contributed to a situation in which a high percentage of workers are having to commute from outside the area in order to find housing that they can afford. The result has been an extremely high staff turnover rate, and for some centers this has led to an inability to maintain full capacity due to a lack of staff.

Mixed-use zoning allows residential and commercial uses to share a building site. The idea is that greater diversity in the kinds of development within a particular zone or within a particular site can contribute to residential neighborhoods that are more self contained and commercial and industrial

areas that are more fully utilized and lively. Both of these situations Lessen our dependence on the automobile and encourage pedestrian activity. Child care programs should not be isolated and insulated from the community but should be included as a vibrant part of our commercial areas and residential areas.

Recommendations for Child Care

- ~~1. Modify local affordable housing loan programs so that they can be utilized on small scale in-fill employer-assisted housing projects without the need for lengthy County review processes.~~
1. Support the efforts of the Childcare Planning Council and the recommendations of their Five Year Master Plan.
2. Encourage the inclusion of units designed for child care programs in all multi-family developments through the use of incentives. Support the inclusion of childcare facilities within new housing developments, mixed-use, ~~or~~ commercial projects, ~~or~~ and all at large employment centers.

4.4 ASSISTED HOUSING ELIGIBLE FOR CONVERSION

[GOVT CODE 65583(a)(8) AN ANALYSIS OF EXISTING ASSISTED HOUSING DEVELOPMENTS THAT ARE ELIGIBLE TO CHANGE FROM LOW-INCOME HOUSING USES DURING THE NEXT 10 YEARS DUE TO THE TERMINATION OF SUBSIDY CONTRACTS, MORTGAGE PREPAYMENT, OR EXPIRATION OF RESTRICTIONS ON USE.

GOVT CODE 65583(a)(8)(A) THE ANALYSIS SHALL INCLUDE A LISTING OF EACH DEVELOPMENT BY PROJECT NAME AND ADDRESS, THE TYPE OF GOVERNMENTAL ASSISTANCE RECEIVED, THE EARLIEST POSSIBLE DATE OF CHANGE FROM LOW-INCOME USE AND THE TOTAL NUMBER OF ELDERLY AND NON-ELDERLY UNITS THAT COULD BE LOST FROM THE LOCALITY'S LOW-INCOME HOUSING STOCK IN EACH YEAR DURING THE 10 YEAR PERIOD (TO INCLUDE ONLY INFORMATION AVAILABLE ON A STATEWIDE BASIS)

GOVT CODE 65583(a)(8)(B) THE ANALYSIS SHALL ESTIMATE THE TOTAL COST OF PRODUCING NEW RENTAL HOUSING THAT IS COMPARABLE IN SIZE AND RENT LEVELS, TO REPLACE THE UNITS THAT COULD CHANGE FROM LOW-INCOME USE, AND AN ESTIMATED COST OF PRESERVING THE ASSISTED HOUSING DEVELOPMENTS. THIS COST ANALYSIS FOR REPLACEMENT HOUSING MAY BE DONE AGGREGATELY FOR EACH FIVE YEAR PERIOD AND DOES NOT HAVE TO CONTAIN A PROJECT BY PROJECT COST ESTIMATE.

GOVT CODE 65583(a)(8)(C) THE ANALYSIS SHALL IDENTIFY PUBLIC AND PRIVATE NONPROFIT CORPORATIONS KNOWN TO THE LOCAL GOVERNMENT WHICH HAVE LEGAL AND MANAGERIAL CAPACITY TO ACQUIRE AND MANAGE THESE HOUSING DEVELOPMENTS.

GOVT CODE 65583(a)(8)(D) THE ANALYSIS SHALL IDENTIFY AND CONSIDER THE USE OF ALL FEDERAL, STATE, AND LOCAL FINANCING AND SUBSIDY PROGRAMS WHICH CAN BE USED TO PRESERVE, FOR LOWER INCOME HOUSEHOLDS, THE ASSISTED HOUSING DEVELOPMENTS, IDENTIFIED IN THIS PARAGRAPH, INCLUDING, BUT NOT LIMITED TO, FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FUNDS, TAX INCREMENT FUNDS RECEIVED BY A REDEVELOPMENT AGENCY OF THE COMMUNITY, AND ADMINISTRATIVE FEES RECEIVED BY A HOUSING AUTHORITY OPERATING WITHIN THE COMMUNITY. IN CONSIDERING THE USE OF THESE FINANCING AND SUBSIDY PROGRAMS, THE ANALYSIS SHALL IDENTIFY THE AMOUNTS OF FUNDS UNDER EACH AVAILABLE PROGRAM WHICH HAVE NOT BEEN LEGALLY OBLIGATED FOR OTHER PURPOSES AND WHICH COULD BE AVAILABLE FOR USE IN PRESERVING ASSISTED HOUSING DEVELOPMENTS.]

State Housing Element law requires that all Housing Elements include information about the number of existing subsidized housing units that are "at risk" of conversion to other non-low-income housing uses (such as market-rate housing). This requirement is in response to concerns that many affordable

housing units across the country were going to have affordability restrictions lifted because their government financing was due to expire or could be pre-paid. When the financing is pre-paid or expires, the restrictions that make the rents affordable also go away and the units can be converted to market-rate housing or other uses. The analysis of "at-risk" units is required to identify and describe the potentially "at-risk" projects, analyze the cost of preserving them as affordable housing, describe available resources which can be used for preservation, and set quantified objectives for preservation of affordable "at-risk" units.

With the substantial need for additional affordable housing units currently facing Santa Cruz County as projected by AMBAG and documented in the needs section of this Housing Element, the County cannot afford to lose any of its existing affordable housing. It is much more cost-effective to preserve the existing affordable housing stock than to replace it with newly constructed units.

Over the years, both for-profit and non-profit housing developers have constructed apartments affordable to low and very low income households with the financial assistance of the federal government. In exchange for this financial assistance, the developers/owners were required to rent the units at affordable rates for fixed periods of time (generally 20 years). When these 20 year contracts expire, the owner has the option to extend their affordable housing commitment in exchange for ongoing financial assistance from the original funding source or to "opt-out" of the assistance contract and raise rents as much as the market will bear. Table 4.4.1 provides an overview of the "at risk" units under these programs in the County by jurisdiction. Table 4.4.2 provides a detailed listing of all affected projects. These units are "at risk" because the affordability restrictions are going to expire within this Housing Element's planning period of 2000-2007.

Table 4.4.1: At Risk Units by Jurisdiction

Jurisdiction	No. of Projects	No. of Affected Units
City of Santa Cruz	6	373
City of Watsonville	4	405
City of Capitola	1	78
Unincorporated County	9	646
Total	20	1,502

One can see that there are a significant number of units potentially at-risk of conversion throughout the cities and the unincorporated area. Fortunately, over the years few projects have opted-out. In fact, of the projects included in Table 4.4.2, only one project - Capitola Gardens, in the City of Capitola - has opted-out to date, which will ultimately result in the loss of 78 affordable housing units from the affordable housing stock. One other project - Villa San Carlos (now known as Emerald Bay)-- opted-out of a somewhat different program, but is currently being voluntarily rented at affordable rates by the non-profit owners.

While these numbers initially appear alarming, it is important to recognize that five of the nine projects in the unincorporated area are owned by non-profit entities which are obligated under their non-profit charter to continue to operate housing for lower income households. Four of the projects (including 343 units) in the unincorporated area are truly "at risk" due to being owned by for-profit entities. Those projects are listed below.

Table 4.4.2: Truly At-Risk Units in Unincorporated Area		
Project Name	Number of Affected Units	Status
Sea Pines Apartments - Aptos	27	HUD contract expires in 2012; County Measure J restrictions ¹ until 2014
Elizabeth Oaks Apartments - Live Oak	126	HUD contract expires in Jan. 2003 (owner has notified HUD of intention to <u>extended contract through January 2008</u>); County Measure J restrictions until 2013
Seaside Apartments --Live Oak	84	HUD contract expires November 2002; Owner has requested extended renewal of contract with HUD through November 2007
Pajaro Vista - Freedom	106	HUD contract expires in July 2004 (owner extended contract with HUD in 1999 for one 5 year term, <u>anticipated to renew for another 5 years</u>)

Two of the four projects in the above table, namely, Sea Pines Apartments and Elizabeth Oaks, are protected by existing Measure J restrictions. The remaining

¹ Measure J restricted units were developed as part of the County's Inclusionary Housing Program in the early 80s. At that time, the restrictions required the units to be affordable for a 30 year term. This results in the unit being released from the affordability restriction and therefore, lost from the affordable housing stock.

projects which warrant close monitoring are the Pajaro Vista and Seaside Apartments projects, which are discussed below,

4.4.1 Status of Seaside Apartments

In May 2002, the owners of the Seaside Apartments notified their tenants that they might terminate their HUD contract. Redevelopment Agency and Housing Authority staff discussed the matter with the owners who did not intend to sell, but were interested in negotiating an extension with HUD. The owners then initiated discussions with HUD to extend their agreement. Fortunately, these negotiations resulted in a five year extension of the HUD contract and affordable rents through November 2007.

4.4.2 HUD Process for Addressing Expiring Restrictions

Under the terms of their contracts with HUD, the owners of these projects have the option to extend their contracts for five year periods, if Congress has appropriated sufficient funding for HUD to enter in to contracts with all interested property owners. If an owner is interested in extending their agreement they typically submit a rent survey for HUD's review at least 120 days before the contract's expiration date. Subsequently, HUD conducts its own local rent survey and then the two parties negotiate the rent levels for the term of the five year contract extension. Under recent federal law, HUD has greater latitude in negotiating the future rent levels, but they are still limited in their maximum rent levels. It is not unusual for these negotiations to continue until the termination date of the contract before agreement is reached.

In the event that negotiations are not initiated by the owner or are unsuccessful, HUD instructs the Housing Authority to issue Section 8 vouchers to the tenants of the property which they can continue to use on the site or take to another rental unit. The units themselves become market rate apartments. While not always the case, such a conversion may, over time, without the benefits of HUD's regulatory requirements, lead to any or all of the followings: higher rent levels, more frequent unit turnover, a lower level of on-site management oversight, and a lower level of on-site maintenance. Higher rent levels can also result in unit overcrowding and a series of related issues, such as excessive demand for limited on-site parking facilities.

Ultimately, according to HUD, the final decision by the property owner of whether to extend the contract is generally a business decision based on which path leads to higher sustained revenues. HUD's role is simply to facilitate the termination or extension of the contract.

4.4.3 State Law Requirements for Projects Considering Opting-Out of Restrictions

State law requires the owners of federally-assisted affordable housing projects to provide a Notice of Intent, at twelve and six month intervals, prior to terminating rent subsidies or restrictions. These notices must be sent to all affected tenants, the Chairperson of the local government (in our case the Board of Supervisors), the local Housing Authority and the State Department of Housing and Community Development.

Furthermore, the law requires owners to provide notice of the opportunity to purchase the project to HCD approved “qualified entities,” which includes non-profit and for-profit organizations that agree to maintain the long-term affordability of the projects. Qualified entities have 180 days to submit offers to purchase. Owners are not, however, required to negotiate with interested entities if they do not desire to sell their rental properties.

Although State law, provides notice to tenants and local governments of impending contract cancellations, and connects willing sellers with appropriate affordable housing operators, it does not generally restrict or dictate the owner’s final decision regarding preservation of affordability of their properties.

4.4.4 Local Options Available to Addressing Projects Opting-Out of Restrictions

Some local jurisdictions have adopted regulations in an attempt to intervene in the “opting-out” process. Staff has conducted an initial review of some of these approaches and has found that most programs operate similarly to the State’s approach, focusing on requiring the owner to provide a more formal notification process for local agencies and potential purchasers of the project. In some parts of the country, however, more aggressive efforts have been taken to protect the Long term affordability of these units, including use of eminent domain, use of focused rent control, or requiring lease extensions for existing tenants. There are substantial questions regarding the legality of these more extreme efforts.

There are clearly appropriate roles that local governments can play, however, in addressing such conversions. In fact, California Redevelopment law provides clear authority to redevelopment agencies to, “preserve the availability to lower income households of affordable housing units in housing developments which are assisted or subsidized by public entities and which are threatened with imminent conversion to market rates.” In cases where the owner is intending to opt-out and is interested in selling the project, local governments can partner with non-profit or for-profit housing entities in the purchase of the project, in order to provide long term affordability. Additionally, in rare cases

specific objective is the preservation of all 343 High Risk units of affordable housing through programs targeted toward creating strategies to retain them. One identified potential funding source for the preservation of at-risk units would be the Preservation Opportunity Program through CalHFA, along with the Preservation Acquisition Program to provide short-term 100%financine to at-risk properties. Additionally, programs are included in Chapter 4.7 to provide for financial support for acquisition of at-risk units at a minimum of \$40,000 per unit. This will allow the County to successfully meet the goal of preserving the 343 units at-risk.

it is possible that a local government could provide assistance in another fashion, such as direct rent subsidies. However, this approach is quite expensive and does not necessarily provide long term affordability. In either instance, local government's involvement can be extremely expensive and should only be pursued as a last resort. Clearly, the number one priority should be to encourage the owner to extend their contract with HUD.

4.4.5 Cost Analysis of Preserving "At-Risk" Projects

Given the housing market in Santa Cruz County, and the recent increases in rental rates, conversion to market rate is likely to be an attractive option for owners of the four expiring properties. The loss of these units to the affordable housing supply in the unincorporated County would be significant.

The cost of producing an affordable unit to replace a lost unit is extremely high. For example, recent developments that have been subsidized by the County Redevelopment Agency have subsidies ranging from \$30,000 to \$60,000 per unit. The average local subsidy on these projects is more than \$40,000 per unit. However, this is the amount of the Redevelopment Agency subsidy, not necessarily the actual cost of replacement. The actual cost of replacement exceeds this amount. Generally, the higher the income limit to which rents are restricted, the lower the subsidy amount needed. The cost of replacing the 343 units at risk, calculated at the average per unit subsidy on current HCD projects, would be \$13,700,000.

In general, the cost of preserving affordable units is less than the cost of replacement, however, in certain circumstances, because of the limit of other subsidy sources, that may not be the case.

Preservation of at risk units can be accomplished in several ways, including acquisition of the property by qualified non-profit housing corporations, local housing authorities, or other organizations that are committed providing to long term affordable housing. The Redevelopment Agency has set up a mechanism for preservation of at risk units. The process functions as follows:

- Redevelopment Agency (RDA) staff informs the Housing Authority, Mid Peninsula Housing Coalition and South County Housing of RDA's desire in being notified immediately after they receive a notice of termination originating in Santa Cruz County.
- When such notification takes place, RDA staff will engage with non-profit partners in a "project evaluation process" lasting no more than five months resulting in whether it makes economic sense to recommend that the non-profit submit a purchase offer within the prescribed six month period.

planning in Silicon Valley to externalize their housing needs and in spite of efforts on behalf of Santa Cruz County to restrict this practice. Even so, the protection of the environment and the preservation of agricultural land, open space, and coastal vistas remain integral in maintaining the community vision.

The County's land use policies have worked well in past decades when plenty of open space and developable land was available to meet the needs of a growing and diverse population. Over the past 20 years, however, vacant land has become increasingly scarce as development increased throughout the County. Employment growth within the County and in the Silicon Valley has created large demand for additional housing. Over the past decade, the County of Santa Cruz has been greatly affected by the extreme increase in housing costs that have accompanied the demand for housing.

URBAN SERVICES LINE AND RURAL SERVICES LINE

The County has a distinct Urban Services Line and Rural Services line. The Urban Services Line which distinguishes areas which area to remain rural from areas planned to accommodate urban densities of development utilizing existing urban services. Within the urban services line, services such as water, sewer, fire protection and road maintenance are maintained at a level expected of an urban area. The Rural Services Line is a boundary which defines those areas that are outside the Urban Services Line but have recognized urban densities and which may or may not have full urban services. Outside the Urban and Rural Services Lines is the rural area. In the rural area, services are less likely to be available. Zoning within the Urban and Rural Services line will be urban zoning such as R-1 or RM. Outside the Urban and Rural Services lines, zoning will be rural such as RR or RA. These types of zoning are further described below. The site standards for urban and rural zoning are illustrated in Appendix D.

RESIDENTIAL DISTRICT ZONING REGULATIONS

Zoning districts in Santa Cruz County are consistent with General Plan policy, as is required by State law. The zoning district provisions govern the type, density, mix, and other site related restrictions that apply to development. The zoning ordinance contains a number of features intended to promote affordable housing including density bonuses, second units, density minimums, and other features such as flexible application of height and parking standards for affordable housing projects.

The basic provisions of the County's residential zoning districts are described below. Site standards for the residential districts are further illustrated in Appendix D. Note the note at the bottom of the site standards table for the multifamily residential district which states that variations in height, number of stories, and floor area ratio may be approved for affordable housing

developments. Development standards, such as building height, parking requirements, lot coverage and setbacks, are typical of those applied in most California cities and counties.

In the Urban Area, residential districts permit single family housing, attached housing, second dwelling units, community care facilities, day care facilities and transitional housing. Urban residential districts also permit affordable housing projects utilizing the State Density Bonus law.

The urban residential zone districts are:

- (1) R-1 (single family residential)
- (2) RB (single family residential, oceanfront)
- (3) RM (multi family residential)

The basic use allowed in each of these districts is residential; the basic difference is the allowed density.

The "R-1" Single Family Residential Zone District provides for single family residential development in areas which are currently developed to an urban density or which are inside the Urban Services Line or Rural Services Line and have a full range of urban services, or are planned for a full range of urban services. The range of parcel sizes in the R-1 District ranges from a minimum of 3500 square feet to a maximum of 1 acre. The minimum lot size for the zoning is delineated by the number following the R-1, e.g. R-1-6 would be a 6000 square foot minimum lot size for the R-1-6 zone district.

The "RB" Single Family Ocean Beach Residential Zone District provides for single family dwellings on existing lots of record in the vicinity of the cliffs and the ocean beach; where lots abut on and obtain access from a street which is generally parallel to both the beach and the cliff, and which has an elevation of not more than 20 feet above sea level; and where either the seaward boundary line of the lots on the ocean side of the street abut open beach lands which are unobstructed to the mean high tide line. The lots in the RB District are relatively small with the largest being 4000 square feet.

The "RM" Multi Family Residential District provides for areas of residential uses with a variety of types of dwelling in areas which are currently developed to an urban density or which are inside the Urban Services Line or Rural Services Line and have a full range of urban services. The density in the RM district ~~begins at~~ ranges from 1500 square feet of land per dwelling unit (29 units/acre) to 6000 square feet per unit (7.3 units/acre) . The density for the RM district is delineated similarly to the R-1 district in that RM-6 would be 6000 square foot minimum per dwelling unit density.

In the Rural Area, residential districts permit single family housing, dwelling groups, second dwelling units, and day care facilities.

The rural residential zone districts are:

- (1) RA (single family residential and agriculture)
- (2) RR (single family residential)

The rural residential designations of Residential Agriculture and Rural Residential and their designated densities reflect the County's goal to allow rural development only if it is consistent with the carrying capacity of the land. The "RA" Residential Agricultural District provides areas of residential use where development is limited to a range of non-urban densities of single family dwellings in areas outside the Urban Services Line and Rural Services Line; on lands suitable for development with adequate water, septic system suitability, vehicular access, and fire protection; with adequate protection from natural hazards; and where small scale commercial agriculture, such as animal keeping, truck farming and specialty crops, can take place in conjunction with the primary use of the property as residential. The minimum lot size for the RA District is one acre.

The "RR" Rural Residential District provides areas of residential use where development is limited to a range of non-urban densities of single family dwellings in areas having services similar to "RA" areas, but which are residential in character rather than agricultural due to the pattern of development and use in the area and/or the presence of constraints which would preclude the use of the property for agriculture. The minimum lot size in the RR District is one acre.

The range of density categories and the type of housing associated with these categories ~~may not adequately responds to affordable housing demand and community development. Planning staff believes that the land in the County's jurisdiction is appropriately zoned.~~ Planning staff believes that the land in the County's jurisdiction is appropriately zoned. Recently, the Board of Supervisors adopted an ordinance requiring that all proposals for residential development of property within the Urban Services Line meet the minimum density of the General Plan. Residential projects, except second units and residential remodels, at less than the lowest end of the designated density range of the County General Plan-LCP land use designation where there is the potential that three or more new units could be accommodated on-site at the lowest end of the density range are subject to review by the Development Review Group (see County Code section 18.10.140 (c) (1)) and review by the Board of Supervisors for a General Plan consistency finding for the proposed density prior to application processing.

SITE DEVELOPMENT STANDARDS

The height limit in the residential zone is 28 feet (with the exception of the RB district which has a height limit of 25 feet and 17 feet), however, higher structures are allowed with the approval of a Level 3 discretionary permit with increased setbacks or through "incentives" authorized by the County's Density Bonus ordinance. In addition, the residential site standards specifically allow height exceptions for affordable housing projects (see Appendix D). Two projects, Volunteers of America Elderly Housing and Paloma del Mar were approved with 3 story elements as a density bonus incentive. These height limits ~~may or may not do not appear to~~ constrain production of affordable housing, though additional height ~~would likely~~ often produces significant public controversy as well as ~~impeding~~ adversely affecting solar access on adjoining lots.

Lot coverage in all urban and suburban zone districts ranges from 20% on lots greater than 16,000 square feet but less than one acre, to 40% on lots smaller than 5,000 square feet. Lots between 5,000 square feet and 16,000 square feet have a maximum ~~parcel~~ lot coverage of 30%. A floor area ratio of 0.5:1 applies to all urban and suburban residential zone districts.

The new Planned Unit Development ordinance which was adopted by the Board of Supervisors 4/16/02, as County Code Section 18.10.180, allows developers to use creativity in designing housing projects that may not meet the conventional limitations of the zoning ordinance. Therefore, for affordable projects in any urban residential zone district, flexibility in development standards is allowed. This would include reductions in minimum lot size and flexibility in setback requirements that are reviewed as part of the design review process.

As will be discussed in Chapter 4.6, the County has an adequate number of sites zoned for projected residential development. Moreover, as discussed above, there are numerous opportunities, including the County's Density Bonus Ordinance and mixed use, to add more affordable housing units within both residential and non-residential development areas. Due to the cost of land ~~the development industry, however,~~ does not typically capitalize on these opportunities due to the superior financial returns that can be realized by developing high-end, low-density housing unencumbered by income restrictions or single-use commercial developments that are more predictable in financing and marketing. Though the height limits and site standards may be a constraint to the development of single family housing, variations in height and site standards can be approved for multifamily affordable housing; therefore, the site standards are not a constraint to the development of affordable housing. Additionally, Santa Cruz County may be able to promote affordable housing production through a variety of additional zoning-related incentives or requirements, as discussed in the housing programs described in Section 4.7.

PARKING AND ON-SITE OPEN SPACE REQUIREMENTS

~~Neither The County's parking or on-site open space requirements can~~ should ~~not~~ be considered onerous or a constraint to housing. The parking requirement for housing is ~~the minimum~~ similar to that required by most jurisdictions and, according to Planning staff, adequately reflects parking need. All new 2,3, and 4 bedroom single family dwellings must have a minimum of three off-street parking spaces. Because it is assumed that multi-family developments have fewer vehicles per capita, the parking requirements for multi-family developments are 2 spaces per one bedroom, 2.5 spaces per 2 and 3 bedroom, and 3 spaces per four bedroom. Additional bedrooms in single family dwellings require one additional parking space per bedroom. In multi family developments, 0.5 spaces are required per bedroom over 4 bedrooms.

The Parking Ordinance contains a number of provisions that allow the Approving Body to adjust the required number of parking spaces to meet the actual demand for parking. Any project can be considered for a reduction in the required parking on the basis of an approved Parking Accommodation Plan. This Plan can include any number of possible alternatives to reduce the parking demand including transit passes, carpool programs, documentation of reduced need, etc. For mixed use projects, because it is assumed that prime times for commercial use and residential use do not typically overlap, the County's Parking Ordinance includes a provision that parking can be shared between these two uses. Higher density housing in mixed use developments would have a considerably lower parking requirement than a similar residential-only project, as which would be determined on a case by case basis. Projects for the elderly are routinely granted a reduced parking requirement equivalent to about 1 space per unit. Examples of this parking reduction include the Volunteers of America, Vista Prieta, Paloma del Mar and Pajaro Vista projects.

Additional guest parking spaces are required for multi-family developments. The number of guest parking spaces is required to be an amount equal to 20% of the required resident parking. This may further constrain the development of multi-family parking because of the increased land required for guest parking. However, the zoning ordinance allows for on street parking to be counted toward the guest parking requirements in the amount of one space per 18 feet of curb space. Because the resident parking must be off street, the use of on street spaces for guest parking allows for more flexibility in parking design.

ON-SITE OPEN SPACE REQUIREMENTS

The basic requirement for all multi-family development is either 200 sq. ft./unit of private usable open space or 300 sf/unit of group open space. Most multi-family development uses a combination of the two to meet the

requirements (50 sq. ft./unit private space and 250 sq. ft./unit **group** space). These standards are similar to those required in other jurisdictions.

SECOND UNITS

Some of the County's affordable housing needs can be met through the construction of second units, which are permitted in all single family residential districts and on land designated as residential by the General Plan. Recently, the Board of Supervisors approved allowing second units to be developed on agriculturally zoned land. Implementation of this ordinance amendment is pending Coastal Commission approval.

Requirements for second units are:

Occupancy: Second Units are required to be occupied by either (1) a Lower income household; or (2) a senior household (age 62+) with a moderate income; or (3) a family member of the property owner, with no income restrictions.

Homeowners Exemption: The property owner of a property with a second unit must occupy that property as the owner's primary residence as evidenced by a Homeowners Exemption on the parcel's property taxes.

Maximum Size: There are limits on the size of the second unit based upon the size of the parcel. The allowed size of the second unit depends on the size of the parcel as follows:

Table 4.5.1: Maximum Gross Floor Area Within the Urban Services Line (USL)		
Type of Sewer Services	Parcel Size	
	<10,000 sq. ft.(1)	10,000 sq. ft. or larger(1)
With Public Sewer	640 sq. ft.	640 sq. ft.
Without Public Sewer	Not allowed	640 sq. ft. max. (must meet requirements of County Code Chapter 7.38)
(1) The size of the parcel must be no smaller than that required by the minimum lot size standards of the zoning district.		

Table 4.5.2 Maximum Gross Floor Area Outside of the Urban Services Line (USL)

Type of Sewer Service	Parcel Size			
	<10,000 sq. ft.	10,000 sq. ft. to < 1 acre	1 acre to < 2.5 acres	2.5 acres or larger
With Public Sewer	640 sq. ft.	800 sq. ft.	800 sq. ft.	1,200 sq. ft.
Without Public Sewer	Not allowed	Not allowed	800 sq. ft.	1,200 sq. ft.

Live Oak Planning Area Maximum: The maximum number of second unit permits issued in the Live Oak Planning Area shall not exceed 5 units in any calendar year. The limit is based on the area's infrastructure limitations. This limitation has not been reached once in the past decade (as of 2002), primarily because most of the lots in the Live Oak area are built-out and the parcels are too small to support a second unit.

Although the County's second unit requirements allow such units to be constructed in most of the County, various factors influence a property owner's decision to construct a second unit. These can include permit and building costs, restrictions on lot size, occupancy, and certification requirements serve as disincentives for many property owners to utilize this program. The County may be able to promote additional affordable housing production by implementing AB 1866, and by allowing Second Units on agricultural land. The County is in the process of developing and implementing a subsidy program to offset permitting costs for Second Units, and other incentives as described in Section 4.7.3. The permit costs for Second Units will be reduced through the change in processing discretionary and building permits for second units, to requiring only a building permit. Additionally, the County will continue to encourage utility providers to provide incentives for second units rather than charging the fees charged for a new single family dwelling.

GROWTH CONTROLS

Santa Cruz County has had a long standing policy of promoting development within urbanized areas, while preserving the agricultural and rural character of land outside the urban area. To that end, the voters of Santa Cruz County passed Measure J, the County's Growth Management System, in 1978. This measure, among other things, provided that growth be managed through ~~annual adoption of a Growth Goal~~ the adoption of an annual growth goal and allocation of building permits. ~~This Growth Goal is implemented through The allocation of a specific number of building permits for~~ applies only to above moderate income housing; housing for moderate, low and very low income households is not subject to the allocation. ~~available for issuance each year.~~

Since its adoption, in any given year (with the exception of 1978 and 1979 [the first two years of the allocation process] and 2001), the demand for building permit applications has been less than the number of permits available for issuance. The excess building permits not issued in a given year carry over, at the discretion of the Board of Supervisors, to the next year. ~~As of August 2002, there are 143 building permits available for issuance, 30 rural, 54 urban 1-4 units and 59 urban 5+ units.~~ In 2002, the Board of Supervisors adopted a Growth goal of 0.5% and allocated 226 building permits. If this allocation is projected through the Housing Element planning period, it is clear that the County's Growth Management System ~~has~~ will not be a constraint ~~to the development of above moderate income housing units identified in the RHND.~~ issuance of building permits. The Growth Management System, consistent with the legislative intent and statutes of the State, ~~has also promoted~~ discouraged ~~urban-centered growth, discouraged sprawl, preserved agricultural and open space lands, and established mechanisms for the development of affordable housing.~~ Additionally, it should be noted that affordable housing units are exempt from the growth goal allocation system.

INFRASTRUCTURE FACTORS

While some of the infrastructure Limitations are related to physical features (topography, water sources, etc.), these factors may also be considered governmental constraints. As discussed in this Chapter, growth controls, urban and rural service lines and other limitations dictate the locations and capacities of infrastructure to be provided, and the fiscal conditions of local government (discussed below) offer little incentive for expensive public investments in infrastructure extensions and operations for residential development. Also, new infrastructure systems can take many years to design, receive appropriate funding, and build. In part, these conditions have been mitigated by local government requirements that developers of new housing provide infrastructure improvements or pay in-lieu fees, but these added costs only serve to make affordable housing development less feasible.

Additionally, the General Plan allows the Urban Services Line to be expanded only when all urban services (roads, sewer, water, etc...) are at adequate levels of service.

MAINTAINING PUBLIC OPEN SPACE

The County is dedicated to the preservation of open space. Open space is a valuable resource as it discourages noncontiguous development patterns that result in sprawl and inefficient use of community service funds. Open space also maintains the natural character of the area so that urbanization does not become out of control and urbanized areas do not lose their natural resources. Open spaces are beneficial to the responsible growth of counties and offer many environmental, recreational, and psychological benefits to the

community. The County's existing open space lands are diverse in scale, use, and level of improvement. Most of the open space in the north coast and south county is characterized by undeveloped and agricultural land.

As a part of Measure J, a voter adopted referendum measure, the County maintains agricultural land preservation policies, consistent with State Law (Govt Code Section 65589.5(c)). Preservation of agricultural land is essential to maintaining the viability of the agricultural economy in the community, and contributes to the maintenance of open space and coastal vistas.

PROJECT MITIGATIONS

In the County's unincorporated area, most of the remaining undeveloped parcels have one or more physical constraints, such as slope, drainage problems, riparian area, or traffic circulation. Housing development projects must be evaluated under the environmental review process mandated by the California Environmental Quality Act (CEQA). This review may result in reducing the amount of land available for housing in order to protect sensitive environmental and visual resources, avoid geologic hazard, and reduce land use incompatibilities with neighboring residents. Additionally, improvements to traffic circulation may be required if the proposed project would otherwise reduce the level of service in adjacent intersections. While at times a constraint to housing, these mitigations are required under state and County laws for the health, safety and welfare of the public.

DESIGN STANDARDS

The County's design standards, in and of themselves, do not significantly constrain the provision of housing. The purpose of the design standards are to create new housing developments which are compatible with existing neighborhoods and livable spaces. In the urbanized area, curbs, gutters and sidewalks are required to be a part of any new residential development. While this is an additional cost to the developer, the benefit to the community at large, including the future residents of the development, is outweighed by the cost.

DISCRETIONARY PERMIT PROCESSING AND DESIGN REVIEW

The average time for processing a discretionary permit for a Minor Land Division (creation of 5 or fewer lots) or a subdivision (creation of more than 5 lots) is approximately 18 months. All subdivisions of more than 19 lots must be approved through public hearings before both the Planning Commission and the Board of Supervisors. All Minor Land Divisions and subdivisions of 19 units or fewer must be approved through public hearings before the Planning Commission. The design review process is conducted at the initial stages of the application process so that it does not add to the overall time it takes for the

permit to be issued. The purpose of the design review process is to ensure that the housing designs proposed are compatible with the existing character of the neighborhoods in which they are proposed.

Multi-Family Residential Development must be approved by the Zoning Administrator for projects of 2-4 units, the Planning Commission for projects 5-19 units or the Board of Supervisors if more than 20 units through public hearings. Very few Multi-Family Residential applications have been submitted to the Planning Department, due primarily to liability issues and that local housing market. In 2000 through October 2002, there have been 6 applications for multi-family residential development submitted¹.

Ministerial permits, such as a building permit for a single family dwelling are processed much more quickly than discretionary permits. Average permitting time for complete Building Permit applications is 6 weeks. Single Family Dwellings in the Coastal Zone often require a discretionary Coastal Permit prior to Building Permit processing, depending on the project location. The average time for Coastal Permit issuance is 6 months to 1 year.

Santa Cruz County makes every effort to process applications in a timely manner, however, projects may be delayed when staff shortages occur, as has happened in the past several years when the **strong** economy resulted in staff retention and hiring difficulties. In addition to staffing shortages, the following factors have also contributed to the time it now takes to process a project: more detailed technical and California Environmental Quality Act (CEQA) review in response to the potential for lawsuits, greater volume of applications, and increased citizen participation in the reviewing process.

In general, the permitting process has been facilitated by the development of an online Geographic Information System that enables staff to obtain parcel information more readily. Processing of applications has also been significantly improved in the past years by having brochures and handouts regarding project submittal available to the public for both the Development Review and Building Permitting procedures and requirements. This information is now also available on the County's website. Additionally, permit status is also available online to members of the public. Public hearing requirements meet, but do not exceed, those required under state law and therefore do not impede project approval in comparison to other jurisdictions.

The discretionary permit process may be a constraint to the cost and supply of housing when compared to only requiring a ministerial building permit for such developments. However, residents in Santa Cruz County are very active in the

¹ In 2000, 2 applications for a total of 3 residential units, one of which is mixed use. In 2001, 3 applications for a total of 13 residential units, two of which are mixed use. In 2002, through October, 1 application for 52 residential units (RV park conversion to permanent occupancy), all of which are affordable.

public participation process. Removing the community's opportunity for involvement in proposed development is unlikely to happen.

BUILDING CODE AND BUILDING PERMIT PROCESSING TIME

Building code and design standards imposed in Santa Cruz County related to engineering standards, energy conservation, parking, materials, seismic safety, and sanitation add to the cost of housing production in Santa Cruz County, although such costs must be considered in the context of the public health and safety objectives they promote. These codes do not appear to be a significant constraint, and are similar, if not identical to codes throughout the State.

An application for a single family dwelling on an existing lot of record is generally an over-the-counter process. The processing time for structural review that includes obtaining sewer and water permits is approximately six weeks for Building Permit review. Single family subdivisions generally require a longer processing time due to the conditions on the subdivision which must be checked. At the present time, second units can anticipate a similar processing time for building permit issuance as single family dwellings.

Several housing policies are designed to further expedite the review of affordable housing projects, and ensure the production of as many affordable units as possible. These include expedited permit processing and fast tracking the discretionary application for affordable housing developments as described in Section 4.6.

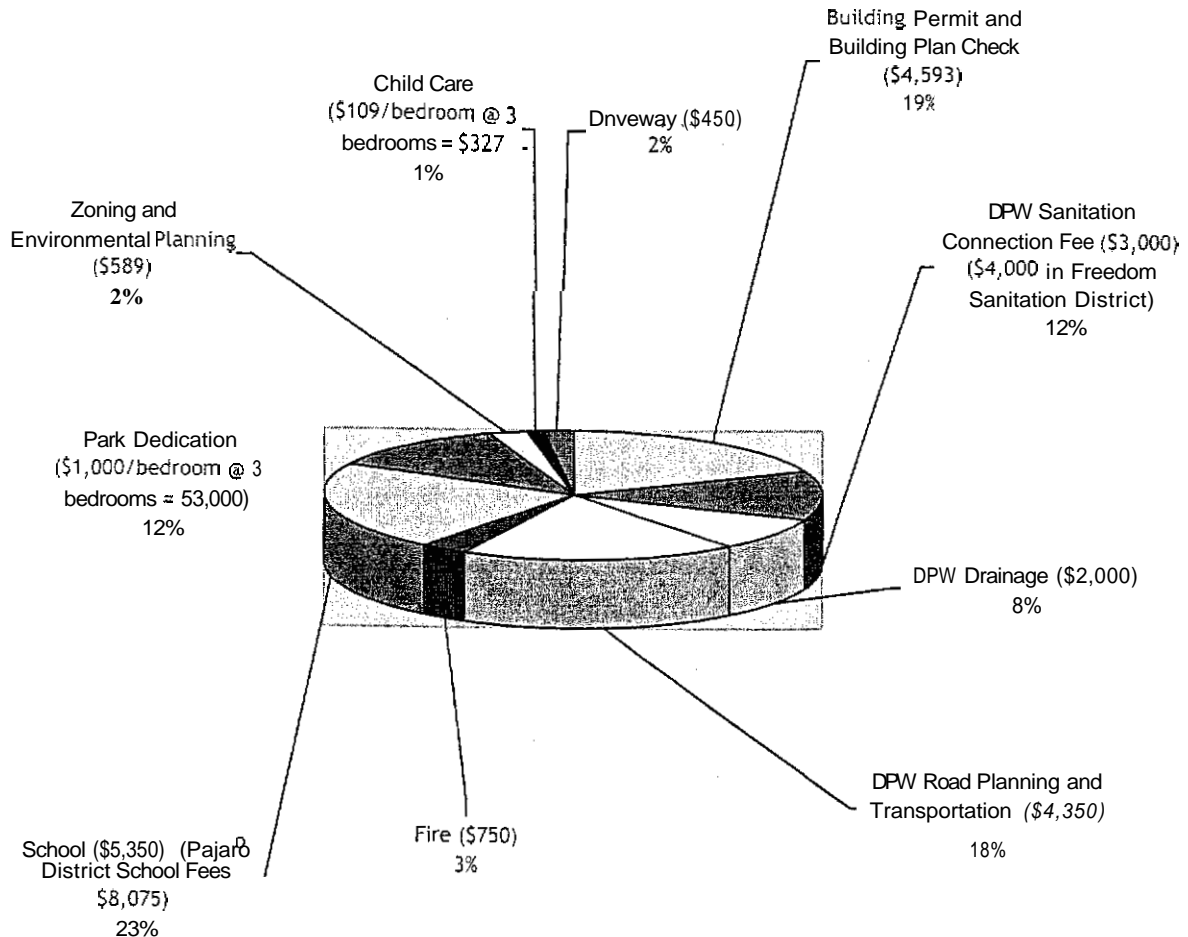
DEVELOPMENT IMPACT FEES AND OTHER FEES AND CHARGES

The County and other local agencies impose development impact fees on new development to fund infrastructure improvements including water and sewer utility improvements, schools, parks, and roads. Each of these fees is directly linked to the provision of services and facilities necessary to support residential development. The use of impact fees to fund local infrastructure is essential since other local sources of funding have been restricted (See Proposition 13 and Proposition 218 below). At the same time the State and Federal government have eliminated nearly all funding for local infrastructure.

At the present time, the County charges fees for plan checks, building permits, park fees, sewer connections, driveway encroachments, transportation, child care, and drainage reviews. Other entities charge water connection, fire review and school impact fees. Certainly fees vary by location in the unincorporated areas of the County. Typical building permit fees for both urban and rural single family dwellings charged by Santa Cruz County are shown in Table Figure 4.5.3.

Table Figure 4.5.3 Typical Building Permit Fees

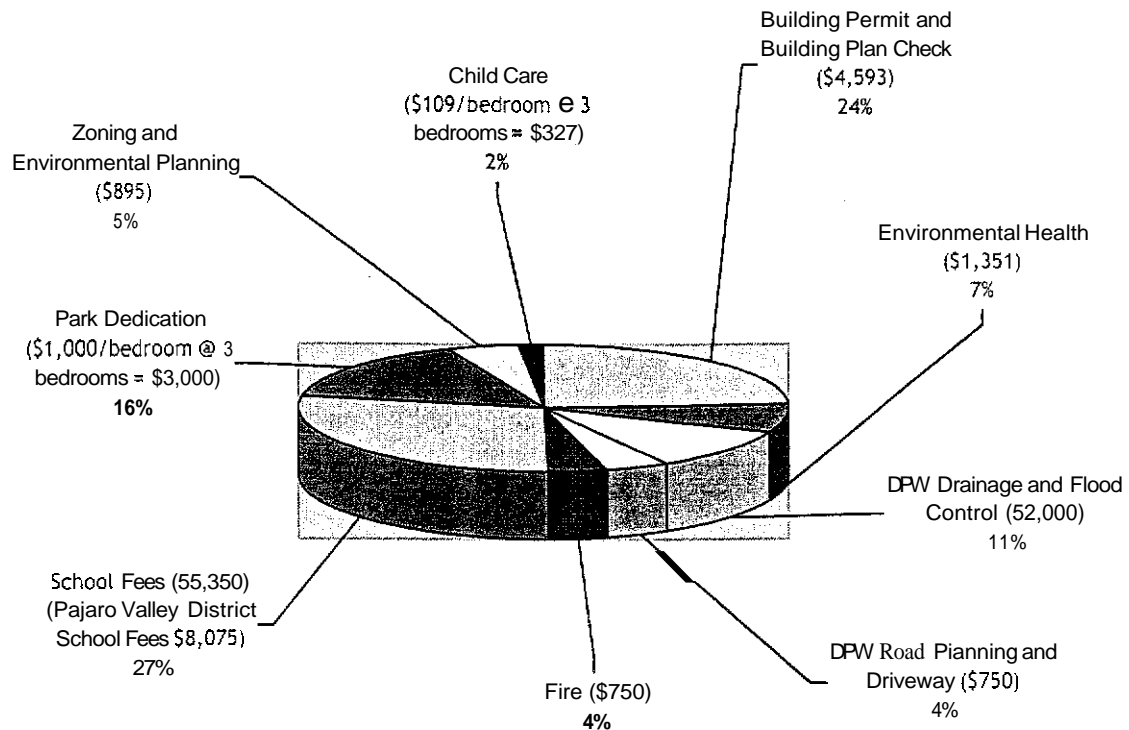
FEES COLLECTED IN BUILDING PERMIT PROCESS FOR A 2,500 SQ. FT., 3
BEDROOM SINGLE FAMILY DWELLING IN THE URBAN AREA. TOTAL FEES: \$24,409
(DOES NOT INCLUDE SUCH FEES AS WATER CONNECTION, DISCRETIONARY
PERMIT (IF APPLICABLE) AND SOILS ENGINEERING/GEOLOGIC FEES.)



as of 9/8/02

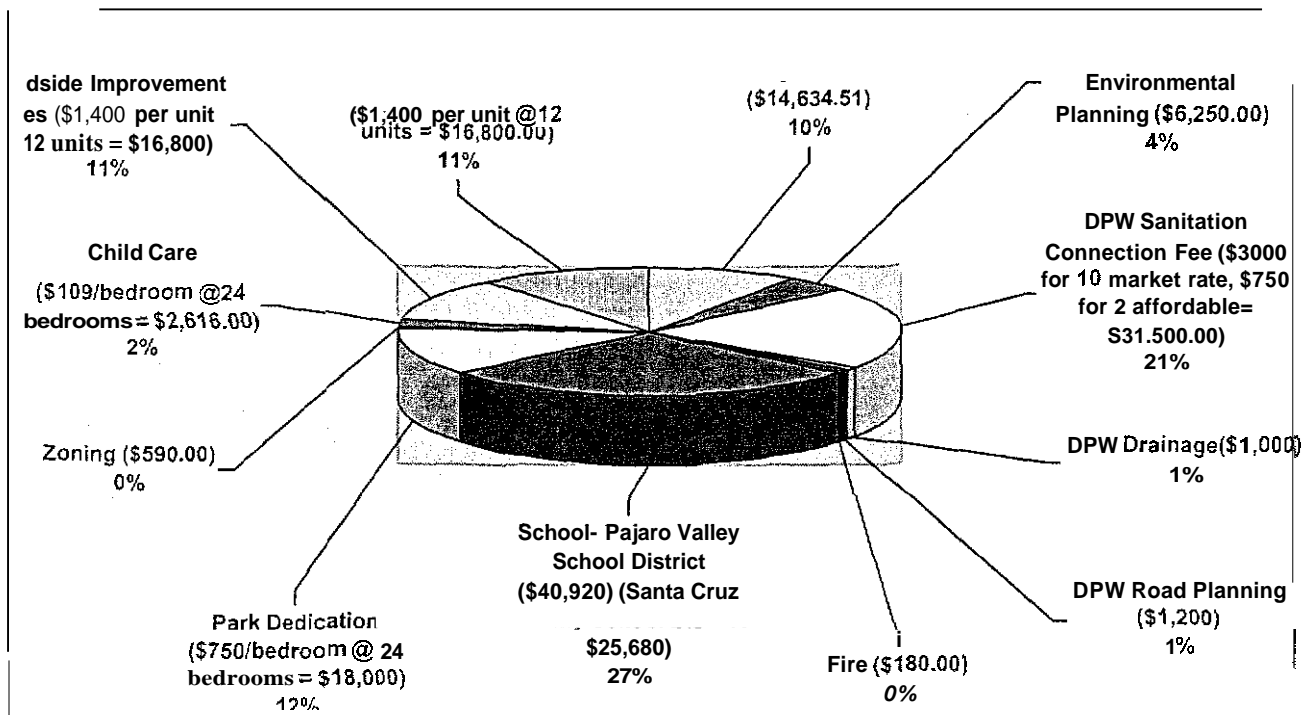
FEES COLLECTED IN BUILDING PERMIT PROCESS FOR A 2,500 SQ. FT., 3 BEDROOM SINGLE FAMILY DWELLING IN THE RURAL AREA. TOTAL FEES: \$19,016

(DOES NOT INCLUDE SUCH FEES AS WATER CONNECTION, DISCRETIONARY PERMIT (IF APPLICABLE) AND SOILS ENGINEERING/GEOLOGIC FEES.)



as of 9/6/02

FEES COLLECTED IN BUILDING PERMIT PROCESS FOR A 12,000 SQ. FT., 12 UNIT MULTI-FAMILY STRUCTURE WITH 1, 2, AND 3 BEDROOM UNITS IN THE URBAN AREA. TOTAL FEES: \$150,490.51 (INCLUDING DISCRETIONARY PROCESS)



as of 10/28/03

While it is true that these fees add costs to development projects, they do not necessarily increase the home prices for market-rate homes. Markets, not costs, set prices. However, fees may make it more difficult to produce affordable housing since prices are "set" to achieve affordability rather than being set by the market. In this instance, additional development costs are material and cost control is essential. However, as is the case with building codes and other restrictions, these fees pay for the infrastructure necessary to secure public health and safety.

HISTORIC RESOURCES PRESERVATION

The County's Historic Resources Ordinance requires that all new development on parcels where a designated historic structure exists be evaluated by the Historic Resources Commission. There are 330 structures in the County that have been designated as historic resources. It is possible that the significance of a historic structure could impact affordable housing due to design constraints in designing around the historic structure, or preventing the demolition of a structure to allow for higher density residential development; however, there have been no known instances of this to date. Additionally, historic structures are subject to the Historic Building Code.

CODE ENFORCEMENT

The Code Enforcement Section of the Planning Department is empowered to enforce existing ordinances covering grading, public health (drainage, well and

septic systems), building codes and zoning ordinance violations, as well as the State Housing Code. The county does not require pre-sales code compliance inspections of any residential units. The Code Compliance Section responds to potential code violations on a complaint basis, and does not seek out violations on its own initiative. When a complaint is received, the Code Compliance Section investigates it according to a priority system, in which health and safety violations have the first priority. The goal of the enforcement process is to return the property to lawful status whenever possible.

HIGH COST OF AFFORDABLE HOUSING SUBSIDIES

Achieving the number of affordable housing units suggested by the Regional Housing Needs Determination (RHND) for Santa Cruz County would require a substantial financial subsidy from one or another source. Such subsidies would be required even if the governmental and non-governmental constraints discussed in this chapter were substantially reduced. For example, even if land supply were increased substantially (ignoring resource, environmental, and infrastructure constraints), home construction costs and prices would not change significantly.

It is estimated that the required subsidy greatly exceeds the County's current funding. The County has contributed \$20.5 million toward affordable housing development since 1989 - an average of \$1.5 million annually. This continued practice would result in a total of \$10.5 million in funding over the planning period. However, this would likely fall short of the funding needed for the subsidies.

However, it is important to note that not all of these subsidies would need to be provided by Santa Cruz County government agencies. In practice, a housing development project that mixes market rate units with affordable units may need lower subsidies or none at all, as profits from the sale of market rate units may be sufficient to cover funding gaps for affordable units. In addition, local subsidies will leverage Federal, state and private funds. Nevertheless, the subsidies required to reach the RHND housing goals for affordable units presents a very large constraint, and represents far more investment in affordable housing than has been achieved in unincorporated Santa Cruz County through all funding and subsidy sources in recent years.

LOCAL GOVERNMENT FISCAL STRESS, PROPOSITION 13 AND PROPOSITION 218

Local governments in California are required to provide a wide range of local services. Counties have the additional burden of providing a range of State-mandated health, welfare, and criminal justice services. Costs for providing these services have risen sharply as the State has grown. At the same time, the revenue base for local governments has been continuously undermined by a combination of State ballot initiatives and State budget actions. Additionally,

State and federal grant programs related to major infrastructure (highways, sewer, and water improvements) fall far below what they were 30 years ago.

Two voter initiatives have made it extremely difficult for counties to raise the money needed to provide services to residents. In 1978, Proposition 13 was approved by voters and limits the property tax increases and requires any tax increase to receive a two-thirds majority in the legislature. Proposition 13 also specified that any local tax imposed to pay for specific programs-known as a "special tax"- must be approved by two-thirds of the voters. In 1996, the State's voters expanded on these provisions by approving Proposition 218, which essentially ensures that all taxes and most charges and fees are subject to voter approval, specifically those tools used by the State and local governments to generate revenue for their programs in the absence of significant property tax revenue.

This upward pressure on costs and a weak local government revenue base has placed many local jurisdictions in extreme fiscal stress just to provide basic services. Under these circumstances, it continues to be difficult to fund higher levels of these basic services, infrastructure improvements, or desirable amenities (local parks), let alone provide major subsidies for affordable housing.

CONSTRAINTS ON HOUSING FOR PERSONS WITH DISABILITIES

Persons with disabilities face specific challenges when it comes to locating appropriately designed housing. Where these challenges are in the form of accessibility issues the County addressed the barriers to accessibility by passing a "reasonable accommodation" ordinance (County Code Section 18.10.128). This ordinance allows property owners or renters to install or modify a residence to suit the needs of a disabled persons. The purpose is to allow equal access to housing for all persons. This allows a property owner or tenant to make modifications such as the installation of an accessible ramp to the front door which encroaches into the front yard setback, without the necessity of obtaining a variance.

CALIFORNIA COASTAL COMMISSION

The Pacific coast runs the length of Santa Cruz County. Approximately 25% of the unincorporated area of the County is within the Coastal Zone (72,549 acres out of 285,493 acres). As required by State Law, the County adopted a Local Coastal Program (LCP) Land Use and Implementation Plan as part of the Land Use section of the County General Plan. The LCP regulates the development of land beyond the regular zoning regulations. The LCP provides specific restrictions on parcels Located in the Coastal Zone. Additionally, projects located in the Coastal Zone often require a Discretionary Coastal Permit be issued prior to development. The Discretionary Coastal Permit requires that

projects meet additional requirements for coastal development. Development on parcels requiring a Coastal Permit may require that the project be reviewed under the Coastal Design criteria which includes visual compatibility, minimum site disturbance, non-ridge development, and landscaping. These requirements may constrain development, however, they are the requirements of the California Coastal Commission and are therefore, outside the purview of the County.

There are additional requirements in the designated as Rural Scenic Resource area. This criteria includes locating the development outside of public view, siting development to fit the physical setting, designing structures to fit the topography, minimizing the impact of large agricultural structures, restoring visually degrading elements on the property, and minimizing the impact of signs. These Rural Scenic Resource criteria are unlikely to constrain the development of multifamily housing because the Rural Scenic area is not zoned for multi-family development, but rather for agricultural, and rural residential development. Additional requirements exist in the Beach Viewshed area, where the development is on the blufftop or visible from the beach. Due to the high value of land in such close proximity to the coast, it is unlikely that these criteria would be a constraint to affordable housing because the high cost of land would make the development of affordable housing on blufftop or beach view land highly unlikely. These restrictions have the ability to constrain development in the Coastal Zone area of the County.

HOUSING FOR PERSONS WITH DISABILITIES

Persons with mobility disabilities find locating suitable housing difficult because standard housing design does not accommodate their needs. In an effort to reduce these barriers, the County evaluates every building permit for ADA compliance. The County has implemented a reasonable accommodation ordinance to allow residents to install ramps and other similar structures required for access to their homes without the need for variance approval should one otherwise be required. The County has also included an inclusive house design ("visitability") ordinance as a program in Chapter 4.7 pending the development of a model program by the State to address these issues in new construction.

4.5.2. POTENTIAL NON-GOVERNMENTAL CONSTRAINTS

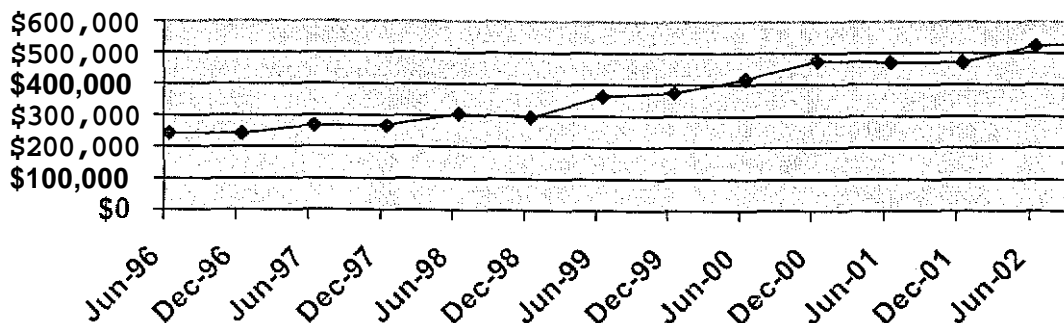
Non-governmental constraints include a variety of factors that negatively impact "the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction." The potential list of all non-governmental constraints on the development of housing could be quite long, and might include information on national or statewide economic conditions and regional geology. However,

the analysis for this Housing Element will focus on non-governmental constraints that the County may be able to positively impact.

MARKET TRENDS

Escalating home prices and rent levels in Santa Cruz County are the key “non-governmental constraint” to housing. These concerns are primarily the result of regional population and employment growth, as discussed in Section 4.2. Unanticipated numbers of individuals and families relocated to the Bay area during the economic boom of the last decade, overwhelming the housing supply in Bay Area counties and beyond. Population growth has increased the demand for housing, and inflated “willingness to pay” exhibited by high salaried workers during the expansion has pushed home prices substantially further beyond the reach of those earning a median wage. The continuing escalation of the median home price in Santa Cruz County is shown below in Table Figure 4.5.4.

Figure Table 4.5.4 Santa Cruz County Median Home Prices



Source: Santa Cruz Association of Realtors

The strength and depth of the region's housing demand constrains the production of affordable housing by increasing costs of acquiring land and/or existing units. A governmental or non-profit entity seeking to promote the development of affordable housing often has some costs that can be controlled through intervention, while others are strictly subject to market forces. As affordability restrictions on certain units expire, an entity seeking to retain such units as affordable are forced to pay market rate to acquire them (see Section 4.4.). Land prices are also established by the open market, and a land owner has little or no incentive to offer affordable housing developers a lower price than can be realized by selling to developers of market rate housing.

HOUSING PRODUCTION COSTS

Additionally, the costs of housing production have risen. The demand for housing has increased land prices to a level where the price of a finished residential lot alone often exceeds the amount that a lower or median income household can afford to pay for a finished house. The steady volume of residential and commercial building started during the past several years has also resulted in a shortage of construction labor, driving up labor costs. Finally, the national building boom, combined with a series of natural disasters around the country (notably flooding and hurricane damage in the southeast and tornado damage in the Midwest), has resulted in a shortage of building materials. The imbalance in supply and demand has substantially driven up materials cost.

The prices that households in various income categories can afford to pay for housing are limited. For example, a four person median income household could afford to pay roughly \$215,000 for a home ownership housing unit (assuming the availability of a down payment equal to 10 percent of the unit's sale value). The capitalized value of rents affordable to such households is only \$172,533 per unit.² By comparison, recent multi family affordable housing development projects in Santa Cruz County have had production costs ranging from \$150,000 to \$200,000 per unit.³ Clearly the cost of production exceeds many median income households' ability to pay, and act as a deterrent to the for-profit development industry's voluntary production of units for median income households.

LAND COSTS

The cost of land varies considerably between jurisdictions. Market factors, especially the desirability of the location, play an important role in setting property values. Many infill lots are 7,500 square feet, i.e., larger than the minimum size lot of 4,000 square feet but too small to subdivide. Local realtors estimate the cost of a ready-to-build lot for a single family unit to range from 5300,000 to \$445,000 with an exceptional lot over \$1,000,000. The cost of land suitable for multifamily development or subdivision for multiple single family homes also varies. Recent affordable developments in the unincorporated area that are subsidized by the County Redevelopment Agency have had land costs equivalent to \$420,000 to \$650,000 per acre.

Land costs are a major factor in the cost to build in the County of Santa Cruz. According to the California Association of Realtors, housing prices have been rising in the area, nearly five percent between December 2000 and December

² Capitalized values estimates resale or investment value of a rental unit, and is calculated with full service rent payment of \$1725/month (30 percent of monthly gross income of median income for a 4 person family which is \$69,000 for 2002), operating costs of 25 percent of full -service rents, an capitalization rate of 9.0 percent.

³ Tom Burns, Redevelopment Agency, based on \$150 to \$200 per square foot and 1000 square foot units.

2001. This increase also includes vacant land, which is relatively scarce in the urbanized area of the County. A search of 116 vacant land for sale records between September 2001 and September 2002 uncovered 73 vacant residential properties for sale in the County of Santa Cruz⁴.

Given these extremely high land costs, it is unlikely that increases in density (such as a 25% density bonus) would significantly reduce the unit cost of building a dwelling unit to the Level of affordability for low or moderate income households.

The most significant constraint on development of new housing in the County of Santa Cruz is the overall cost of housing, including land costs and construction costs. Many factors can affect the cost to build a house, including the type of construction, materials, site conditions, finishing details, amenities, and structural configuration.

Once a vacant parcel is purchased, the contractor has to make certain site improvements to prepare for building on the property. Such improvements include connections to existing utility systems, rough grading, plus installation of water and sewer lines. This type of work generally costs between \$10,000 and \$50,000 but may be as high as \$100,000 depending on the amount of work required at each location.

Materials and labor have a wide range of costs depending on the type of materials used for construction. Typically more expensive materials are used for custom homes, which ranged from \$150 to \$500 per square foot. An average quality construction single family home generally costs less because the materials are less expensive and easier to handle. The material and labor costs for these homes averages around \$110-125 to as high as \$200 per square foot.

In addition to site improvement costs and the cost for building materials, there are engineering and architectural soft costs, which can range from \$12,000 to \$52,000 per lot. Additional costs including trash and temporary fencing varies greatly per lot, from \$300-\$20,000.

Labor costs in the County are higher than other areas due to the cost of living in Santa Cruz. The hourly wage of a construction worker in Santa Cruz will be higher than the hourly wage of a construction worker elsewhere because the worker must be able to afford to live here,

At the costs listed above, none of the very low, low, or moderate income households in the County of Santa Cruz can afford to build a home in the area. All of these factors-cost of construction, cost of land, cost of labor- jointly contribute to the overall high cost of housing in Santa Cruz County, including

⁴ Multiple Listings Service

the unincorporated area of the County. The scarcity of easily developed land, combined with the great demand, indicates that housing construction costs are likely to remain high in the future. The County will likely continue to follow this trend that is occurring throughout the Bay Area and the neighboring Silicon Valley.

FINANCING AVAILABILITY

Development Financing:

Financing for new housing construction can be a significant cost, and may be difficult to obtain. Even in strong markets and for market-rate housing, private lenders frequently require pre-leasing or pre-sales for housing development loans as an assurance of revenue. In addition, housing developers are frequently required to provide significant equity contributions to reduce the lenders' risk, and some potential developers are unable to meet this requirement.

The developers of affordable housing face additional financing constraints. Opportunities for financing through traditional private sector sources are limited, as private lenders and investors typically seek financial returns that cannot be realized by affordable housing. Because the costs to product the affordable housing typically exceed the returns that will be achieved through sale or rental of the units, gap financing must be secured. While a variety of local, State, and Federal programs are available to address gap financing needs (e.g., CDBG, HOME, RDA set-asides, tax credits, etc.), these programs are typically highly competitive. The competition exists not only between affordable housing projects, but often also between housing projects and other important community priorities. For example, in the year 2000, the State' expressed an intention to allocate several hundred million dollars from the recent fiscal surplus toward affordable housing programs. This allocation is likely now in jeopardy, due to the potential economic downturn and state budget, infrastructure and energy crisis.

The State notes that the high levels of risk associated with land development make it difficult for land developers to find investors and financing. As a result, potential land investors typically require large premiums over and above other types of real estate investments. Lenders who make land development Loans impose lower loan-to-value ratios, charge higher rates, and/or require the loan to be a recourse loan. If other lower-risk lending opportunities are available, lenders may eschew land development loans altogether.

Twenty years ago, private lenders would provide construction financing based on the loan-to-value ratio of 80%. As federal rules changed regarding the regulations of lenders in the 1980s, lenders became more conservative in the underwriting practices they employed in terms of their loan-to-value ratios.

Although this reduced the risk to lenders, it negatively impacted the ability of developers to find sufficient funding for new development. In some cases, in the 1990s, banks were reported to provide loans of only 50 to 65% of the project's value.

The Community Reinvestment Act, passed by Congress in 1977, encourages financial institutions to help meet their communities' needs through sound lending practices and by providing retail banking and community development services. Commercial banks, in their desire to fulfill CRA requirements, can be a valuable source of capital for affordable housing when used with other funds, such as federal entitlement funds (CDBG, HOME, etc.) as well as competitive federal and State funds.

California State Redevelopment Law requires that where there are local redevelopment areas, the property tax revenues generated by increases in assessed value within these areas after the adoption of the redevelopment plans be allocated to the redevelopment agency to carry out its redevelopment programs. State law further requires that at least 20% of these "tax increments" be set aside for the development, maintenance and preservation of housing affordable to low- and moderate-income households.

Although the County seeks all available sources of financing for housing, over the past ten years the amount of available funding has either been reduced or remained stagnant, even though the cost of developing housing has increased significantly. As a result, it is not uncommon to find new affordable housing developments with numerous sources of financing in order to make the project financially feasible. This adds to the overall costs of development, since it can take a significant amount of time to receive funding approval from so many sources.

Home Purchase Financing:

The County has not uncovered any local constraints on the availability or cost of financing for home purchase or rehabilitation that differ significantly from the availability and cost of financing generally in California. Even in older neighborhoods of the County there are no barriers to obtaining financing for home purchase, improvement or construction (other than customary underwriting consideration by Lenders). Because virtually all homeowners and homebuyers in the County of Santa Cruz have moderate or higher incomes, there are few barriers to obtaining financing relating to income. The primary consideration is whether the housing price or home improvement cost is consistent with the borrower's ability to make monthly loan payments.

According to California's Statewide Housing Plan, home mortgage credit has been readily available at attractive rates throughout the U.S. since the early 1990s. Borrowing costs on fixed rate mortgages during the first quarter of 1999

from the end of 2001 to the middle of 2003 were at their lowest point in ~~25 years~~ decades. The beneficial effects of lower mortgage interest rates on homeownership affordability are profound. For example, with mortgage interest rates at 10 percent, and assuming a 15 percent down payment, a family with an annual income of \$60,000 can qualify to purchase a \$166,000 home. With interest rates at 8 percent, the same household with the same \$60,000 income qualifies to purchase a \$198,000 home. Were interest rates to fall to 6 percent, the same household could qualify for a \$242,000 home.

Mortgage interest rates clearly have an influence on homebuyers, especially at the lower incomes. Despite recent substantial cuts in the prime lending rate by the Federal Reserve Board, mortgage rates have generally not seen a resultant drop. Nonetheless, mortgage rates have generally declined since the early 1990s, during which time the rates were as high as 10% to 12%.

Home Mortgage Disclosure Act (HMDA) data show that in 1994, lower income households tended to have more difficulty in obtaining mortgages than other households. Although a good portion of these rejections were likely due to an applicant's difficulties in being able to afford the monthly payments, it is estimated that some of the rejections were the result of lending discrimination along racial/ethnic lines.

The availability of financing can sometimes constrain the development or conservation of housing. According to the Statewide Housing Plan, land developers purchase raw land, entitle and subdivide it, and sometimes, depending on the developer and market, install on-site services (e.g., streets, sewers, drainage) and pay for off-site improvements. These activities are generally carried out two to five years ahead of unit construction. The long lead times and high costs associated with these activities create a considerable risk for the developer.

DOWNPAYMENT/ MOVE-IN COSTS

High up-front costs affect the ability of lower income households to secure housing. Most market rate homes in Santa Cruz County have become affordable only to households in the higher income brackets with more accumulated wealth. Moderate, lower and very low income households are generally unable to save at any significant rate and often do not benefit from inherited wealth or other gifts from family members. Low accumulated wealth combined with high market rates and high up-front costs make it exceedingly difficult for lower income groups to procure housing, either as homeowners or renters.

Purchasing a home usually requires a significant down payment, and the price of home affordable to a given household increases as the amount of the down payment increases.⁵

The ability to accumulate enough funds for a downpayment remains a significant obstacle to many potential homebuyers. Lower-income homebuyers may have a difficult time transitioning from the rental housing market to homeownership because of the difficulty in accumulating the required downpayment, which can be as much as 20-25%+ of the sales price. In the same way, lower income households may not be able to find appropriate rental housing because they cannot accrue the security deposits as well as first and last months' rent. As such, more housing units are within reach of households with more ability to make a significant down payment. Without significant savings for a down payment, moderate and low income households may never have the means to enter the home ownership market.

Even for the rental market, however, lower and very low income households may face financial barriers to entry. State law allows landlords to collect first month's rent plus a security deposit equal to (but not to exceed) two months' rent from tenants before move-in. For a very Low-income family of four, these up-front requirements may amount to an initial cost in excess of \$3,425 for an apartment renting for \$1,175 per month. A family living at this income Level may have significant difficulty accumulating several thousand dollars for this purpose.

Rental availability in the County of Santa Cruz is extremely low with a vacancy rate of 2.5%. The low vacancy rates means that there are limited housing choices for residents who cannot afford to purchase a home in the County. A five percent rental vacancy rate is considered necessary to permit ordinary rental mobility. With less than 5% percent vacancy rates, tenants have difficulty locating appropriate units and the strong market pressure has inflated rents beyond the reach of County residents with very low, low, and moderate incomes.

ENVIRONMENTAL AND INFRASTRUCTURE FACTORS

Wastewater Treatment: A number of special districts are responsible for providing, sanitary sewer services in the County and for maintaining, and operating local wastewater collection systems. Wastewater in the urban portions of the County is conveyed to a wastewater treatment plant in the City

⁵ For example, a four person moderate income household (earning 120 percent of median income which is \$82,800) can afford a \$292,000 home with a 20 percent down payment, but only a \$260,000 with a 10 percent down payment.

⁶ As noted in Tables 4.2.22, 4.2.23, 4.2.24, few of the rental units surveyed in Santa Cruz County are priced at this affordable level. As such, both the monthly rent price and the cost of entry for an average rental unit are beyond the reach of many lower income households.

of Scotts Valley, City of Watsonville, or the City of Santa Cruz. The County does not operate a wastewater treatment of its own in the urban areas, but shares treatment capacity in the other plants through a Joint Powers Agreement.

The City of Watsonville Wastewater treatment plant has a total capacity of 16.5 million gallons per day (mgd). This treatment capacity is shared among the Freedom County Sanitation District, Salsipuedes Sanitation District, Pajaro County Sanitation District (in Monterey County), and the City of Watsonville. The Watsonville plant provides advanced secondary. Through the Freedom, Salsipuedes, and Pajaro County sanitation districts, the County has wastewater treatment entitlement to 3.201 mgd at the City of Watsonville Treatment Plant, of which it currently uses 2 mgd. Sufficient capacity exists to meet the future growth of the 1994 General Plan land use plan.

The City of Santa Cruz Wastewater Treatment Plant provides full secondary treatment and has a total capacity of 17 mgd. The total treatment capacity at the Santa Cruz Wastewater Treatment Plant is shared between the Santa Cruz County Sanitation District and the City of Santa Cruz. Total treatment capacity of the plant is expected to remain the same upon completion of the upgrades, but the plant could ultimately be expanded to treat up to 23 mgd of wastewater. This estimate is based on the size of the treatment plant site and the nature of the operation. If the plant is expanded to treat over 21 mgd of wastewater, the City would be required to amend its permit with the Regional Water Quality Control Board.

Through the Santa Cruz County Sanitation District, the County has an entitlement to 8 mgd of the City of Santa Cruz treatment plant's capacity. The County currently uses almost 5 mgd from its allocation, and the remaining capacity is designated for use by the City of Santa Cruz. The increase in population generated by the 1994 General Plan land use plan could be served by remaining capacity of the Santa Cruz Wastewater Treatment Plant. General Plan policies require a written commitment be received from the service district guaranteeing that the required level of service is available prior to issuance of building permits. The Sanitation District is developing a plan for the replacement of older sewer lines to reduce stormwater inflow, eliminate constrictions and improve service.

In the rural areas of the County (outside the Urban Services Line), wastewater disposal is through septic systems or community wastewater disposal systems. The County has implemented the Regional Water Quality Control Board requirements by the adoption of a Wastewater Disposal ordinance. This ordinance establishes specific minimum parcel sizes for the installation of residential septic systems. These minimums parcel sizes are based on the technical limitations of the soils and include factors related to the site characteristics such as slope, high groundwater and the proximity to water wells. In certain areas of the County, such as the San Lorenzo River Watershed and the watersupply watersheds of the North Coast and Bonny Doon Planning Areas, development is constrained to 1 acre density. In the watersupply

watersheds of the North Coast and Bonny Doon Planning Areas, development is limited to 2% acres/unit within 1 mile of a water system intake. In other rural areas, development may occur on smaller properties if all technical requirements for the installation of the septic system can be met.

Water Supply: Commercial and domestic water supplies in Santa Cruz County are provided by a number of municipal water systems, County water districts, investor-owned water companies, mutual water companies, and individual systems. Within the Urban Services Line (USL), water is primarily supplied by three agencies. The Live Oak and Carbonera planning areas are supplied by the City of Santa Cruz Water District, the Soquel and Aptos planning areas are supplied by the Soquel Creek Water District, and the Pajaro Valley planning area is supplied by the Watsonville Water Department. In addition, the Pajaro Valley Water Management Agency (PVWMA) was created by State legislation and approved by voters in 1984 to manage water resources within the Pajaro Valley Basin. The PVWMA does not supply water, but is the responsible local government agency with the power to regulate water use. Agricultural water use is a significant portion of water demand, especially in the southern portion of the County, and is usually provided by groundwater pumping..

Santa Cruz County receives little imported water. Water from the San Jose Water Company serves 200-300 rural parcels in the Summit area. This water is partially from surface water supplies in Santa Clara County but state and federal water projects supply a significant portion of the overall amount supplied. Instead, the County depends entirely on limited surface water storage, stream diversions, and pumping of groundwater. The absence of significant amounts of imported water from outside the County places finite limits on water supply.

An extended Statewide drought caused by below average rainfall during the 1987 to 1992 winter seasons stressed existing water supplies in the County. During this drought, surface water reservoirs were seriously depleted, groundwater pumping increased, existing seawater intrusion in the Pajaro Valley expanded in extent, and reduced stream flow caused increased pressure on the County's riparian habitats, fish, and wildlife. Water availability within Santa Cruz County varies, because each water purveyor is dependent on different sources of supply. Water purveyors reliant on surface water as their primary source were forced to impose usage restrictions during the drought. Water suppliers who rely on groundwater extraction have historically maintained an adequate supply during the drought periods, but over-pumping of groundwater to serve increased population combined with the reduction in recharge areas due to development has caused increased pumping; depressions around major wells. In certain areas, such as the Pajaro Valley, Scotts Valley area and in the mid-County coastal areas, over-pumping of groundwater has resulted in serious groundwater basin overdraft and seawater intrusion problems. Conservation measures have been instituted by all water districts and water usage records indicate that Santa Cruz residents are some of the lowest per capita water users in the State.

The Santa Cruz City Water Department (SCCWD) is the largest water system in the County, and serves approximately 80,000 customers in the City of Santa Cruz. Live Oak, Pasatiempo (in the Carbonera planning area) and North Coast. More than 90% of the water supply for the SCCWD is dependent on surface water runoff, and some groundwater is pumped from wells at the eastern end of the service area. Normal existing water demand varies from 3,800 to 4,200 million gallons (11,662 to 12,890 acre feet) per year. The "Firm Yield", defined as the maximum amount of water that can be reliably provided during the most severe drought on record, is 3,510 to 3,910 million gallons (10,772 to 12,000 acre feet). [data to be verified]

Because the SCCWD is primarily dependent on surface water supply sources, it is vulnerable to reduced supply during drought, and the available water supply can vary widely from year to year. Based on information from the City Water Department, the existing water supply is barely adequate to meet the current demands following wet winters. In an extended, severe drought, it is estimated that there would be water shortage of 48% or more. An Integrated Water Plan is undergoing final review by the City Council (2003). The Plan would initiate the following water supply improvements for the City Water Department service area:

It is clear that most of these improvements, and especially the development of any new sources of water, will take a number of years to come 'on line', long after the planning period of the Housing Element.

General Plan Policy 7.18.2 requires that written commitments for water service be provided concurrent with an application for all development. To date, the City continues to provide such commitments for new development under the 1994 General Plan land use plan.

The Soquel and Aptos planning areas are both entirely within the groundwater basin supplying the Soquel Creek Water District (SCWD), and are largely within the SCWD service area. The SCWD supplies approximately 45,000 customers in the City of Capitola, and the communities of Soquel, Aptos, Seacliff, Rio Del Mar, Seascape, and La Selva Beach. The existing annual water demand in the district is estimated at 5,480 acre feet, and the annual safe yield is estimated at 4,870 acre feet. About 90% of the water supply is for residential use, with the remaining 10% for commercial use. All water supply is from groundwater pumping, from a system of 17 active wells. Approximately 60% of the water is derived from the Purisima Formation, an aquifer that underlies most of the district service area, and the remainder of the supply is pumped from the Aromas Formation, which underlies the eastern portion of the area.

Build-out under the General Plan land use plan would increase water demand in the Soquel and Aptos planning areas by approximately 1,028 acre feet per year. An additional water supply and/or water use reduction to provide from 1,000 to 1,500 acre feet per year is needed.

The District is implementing a "zero impact" program that requires new developers to buy conservation retrofits for existing homes to offset the

increased water usage from the proposed development. The District is also working to obtain additional water supplies through a number of alternatives, including desalination with the City of Santa Cruz, recycled wastewater projects with PWWMA and the City of Watsonville and the Soquel Creek storage reservoir. As with the projects identified for the City of Santa Cruz, these projects are still a number of years from reality.

As with the City of Santa Cruz, the Soquel Creek Water District continues to issue conditional 'will-serve' letters for future development meeting the 1994 General Plan land use plan.

The City of Watsonville Water Department (WWD) serves approximately 47,000 customers located within the City limits as well as in Corralitos, Freedom, and Salsipuedes. The WWD currently obtains all of its water supply from groundwater pumping, with 12 active production wells. Water demand in 1990 was approximately 2,500 million gallons. The City of Watsonville, in recognition of the limitations of their water supply, have limited the development of land outside the City limits to single-family development on existing lots of record or to development that has a density of at least 12 units/acre (3630 sf/unit).

The WWD is located entirely within the Paiaro Valley groundwater basin, and within the jurisdiction of the Paiaro Valley Water Management Agency (PVWMA). The predominant use of the groundwater in this basin is irrigation for agriculture. Although municipal use by the WWD is estimated to be only 10%(source: City of Watsonville Water Department website) of the total groundwater extracted annually, projections of increased urban demand must be considered in the context of the entire groundwater basin, which has regional problems of overdraft and saltwater intrusion. Total annual water demand in the Paiaro Valley basin was estimated as 65,000 acre feet in 1991. The safe annual yield to prevent any seawater intrusion would be 25,000 acre feet. If coastal pumping is strictly limited, safe yield increases to 50,000 acre feet per year with limited saltwater intrusion. The PVWMA is in the process of implementing a Management Plan for the groundwater resources in the Paiaro Valley. The Plan includes projects that will decrease coastal pumping of groundwater by agricultural uses and replace it with either recycled water from the Watsonville STP or from water from the federal and state water projects in the Central Valley. [data to be verified]

Rural areas are generally served by individual water systems, although the San Lorenzo Valley and the Day Valley areas are served by fairly large water districts (San Lorenzo Water District, Citizens Water District and Central Water District, respectively). The southern area of the San Lorenzo Water District is experiencing groundwater problems associated with over-pumping of groundwater resources. Scotts Valley Water District is also experiencing significant groundwater problems caused by over-pumping.

The major water purveyors in the County (City of Santa Cruz Water Department, Soquel Creek Water District, Scotts Valley Water District, San Lorenzo Water District, City of Watsonville Water Department) have developed no new water supplies in over 20 years.

Thus, as seen in the discussion above, current water sources are already at or beyond the sustainable capacity of Soquel Creek Water District and Pajaro Valley Water Management, and under severe drought conditions, the City of Santa Cruz.

Under the AMBAG allocation, water demand in the County would increase by 1,147 acre-feet per year. The County requires, as specified in its General Plan policies, a firm commitment of water availability from water purveyors in order to approve new development. Since development of additional water supplies have not been undertaken at this time by the responsible water supply agencies, the additional demand to meet the AMBAG RHND should have a significant impact on existing supplies and could preclude development at densities required to meet the required housing numbers.

Green Building Practices: Limited land, water, and other natural resources, together with increased highway congestion and inadequate transportation systems, require planning for development that promotes conservation. Innovation in reuse of construction materials and increased availability of recycled materials make it financially feasible to incorporate green building practices into planning and design decisions. Increased densities along existing major transportation corridors within the urban services line and near employment centers may promote the use of mass transit and/or bicycles as transportation, instead of cars.

PHYSICAL/GEOGRAPHIC CHARACTERISTICS

Topographic and other environmental factors create a natural constraint by limiting land availability and/or by adding costs to development on many parcels affected by slopes, soil conditions, septic capacity, etc. Most of the vacant, non-agricultural land in the County is in the rural, mountainous area. Since little to no infrastructure improvements have been made in the mountains, development of such infrastructure improvements adds to the cost of development. Parcels often require grading, utility and road extensions. Additionally, there are often geologic hazards including earthquake fault zones, soils with high erosion potential, and areas subject to landslides. Dealing with these hazards can be quite costly and development in geologically hazardous areas would subject more people to these hazards. As such, the County does not provide incentives for development of low- and moderate-income housing in the mountainous areas.

ENDANGERED SPECIES ACT

The County is home to a large number of plant and animals that are protected by the Federal and State Endangered Species Acts. Development in the County must adhere to all requirements of State and Federal law regarding these protected species. In recent years, more attention has been directed towards

area-wide habitat conservation planning. These efforts are likely to continue for the foreseeable future.

SEISMIC SAFETY

Like most other areas in California, a number of active fault lines run through the County of Santa Cruz; most notably, the San Andreas fault. Other faults include Zayante and Butano onshore and the Monterey Bay fault complex and San Gregorio-Hosgri offshore. Therefore, development in the Santa Cruz Mountains and other open space areas, which are most susceptible to ground failure and landslide during earthquake activity, should be limited to low occupancy to avoid potential disasters.

COMMUNITY/NEIGHBORHOOD RESISTANCE

An additional significant constraint to the development of housing is created by the ~~"Not In My Backyard" or NIMBY syndrome in which~~ individual and community-wide fears that surface during the development review process regarding perceived decreases in property values, deterioration of service levels, fiscal impacts, environmental degradation, or public health and safety issues related to development of housing. ~~Although NIMBY~~ These concerns have been brought out by affordable housing developments, as well as there are also increasing concerns with market rate housing ~~as well. As~~ neighborhoods become built out, any new or increased density housing may be a perceived threat to the existing residents' quality of life in terms of traffic patterns, level of services provided, and community amenities.

Although numerous studies have shown that affordable housing projects do not negatively impact surrounding property values,⁷ local concerns continue to be lodged against these developments.

SILICON VALLEY JOBS/HOUSING BALANCE

According to the Regional Housing Needs Determination for the San Francisco Bay Area (ABAG), the Silicon Valley generated 9 times as many jobs as housing units in 1999-2000. This imbalance has forced many of these well paid tech employees to seek housing in neighboring counties, including Santa Cruz County. As a result, demand for single-family housing has dramatically increased at the expense of other types of housing.

⁷ See Why Affordable Housing Does Not Lower Property Values (HomeBase 1995) NIMBY Fears. Community Perceptions: Analysis of Affordable and Market Rate Developments in Oakland, California (Cathy Cha, Masters Thesis, UC Berkeley, 1996) and Relationships between Affordable Housing Developments and Neighboring Property Values (Paul Cummings and John Landis: University of California Institute of Urban and Regional Development, 1993) for examples of studies showing that affordable housing developments do not negatively impact the surrounding property values.

CONSTRUCTION DEFECT LITIGATION

The development of multi-family ownership units has all but disappeared in the County, and throughout the State. This has been caused by the seemingly endless number of lawsuits filed by homeowner's associations against the developers of multi-family projects regarding construction defects and liability. Although several bills were proposed in 2002 by the State legislature to address this problem, none of the bills have been signed into law. Until such time that some relief is given to multi-family developers, it is unlikely that significant numbers of ownership multi-family housing will be developed.

The threat of lawsuits over claimed construction defects deters the building of condominiums and townhouses because they are managed by homeowners associations that may be more willing to sue developers than individual homeowners typically are. Thus, in following this argument, California is deprived of badly needed owner-occupied, affordable, high-density and in-fill housing.'

⁸ "Construction Defect Litigation and the Condominium Market," California Research Bureau, Sacramento, November 1999.

4.6 Housing Site Inventory

Government Code Section 65583(a)(3) requires an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.

This section sets forth findings regarding site availability and service capacity in unincorporated Santa Cruz County. The inventory is based upon extensive mapping and analysis conducted by the Planning Department during the summer of 2002, and updated in 2003.

The inventory of existing development potential is a starting point for determining whether there are adequate sites to meet housing requirements within the unincorporated areas of Santa Cruz County. This inventory includes both rural and urban areas and was accomplished by estimating the total remaining residential holding capacity for various types of housing within the unincorporated areas of Santa Cruz County under the 1994 General Plan, the existing Zoning Map and implementing ordinances.

This effort included a detailed survey of the dwelling unit potential of vacant land and underutilized land (parcels with existing units, but with numerous additional potential units) within the County's designated urban services areas. It also examined other potential housing resources such as mixed-use development, second units, farmworker housing and additional housing resulting from the use of the County's Density Bonus Ordinance. Once the 'build-out', or residential development allowed under current policies, ordinances and programs was determined, additional programs were developed, as necessary, to meet the Regional Housing Needs Plan for the 2000-2007 planning period.

4.6.1 OVERALL EXISTING HOUSING CAPACITY

The Countywide inventory was conducted in order to determine whether or not there are adequate available sites to accommodate overall housing requirements irrespective of affordability limitations. The inventory utilized the County's 1994 holding capacity estimate as a base and subtracted the number of units constructed since then. Adjustments were made to reflect the annexation to Watsonville and other changes to the land use map since 1994.

This analysis, summarized in Table 4.6.1, indicates that there are substantial number of units that could be built in the ~~four different income categories~~ unincorporated area of the County under the current policies and zoning. The total number of units, representing the sum of all of the different types of housing, was ~~36,085~~ 30,557 units for the unincorporated area of the County. This figure includes vacant and underutilized residential parcels in the urban

service areas where housing unit capacity, ~~when currently~~ without considering available density bonuses ~~are included~~ for those sites with a potential for greater than 5 units, is over ~~7,304~~ 4,662 units. It also includes the potential development of ~~8,256~~ 5,770 residential units in the rural area of the County on vacant or underutilized parcels. Additional housing can be developed in the urban and rural areas of the County as second units (13,276 units), farmworker housing (5,100 units), and as mixed-use projects in commercial areas (~~2,467~~ 2,004 units).

TABLE 4.6.1 Potential Build Out - 1994 General Plan/LCP	
Type of Development	Existing Capacity
Rural Housing	5,770 units
Urban Housing > 5 units	1,851 units
Urban Housing < 5 units	2,811 units
Second Units	13,276 units
Mixed Use on Existing Commercial Sites	2,004 units
Employee Housing - Farmworker	4,845 units
Total - New Units	30,557 units

"Potential Build Out" is derived from the analysis of the 1994 General Plan and is based on the following assumptions:

Rural Housing - The potential development that could occur on all existing rural residential properties greater than 1 acre in size, and as a result from the division of land to create new parcels in the rural residential Land use designations.

Urban Housing - The potential development that could occur on all existing vacant and underutilized urban residential properties based on the existing zoning of the property and factoring characteristics such as slopes, riparian corridors and right-of-ways.

Mixed Use Housing - The possible development of mixed use residential on commercial properties zoned for this type of use.

Second Units - **AL** possible development of second units in the urban and rural areas based on the existing Second Unit Ordinance standards.

Employee Housing - Farmworker - The potential development, by right, of farmworker units by property owners of agricultural properties of 20 acres or larger under the Employee Housing Act.

4.6.2 SITES AND CAPACITY BY HOUSING CATEGORY

This section presents the analysis of the County's ability to provide housing in the four income Levels to meet the Regional Housing Needs Plan adopted by the AMBAG. Table 4.6.2 presents a summary of the County's residential land inventory for all types of housing units. This inventory is based on two separate categories: residential development allowed under the current zoning and the policies and ordinances already in effect; and the additional residential units that may become available following implementation of various proposed housing programs. These programs are presented in ~~current and proposed housing programs, and also presents an inventory of housing potential based on the incentives and enhancements provided by the programs contained in Chapter 4.7.~~

Table 4.6.2 - Potential New Units by Affordability Level for Housing Element 2000-2007						
Type of Development	Total Inventory	2000-2007 Feasible Inventory	Very Low Income	Low Income	Moderate Income	Above Moderate Income
General Plan, Zoning and Programs - Existing						
Already 'Developed' Housing (2000-2002)	-	875	201	57	47	570
Urban Sites > 5 units/site	2,121	2,121	-	227	170	1,724
Urban Sites < 5 units/site	2,811	2,811	-	-	140	2,671
Rural Sites	5,770	408	30	30	17	331
Commercial Mixed Use @30%	2,004	601	-	60	180	361
Rural Agricultural Employee Housing	4,845	48	48	-	-	-
Second Units	13,276	335	83	84	85	83

Conversion of Transient Occupancy Development (RV Parks) to Permanent Housing	65	65	65	-	-	-
Permanent Housing for Homeless	0	25	25	-	-	-
Self-Help Housing	10	10	10	-	-	-
Conversion of Existing Housing to Housing for Disabled/Mentally Ill	0	76	76	-	-	-
Sub-Total	30,902	7,375	538	458	639	5,740
Housing Dependent on Proposed Programs						
Designation of Housing Opportunity Sites (HAC)	-	360	72	72	-	216
Additional Incentives for Commercial Mixed Use w/40% lower income (HAC)	-	80	40	40	-	-
Increased density bonus for parcel mergers w/40% lower income	-	40	20	20	-	-
Analysis of "H" sites (non-residential or commercial)	-	300	150	150	-	-
SRO Conversion Program	197	100	100	-	-	-
Develop a Second Migrant Farmworker Camp	50	50	50	-	-	-
RV Park Conversion	-	20	20	-	-	-
Commercial Mixed Use	-	40	-	-	40	-
Employee Housing on Public Facility Sites	-	60	-	30	30	-
Sub-Total	247	1,050	452	312	70	216
Total - New Units (new units =3454)	31,149	8,425	1,015	770	709	5,956
AMBAG New Construction Goals 2000-2007	-	3,441	937	502	651	1,351

4.6.3 DEVELOPMENT POTENTIAL OF VACANT AND UNDERUTILIZED PARCELS, AND EXISTING PROGRAMS

a. Already 'Developed' Housing

This includes housing that has been developed in the unincorporated area of the County from January 1, 2000 to October 31, 2002. This includes affordable housing developments as well as above market housing, as follows:

URBAN:	Very Low income: (50%of median)	Vista Verde - 76 units Pajaro Lane - <u>32 units</u> 108 units
	Low Income: (80%of median)	Pajaro Lane - 33 units McIntosh - <u>24 units</u> 57 units
	Moderate Income: (120%of median)	Pajaro Lane - 35 units Measure J - <u>12 units</u> 47 units
	Above Moderate Income:	Issued Building Permits = 345 units
RURAL:	Very Low Income: (50%of median)	San Andreas - 43 units Marmo's - <u>50 units</u> 93 units
	Above Moderate Income:	Issued Building Permits = 225 units

b. Housing Sites in Urban Areas

Parcels located within the urban services line are estimated to have a potential capacity of 4,932 housing units, in addition to the housing units already located on these parcels. These 4,932 housing units include 270 density bonus units (above moderate income) allowed under the County's Density Bonus ordinance. The inventory of these sites focused upon potential sites inside the Urban Services Line designated by the General Plan as either "Residential - Urban High", "Residential - Urban Medium" or "Residential - Urban Low" and zoned accordingly. These designations allow for residential development at densities ranging from 4.4 units/acre to 17.4 units/acre.

These parcels are located in areas where public water and sewer service is provided as a matter of policy. These locations have generally flat topography although some parcels are adjacent to riparian corridors. Access, geologic instability and flood plain issues do not constrain development on these parcels. Non-developable land has been factored into the analysis of the potential development of these parcels.

Among these 4,932 urban residential units, 2,811 new units can be accommodated on parcels with the potential for one to four units. Staff has

conservatively estimated that these infill housing units will include 140 units of moderate income housing, representing 5% of the total potential development.

The remaining 2,121 housing units can be accommodated on parcels for five or more units. The revised inventory in Tables 4.6.3, 4.6.4 and 4.6.5 includes the remaining available sites that have residential development potential under the existing General Plan and zoning. These tables indicate the low income housing units that could be developed under the County's Density Bonus program and the moderate income units that will be required to meet the County's affordable housing program. Under this program, 227 low income and 170 moderate income housing units could be constructed.

It is possible that an affordable housing provider could develop any of these sites with 100% affordable housing, depending on the particular property and subsidies available. Recently developed affordable housing in the County has used the Density Bonus Program to not only increase the density by 25% but to increase it by as much as 45% for particular projects.

c. Rural Sites

development on these parcels, development of affordable housing is not generally expected in the rural areas. Besides the lack of services, amenities and conveniences often desired by residents in affordable housing are scarcer.

One site, however, is being designated for the development of 60 affordable units (APN 071-331-05, -06). This development would occur on a parcel that is adjacent to a small shopping center in one of the rural villages and would be served not only by bus routes but also by other businesses in this mountain community. It is expected that the units will be evenly divided between low and very low income residents.

This build-out estimate includes the potential for divisions of land in the rural areas of the County and therefore, a small amount of affordable housing (moderate income) can be expected to meet the County's Affordable Housing Ordinance (17 units).

d. Commercial Mixed Use

The potential for development of residential units as a part of commercial development was analyzed in two ways. The first involved the analysis of undeveloped commercial properties that were suitably zoned for both commercial and residential development. Thirty-five undeveloped commercial properties were identified that were large enough to support both commercial

and residential development and were in the correct zone district. Build-out of the properties was assumed at 40% floor area ratio. One-half of the resulting building area for each parcel was divided by 800 square feet to determine the number of potential units that could be built on the second floor of the development. The 800 square foot unit assumes a mix of 1 and 2 bedroom units.

The second analysis involved already developed commercial properties. Instead of looking at all developed properties to identify additional area that could be added to provide residential units, we prepared an analysis of those developed commercial properties of greater than 20,000 square feet that had assessed improvement valuations of \$200,000 or less. It is believed that these properties were significantly under-developed or contained older commercial development likely to be replaced in the near future. A 40% floor area ratio was applied to the redevelopment of these parcels. An 800 square foot unit was assumed as described above.

This analysis resulted in a potential of 2,505 units in conjunction with the development and redevelopment of commercial properties. We have not included any additional units that could be developed under the current ordinances that allow 67% of the floor area to be in residential units if 100% of the units were affordable. It is believed that the development of such a mixed use project is unlikely at that level of affordability. A proposed program will address this issue.

Of the total potential for mixed use residential development (See Table 4.6.6), 30% of the units were assumed to be feasible for the planning period. In distributing the commercial mixed use inventory among income categories, a conservative assumption was made that 10% of the feasible units would be affordable to low income households, 30% to moderate income households and 60% to above moderate income households.

e. Rural **Agricultural** Employee Housing

The current State laws allow the development of agricultural employee housing, without discretionary permits, on agricultural land. This law allows the development of up to 12 units (either individual or family) on parcels of land that are 20 acres or larger. There are 425 parcels of land in the unincorporated area of the County that are zoned Commercial Agriculture and are 20 acres or greater in size. This results in a potential for 5,100 units of housing for agricultural workers, most of who are considered very low income. We have reduced this number by 5% to recognize existing housing opportunities on some of these properties.

The Redevelopment Agency (RDA) has begun a pilot project that will partner the agency, a non-profit housing management organization and local farmers to

develop employee housing on agricultural land. The program will initially focus on single, seasonally employed farmworkers in 2 barracks-style units, each with 6 farmworkers. The number of units produced under his program during the planning period will be as follows:

2004	2 farms x 2 seasonal units =	4 seasonal units
2005	2 farms x 2 seasonal units =	4 seasonal units
2006	2 farms x 2 seasonal units =	4 seasonal units
2007	1 farm x 12 family units =	12 family units
Total (pilot)		= 24 units, plus
Privately developed farmworker housing		= 24 units
Total		= 48 units

f. Second Units

Second units are allowed in all urban residential zone districts and in rural residential areas on lots greater than 1 acre. Second units can be either new units or converted from guesthouses or illegal units.

A conservative estimate of the capacity for new second units in the unincorporated area of the County under existing zoning regulations is 13,276 units. This number includes 9,060 units in the rural area and 4,216 units in the urban area. The rural number represents 75% of the total number of properties that met the minimum requirement of 1 acre in a residential General Plan land use designation. The reduction accounts for those properties that may be located within floodplains, near geologic hazards or have septic system constraints that would preclude development of a second unit.

The number of potential second units in the urban area (4,216 units) is a very conservative estimate that only considers parcels greater than 6,000 square feet and zoned R-1. Although the existing County ordinances allow second units on all urban properties that meet the minimum parcel size in any residential zone district, it becomes increasingly more difficult to develop these units on smaller properties due to lot coverage, floor area ratio and parking standards. Because of these site standards and other requirements, the following factors were used to generate the overall potential in the urban area:

<u>Parcel size</u>	<u>% of parcels able to accommodate a second unit</u>
6,000 - 8,999 sf.	30%
9,000 - 9,999 sf.	50%
10,000 - 14,999 sf.	70%
15,000 sf. or larger	90%

Development of second units during the planning period was based on the following assumptions:

1. The average number of second unit permits issued from 1997 through 2001 is 31 second units/year (assume 30 per year). Over the 7.5 year Housing Element planning period, this equals 225 second units.
2. The County has adopted an ordinance to allow second units on agriculturally designated land. When this is implemented following Coastal Commission review, it is estimated that 2 second units/year will be permitted on agricultural Land over the next 5 years, equaling 10 second units.
3. The Redevelopment Agency has received approval and funding (\$150,000/year) to subsidize second unit permit costs with a maximum of \$15,000/unit expenditure in exchange for low income occupancy for 20 years. When combined with the mandatory reduction in processing costs (see below), it is expected that each second unit in the program will receive \$10,000 of subsidy, making the program available to 15 second units/year. Over the next 5 years (2002-2007), 75 second units will be constructed using this program.
4. AB 1866, signed by the Governor in October 2002, requires local jurisdictions to approve second units through a ministerial review process only. This will, in the case of the County of Santa Cruz, reduce the level of review from administrative approval (with public noticing) to a building permit. This will reduce the cost of the permits and the processing time significantly. It is estimated that 5 additional second units per year will be generated through the implementation of this law. Over the next 5 years (2003-2007), 25 additional second units will result,

The resulting 335 units were divided between the urban and rural areas according to the historical pattern of second unit development (1/3 urban; 2/3 rural). The division of these units into the 4 income categories assumes that different types of households will occupy these units. Again, according to the historic pattern of occupancy, one-half of the second units will be developed by homeowners for use by their family members, including students and elderly relatives. About one half of this subgroup of households is considered as very low income and is included in Table 4.6.3 as such. The remainder of that group is considered as above moderate household use. The remaining second units will be occupied by either moderate income seniors or low income households, split evenly.

Total number of urban units = 111 units.

Total number of rural units = 224 units.

g. Conversion of Transient Occupancy to Permanent Housing

The conversion of the Golden Torch RV Park (65 units) to permanent very Low income housing will be completed during the planning period.

h. Permanent Housing for the Homeless

The County of Santa Cruz has received a grant of \$1.8 million to develop permanent independent dwelling units for 25 homeless individuals. This grant must be used within the next 2-3 years and will focus on the purchase and conversion of an existing structure to an SRO-type of occupancy.

i. Self-Help Housing

Housing for low-income households constructed as sweat-equity units (10 low income units).

j. Conversion of Existing Above Moderate Income Housing to Affordable Housing for the **Disabled/Mentally III**

The County's Human Resources Agency has embarked on a program to convert existing housing to housing for the mentally **III** and other disabled persons. Seventy-six (76) units of housing are planned to be converted during the planning period to address a number the very low income household needs of the mentally **III** and the disabled. Two conversion projects are underway, at the Monarch House and the Wheelock Road House. All of the units will be individually leased to qualified residents at 30%AMI.

4.6.4 SUMMARY OF HOUSING SITE INVENTORY

State law requires that the County provide enough land to construct a total of 3,441 units between January 1, 2000 and June 30, 2007. State law also requires that these units be for a variety of income groups, including those with very low, low, moderate, and above moderate incomes. Table 4.6.2 presents a summary of the County's refined housing site inventory, based on current zoning and housing programs. This table includes a comparison of the inventory to the County's Regional Housing Needs for the 2000-2007 housing planning period. As can be seen from this table, the inventory based on current zoning and existing housing programs does not provide sufficient capacity to meet the County's Regional Housing Need. The upper section of Table 4.6.2 shows that the feasible capacity of zoned and available sites for very low, low and moderate income housing totals 1,776 units, while the total RHND for these income categories is 2,090 units.

To address this, this Housing Element includes a variety of policies and implementing programs aimed at increasing the available sites for housing development, with a concentration on housing for very low, low and moderate income households. These include the recommendations of the Housing Advisory Commission to designate sites suitable for the construction of medium

sized projects (up to 60 units) on major roadways at densities up to 20-25 units/acre; policy and ordinance amendments to allow employee housing in conjunction with commercial, industrial and public facility operations; and more favorable incentives for the development of additional mixed use housing. See Chapter 4.7 for a discussion of these proposed programs. The lower section of Table 4.6.2 shows that the increase in feasible site capacity attributable to new programs during the planning period will provide sufficient sites to accommodate the full share of the remaining Regional Housing Need.

4.7 Housing Goals, Policies, Programs, and Quantified Objectives

GOVERNMENT CODE SECTION 65583(b)(1): A STATEMENT OF THE COMMUNITY'S GOALS, QUANTIFIED OBJECTIVES, AND POLICIES RELATIVE TO THE MAINTENANCE, PRESERVATION, IMPROVEMENT, AND DEVELOPMENT OF HOUSING.

65583(b)(2): IT IS RECOGNIZED THAT THE TOTAL HOUSING NEEDS IDENTIFIED PURSUANT TO SUBDIVISION (a) MAY EXCEED AVAILABLE RESOURCES AND THE COMMUNITY'S ABILITY TO SATISFY THIS NEED WITHIN THE CONTENT OF THE GENERAL PLAN REQUIREMENTS OUTLINED IN ARTICLE 5 (COMMENCING WITH SECTION 63000). UNDER THESE CIRCUMSTANCES, THE QUANTIFIED OBJECTIVES NEED NOT BE IDENTICAL TO THE TOTAL HOUSING NEEDS. THE QUANTIFIED OBJECTIVES SHALL ESTABLISH THE MAXIMUM NUMBER OF HOUSING UNITS BY INCOME CATEGORY THAT CAN BE CONSTRUCTED, REHABILITATED, AND CONSERVED OVER A FIVE YEAR PERIOD OF TIME,

65583(c) A PROGRAM WHICH SETS FORTH A FIVE-YEAR SCHEDULE OF ACTIONS THE LOCAL GOVERNMENT IS UNDERTAKING OR INTENDS TO UNDERTAKE TO IMPLEMENT THE POLICIES AND ACHIEVE THE GOALS AND OBJECTIVES OF THE HOUSING ELEMENT THROUGH THE ADMINISTRATION OF LAND USE AND DEVELOPMENT CONTROLS, PROVISION OF REGULATORY CONCESSIONS AND INCENTIVES, AND THE UTILIZATION OF APPROPRIATE FEDERAL AND STATE FINANCING AND SUBSIDY PROGRAMS WHEN AVAILABLE AND THE UTILIZATION OF MONEYS IN LOW AND MODERATE INCOME HOUSING FUND OF AN AGENCY IF THE LOCALITY HAS ESTABLISHED A REDEVELOPMENT PROJECT AREA PURSUANT TO THE COMMUNITY REDEVELOPMENT LAW (DIVISION 24 (COMMENCING WITH SECTION 33000) OF THE HEALTH AND SAFETY CODE). IN ORDER TO MAKE ADEQUATE PROVISION FOR THE HOUSING NEEDS OF ALL ECONOMIC SEGMENTS OF THE COMMUNITY, THE PROGRAM SHALL DO ALL OF THE FOLLOWING:

(1) (A) IDENTIFY ADEQUATE SITES WHICH WILL BE MADE AVAILABLE THROUGH APPROPRIATE ZONING AND DEVELOPMENT STANDARDS AND WITH SERVICES AND FACILITIES, INCLUDING SEWAGE COLLECTION AND TREATMENT, DOMESTIC WATER SUPPLY, AND SEPTIC TANKS AND WELLS, NEEDED TO FACILITATE AND ENCOURAGE THE DEVELOPMENT OF A VARIETY OF TYPES OF HOUSING FOR ALL INCOME LEVELS, INCLUDING MULTIFAMILY RENTAL HOUSING, FACTORY-BUILT HOUSING, MOBILE HOMES, HOUSING FOR AGRICULTURAL EMPLOYEES, EMERGENCY SHELTERS, AND TRANSITIONAL HOUSING IN ORDER TO MEET THE COMMUNITY'S HOUSING GOALS AS IDENTIFIED IN SUBDIVISION (B).

(i) WHERE THE INVENTORY OF SITES, PURSUANT TO PARAGRAPH (3) OF SUBDIVISION (a), DOES NOT IDENTIFY ADEQUATE SITES TO ACCOMMODATE THE NEED FOR GROUPS OF ALL HOUSEHOLD INCOME LEVELS PURSUANT TO SECTION 65584, THE PROGRAM SHALL PROVIDE FOR SUFFICIENT SITES WITH ZONING THAT PERMITS OWNER-OCCUPIED AND RENTAL MULTIFAMILY RESIDENTIAL USE BY RIGHT, INCLUDING DENSITY AND DEVELOPMENT STANDARDS THAT COULD ACCOMMODATE AND FACILITATE THE FEASIBILITY OF HOUSING FOR VERY LOW AND LOW-INCOME HOUSEHOLDS.

(ii) WHERE THE INVENTORY OF SITES PURSUANT TO PARAGRAPH (3) OF SUBDIVISION (a) DOES NOT IDENTIFY ADEQUATE SITES TO ACCOMMODATE THE

NEED FOR FARMWORKER HOUSING, THE PROGRAM SHALL PROVIDE FOR SUFFICIENT SITES TO MEET THE NEED WITH ZONING THAT PERMITS FARMWORKER HOUSING USE BY RIGHT, INCLUDING DENSITY AND DEVELOPMENT STANDARDS THAT COULD ACCOMMODATE AND FACILITATE THE FEASIBILITY OF THE DEVELOPMENT OF FARMWORKER HOUSING FOR LOW-AND VERY LOW INCOME HOUSEHOLDS.

4.7.1 Goals and Policies

This Section provides goals, objectives, and policies for Santa Cruz County. The policy framework sets forth six primary housing goals as follows:

- GOAL 1: PROMOTE PRODUCTION OF AFFORDABLE UNITS.
- GOAL 2: PROMOTE THE USE OF AVAILABLE SITES FOR AFFORDABLE HOUSING CONSTRUCTION AND PROVIDE ADEQUATE INFRASTRUCTURE BY REMOVAL OF CONSTRAINTS.
- GOAL 3: PRESERVATION OF EXISTING HOUSING PROGRAMS AND AFFORDABLE HOUSING UNITS.
- GOAL 4: MAINTAIN AND INCREASE FUNDING FOR AFFORDABLE UNITS.
- GOAL 5: PROMOTE PRODUCTION OF SPECIAL NEEDS HOUSING UNITS.
- GOAL 6: IMPROVE CONSERVATION OF ENERGY AND NATURAL RESOURCES

Each of these goals includes several objectives that more clearly state the expected results, including quantified objectives where appropriate. Each objective will be implemented through the use of one or more policies. Housing Action Programs that implement these objectives and policies are described in Section 4.7.3.

GOAL 1. ~~PROMOTE~~ PRODUCTION OF AFFORDABLE **Housing UNITS**

In order to increase the number of available sites and/or opportunities for housing production, the County must actively promote affordable housing production. Such promotion will be achieved primarily through development of programs to facilitate the production of housing under current policies and ordinances, and new regulations, as required.

Objective 1.1: **To** facilitate and encourage the use of allocated and available permits through simplified and expedited permit processing procedures and technical assistance and support to the development community.
[Quantified Objective: Allocate permits for 1698 above moderate income *units*]

Objective 1.2: Ensure that an adequate amount of publicly and privately held land is designated for residential uses in the General Plan and zoned appropriately to accommodate the number of housing units needed for this planning period according to the Regional Housing Needs Determination.

Objective 1.3: Increase the potential opportunities for the construction of all types of affordable housing in urban and rural areas over the 2002-2007 planning period giving priority to the most viable, sustainable and practical of the alternative building approaches.

[Quantified Objective: 1762 affordable units of *all* types]

Objective 1.4: Review the existing density bonus program in order to determine how to better encourage builders and developers to take advantage of such provisions,

[Quantified Objective: 22 above moderate income units, *17* low income units]

Objective 1.5: Eliminate existing unneeded regulatory constraints on affordable housing production.

Objective 1.6: Continue the requirement that all new market rate housing developments include an affordable housing component of either affordable units within the development ~~or~~ and payment of partial-unit in-lieu fees to an affordable housing fund. ~~In-lieu fees~~ The affordable housing fund will continue to be used to assist a variety of affordable housing activities, including the conversion of existing units to moderate income units.

[Quantified Objective: **102** moderate income units]

Objective 1.7: Strive to ensure that 15 percent of the affordable housing units produced are available to persons with special housing needs, including but not limited to the elderly, persons with developmental and physical disabilities, the mentally **ill**, homeless persons, farmworkers, large households, female headed households, and others in need of transitional housing or group care.

Objective 1.8: Allow the development of affordable housing by institutional uses on surplus institutional land for employees of the institutional landowner.

[Quantified Objective: 60 affordable units]

The following policies shall be used to accomplish these objectives:

Policy 1.1: Provide regulations and incentives that increase the opportunities for construction of second dwelling units in both urban and rural areas, while avoiding areas with potential environmental constraints, such as geologic and flood hazards, sensitive habitats and wetlands, and assuring that public service capacities are addressed. [Quantified Objective: 335 second units]

Policy 1.2: Provide additional regulation and incentives to expand the supply of housing for farmworkers by continuing the current priority

processing of farmworker housing projects and revising existing zoning regulations and procedures.
[Quantified Objective **48** farmworker housing units]

- Policy 1.3: Consider additional incentives that will expand the opportunities for increased residential use within mixed use developments in the County, such as rental flats above retail uses, provided that public service capacities are addressed. These regulations and incentives would be accomplished as part of the update to the zoning ordinance.
[Quantified Objective: 305 affordable units through mixed use projects]
- Policy 1.4: Revise the zoning ordinance and other regulations to allow "single room occupancy" (SRO) units within certain commercial and residential districts within the Urban Service Line.
- Policy 1.5: Inventory existing properties, including small rental projects (1-15 units, triplexes etc.) vacant and underutilized urban commercial parcels and existing older motels, in order to identify unincorporated urban commercial and residential land with SRO development potential. Develop additional incentives and programs that would encourage new SRO development, rehabilitate existing motel rooms for SRO occupancy and sustain the housing units provided. [Quantified Objective: **197 SRO** units]
- Policy 1.6: Consider revising the existing RV Park Conversion regulations to apply to additional urban parks in the County, in compliance with State and County codes and regulations. In-Lieu fees shall only be allowed for very high priced market rate units where the fees will subsidize several lower income units.
[Quantified Objective: 20 units]
- Policy 1.7: Encourage "in fill" projects on underutilized sites within the Urban Services Line.
- Policy 1.8: Survey developers to determine why the density bonus provisions of the Zoning Ordinance has not been used by private developers. Make needed improvements and additional incentives that will encourage developers and builders to take advantage of the density bonus provisions.
- Policy 1.9: Continue inclusionary zoning ordinance.
- Policy 1.10: Maintain the regulations requiring development at or above the minimum density for the General Plan designation.

- Policy 1.11: Revise the Zoning Ordinance to more narrowly define allowed uses in each residential zone district.
- Policy 1.12: ~~Develop and implement a Limited amnesty program to encourage~~ the legalization of illegal second housing units that meet minimal county requirements.
- Policy 1.13: Amend the Zoning Ordinance to allow for the creation of parcels for farmworker housing on Williamson Act parcels, pursuant to Section **51230.2** of the California Government Code.
- Policy 1.14: Review the existing structure of development impact fees on new residential development,
- Policy 1.15: Encourage and support the efforts of non-profit organizations, such as Habitat for Humanity, Mid-Peninsula Housing Coalition, Housing Authority, South County Housing, Community Housing Land Trust of Santa Cruz County and others, that develop housing affordable to very Low, Low and moderate income households.
- Policy 1.16: Encourage institutional uses to develop employee housing on surplus land.
- Policy 1.17: Initiate, as a high priority item, general plan and zoning ordinance amendments, within the Urban Services Line, to allow densities of 20 - 25 units per acre and, in medium and high density zones, residential building heights of three stories, with design review and for Projects with no more than 60 units, where at least 40% of the units are affordable by Low and very low income people.
- Policy 1.18: Initiate general plan and zoning ordinance amendments to allow on larger vacant and underutilized commercial parcels, where appropriate, mixed use or higher density residential development when at least 40% of the housing is affordable by Low and very low income people.
- Policy 1.19: Allow density bonuses of 30% for developments on parcels within the urban services line, of three acres or more that result from the merger of at least two smaller pre-existing parcels, where at least 40% of the units are affordable by low and very low income people.

GOAL 2. ~~PROMOTE THE USE OF AVAILABLE SITES FOR AFFORDABLE HOUSING~~
CONSTRUCTION AND ~~PROMOTE ADEQUATE INFRASTRUCTURE BY REMOVAL OF~~
CONSTRAINTS

The Housing Site Inventory identified an adequate number of sites to meet the Regional Housing Needs Determination (RHND) housing requirements. However, there are a number of constraints that may make it more difficult for these sites to be developed with affordable units. Policies are needed which would enhance the opportunities for affordable housing production on these sites. These policies focus on the need to educate the public about the need for housing and to provide adequate infrastructure to serve this type of development as well as ways to design and site units in a way that is sensitive to the community environment.

Objective 2.1: Assist potential private sector and non-profit developers in locating available sites and accessing programs for affordable multi-family housing and rental projects.

Objective 2.2: Improve community acceptance of housing projects.

~~Objective 2.3: Consider alternative administrative structure to enhance coordination of housing activities county-wide, such as a Department or Office of Housing and Economic Development to include Housing Planners, the Redevelopment Agency, Housing Authority, etc.~~

Objective 2.43: Assist public service providers in planning adequate infrastructure capacity for housing consistent with the General Plan.

Objective 2.54: **Work** with the cities within Santa Cruz County to investigate the possibility of accommodating higher density affordable housing projects within city limits through transfer agreements authorized under state law.

Objective 2.85: In cooperation with the County's cities, maintain a countywide jobs/housing balance that does not exert excessive upward pressure on housing sales prices and rents. This could be accomplished through ~~coordination of the County and Cities' Offices of Housing and Economic Development (as described in Objective 2.3 above).~~ the Mayors Select Committee.

Objective 2.7~~6~~: Support the development of affordable units by continuing to provide a good faith effort to meet the new construction goals for very low, lower and moderate income households as identified in the County's housing goals.

Objective 2.7: In cooperation with the County's cities, oppose policies in adjacent counties that cause significant jobs/housing imbalances.

Objective 2.8: Give focused support to the alternative building methods proposed to the County that focus on sustainable and natural materials and recycled material reuse.

Objective 2.9: Support the development of sustainable co-housing neighborhood designs to strengthen our social service networks.

The following policies shall be used to accomplish these objectives:

Policy 2.1: Publish a summary identifying available housing opportunity sites in the unincorporated County,

Policy 2.2: Develop a public information program regarding the housing needs of the community programs and, specifically, the merits of providing additional housing in the County's Urban Service Areas.

Policy 2.3: Work with local employers, schools and universities, and other large institutions, such as unions, to increase community awareness about housing issues and the demands associated with housing production, the number of jobs vs. population increase and to provide data and analysis to explain the need for affordable housing.

Policy 2.4 Continue to provide priority permit processing for affordable housing projects and units.

Policy 2.5: Notify all public sewer and water providers of the state law requirement that these agencies provide priority to affordable housing projects within existing service capacity.

Policy 2.6: As part of the future General Plan Update, retain and expand the policy that allows the potential use of package treatment plants for affordable housing in rural areas.

Policy 2.7: Adopt a work plan that identifies a specific timeline for implementation of Housing Element programs that are normally

outside the purview of the Planning Department and Redevelopment Agency.

Policy 2.8: Monitor development that results in job or housing growth and include this data in periodic reports to the Board of Supervisors on the status of the General Plan.

Policy 2.9: Working cooperatively with the County's cities and jurisdictions in adjacent counties, identify and comment on proposed General Plan amendments and development projects that may improve or worsen the countywide jobs/housing balance.

Policy 2.10: Encourage service providers to retain adequate sewer and water service capacities for housing units affordable to moderate and lower income households.

Policy 2.1 1: Maintain design guidelines for new residential development.

Policy 2.1 2: Support sewer and water district annexations or out-of-service-area agreements on properties adjoining urban service boundaries for moderate or lower income housing projects.

Policy 2.13 Urge the state to enact legislation to deter frivolous lawsuits for construction defect through the imposition of appropriate penalties for bringing such lawsuits.

Policy 2.14: Adopt design guidelines in collaboration with alternative building experts that include natural, sustainable and recycled materials for development of truly low cost, non toxic and sustainable housing.

GOAL 3. PRESERVATION OF EXISTING AFFORDABLE HOUSING PROGRAMS AND AFFORDABLE

The County's existing housing programs run by the Planning Department and the Redevelopment Agency should continue as the basis of County affordable housing production and subsidy efforts. Also, it is important to retain existing affordable and assisted housing units and to continue rehabilitation programs. ~~Without efforts to retain expiring units and to rehabilitate deteriorating ones, affordable units will be lost from the housing stock. Without efforts to retain expiring units, to prevent the replacement of existing single family moderately priced housing with larger expensive units and vacation rentals, and to rehabilitate deteriorating existing units, affordable units will be lost from the housing stock.~~

Objective 3.1: Maintain the affordable status of 510 existing affordable Measure J housing units in the unincorporated area, including

those that are at risk of losing their affordable status over the 2002-2007 time period.

- Objective 3.2: Continue existing Redevelopment Agency programs which provide comprehensive rehabilitation loans to make needed improvements to conventional single family housing and mobile homes occupied by very low and low income households. The occupants of some of these rehabilitated housing units may also include special needs households.
- Objective 3.3: Strive to ensure that 15 percent of the affordable housing units produced pursuant to the County's quantified objectives are available to persons with special housing needs.
- Objective 3.4: Encourage the continued rehabilitation and maintenance of the County's existing housing stock. The objective for 2002-2007 will be to assist 75-100 units per year (or 375-500 units over the five year period) with publicly assisted rehabilitation and to encourage the private rehabilitation and maintenance of units by public agencies and non-profit organizations.
- Objective 3.5: Preserve the existing affordable housing inventory of 1,329 housing units.
- Objective 3.6: Conserve the County's existing stock of 3,480 mobile homes by continuing to enforce County ordinances that protect mobile home parks from conversion and provide rent stabilization protections.
- Objective 3.7: Preserve the County's existing stock of rental units and encourage the production of new rental units, as they provide affordable housing opportunities.
- Objective 3.8: Continue programs that seek to convert court-condemned housing units to permanent housing.
[Quantified Objectives: 30 affordable *units*]

The following policies shall be used to accomplish these objectives:

- Policy 3.1: Continue all existing County Planning and Redevelopment Agency Condominium Conversion Ordinance and RDA funding programs.
- Policy 3.2: Evaluate existing housing programs in view of changes in State and Federal housing policy and emerging local initiatives, both public and private. Actively seek opportunities for program expansion and more efficient use of limited resources.
- Policy 3.3: Continue the existing density bonus programs, including the state density bonus incentive in accordance with Government Code section 65915.

- Policy 3.4: Conserve the existing affordable housing stock by providing funding through the Redevelopment Agency to non-profit organizations to subsidize the acquisition of properties that are at risk of losing their affordability and restricting them to long-term occupancy by low and very low households.
- Policy 3.5: Prioritize the retention of rental units.
- Policy 3.6: Continue to administer the County's mobile home rent control ordinance under County Code Chapter 13.32.
- Policy 3.7: Consider development of a local ordinance to preserve "at risk" units from conversion.
- Policy 3.8: Maintain available funding for those programs to convert court condemned housing units to permanent housing.
- Policy 3.9: Require, as part of new development proposals, commercial and residential developers of larger housing units, with existing affordable housing stock located within the project, to either: repair, rehabilitate or replace those units (either on-site or off) on a one for one basis. Encourage a partnership with local, non-profit providers of low-income housing to meet this requirement.
- Policy 3.10: Encourage the development of affordable housing within commercial/institutional projects, when appropriate, for the employees of those commercial/institutional projects.
- Policy 3.11: Adopt an ordinance regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single family neighborhoods. If the use of such housing as vacation rentals is non-compliant with other county and/or state laws, strictly enforce such laws.

GOAL 4. MAINTAIN AND INCREASE FUNDING FOR AFFORDABLE HOUSING

Achieving increased production of affordable housing units will require an introduction of new funding sources and related financing and cooperative efforts with other public agencies and private companies. The number of affordable units that will be produced with the aid of new funding resources has already been included in the number of units generated by new programs, presented in Objective 1.3.

- Objective 4.1: Increase the public resource base that can be utilized to accomplish Housing Element programs. Actively seek

additional public/private partnerships to increase the funding available for building affordable housing.

Objective 4.2: Subsidize or reduce development impact fees applied to affordable housing units where necessary services and infrastructure costs can be offset from other sources.

~~Objective 4.3: Consider lowering the cost of developing affordable housing by exploring options to make surplus County land available for housing programs and projects as a high priority use.~~

Objective 4.4: Work with non-profit organizations to secure existing mobilehome parks that provide de facto affordable housing so that they provide permanent affordable housing for low and very low income households.

Objective 4.5: inventory all State and Federal affordable housing funding opportunities including grants, tax credits, rental vouchers, and other assistance and access undersubscribed programs or new opportunities that can yield additional funding.

The following policies shall be used to accomplish these objectives.

Policy 4.1 ~~Cooperate with private sector, nonprofits, and local jurisdictions in the establishment of~~ Establish a Housing Trust Fund that would be managed as an ongoing source of funding to carry out Housing Element programs for low, very low and extremely low incomes, with involvement, Coordinate the involvement of leadership, and where appropriate, financial participation of representatives of the commercial private sector, nonprofits, the Housing Authority, local jurisdictions and labor in establishing such a Fund.

Policy 4.2: Continue policy to provide funding priority for affordable housing projects to nonprofit organizations and the Housing Authority in order to increase the likelihood that units will remain affordable for a longer period of time.

~~Policy 4.2: Consider amending General Plan and Zoning designations of non-residential zoned property in order to increase opportunities for recreational and visitor serving uses, thus increasing County Transient Occupancy Tax (TOT) revenues. Allocate funds from these increased visitor-based revenue sources to a broad array of Housing Element programs that address needs identified in this Element.~~

- Policy 4.43: Continue the existing County employee First Time Homebuyer Loan Program and the Rental/Mortgage Assistance Program.
- Policy 4.54: Maintain the existing 25% Redevelopment Agency Set-Aside Funds for housing purposes and ~~that~~ designate these funds ~~continue to be devoted to~~ for housing programs that directly produce new permanent affordable units or rehabilitate existing units. These units should be affordable to very low and low income households.
- Policy 4.65: Cooperate with the County's cities and other public agencies in solving regional infrastructure problems including transportation, water supply, sewage treatment, as well as open space preservation.
- Policy 4.76: Consider waiving impact fees for second units provided that the units are rent restricted to be affordable to very low or low income households.
- Policy 4.87: Identify County-owned or other publicly owned lands suitable for housing and consider leasing such land to developers or nonprofit housing entities for the production of affordable housing.
- Policy 4.98: Assist nonprofit organizations in the purchase of existing mobile home parks in order to ensure long term affordability and, in some cases, improve management.
- Policy 4.109: Increase participation in equity partnerships with Lower income households to provide secondary mortgage financing with no down payment and no points.
- Policy 4.140: Consider ways in which the County, acting in cooperation with a nonprofit organization, could assist in the creation of perpetually affordable housing using the community land trust model.
- Policy 4.121: Consider use of any other funding sources created pursuant to the policies of the Housing Element (e.g. Housing Trust Fund, workforce impact fees, in-lieu fees) for financing predevelopment activities for affordable or special needs housing projects.

GOAL 5. PROMOTE PRODUCTION OF SPECIAL NEEDS HOUSING UNITS

While some special needs housing will be provided as part of the affordable housing unit production targets, there are a number of special housing types that require specific effort, especially affordable and accessible housing for the elderly, developmentally and physically disabled persons and the mentally ill, farmworkers, female headed households, large households, and homeless people.

Objective 5.1: Continue to ensure that all households have equal access to housing opportunities and strive to address the housing needs of those households identified as special need households in the Housing Element.

Objective 5.2: Create an additional supply of housing for special need populations, including group care homes, transitional housing, and homeless shelters.

Objective 5.3: Continue to support efforts to attract funding for homeless programs.

Objective 5.4: In cooperation with social service entities, sustain and expand residential group home facilities for foster children and other children in need of special care.

The following policies shall be used to accomplish these objectives:

Policy 5.1: Review the current zoning regulations for group homes, transitional housing, and the full range of Licensed healthcare programs and facilities in order to determine whether or not they can be changed to encourage additional use of residences or construction of new facilities for these purposes.

Policy 5.2: Continue to support County participation in the Continuum of Care Coordination Group.

Policy 5.3: Continue to support small-scale homeless shelters and service providers.

Policy 5.4: In cooperation with other jurisdictions and social service entities, identify a site or sites for and contribute financially to the construction of a permanent homeless shelter in Santa Cruz County.

Policy 5.5: Participate with other jurisdictions in a comprehensive survey of the County's homeless population in order to establish the need for homeless facilities.

-
- Policy 5.6: Support increasing the range of senior housing available in the community.
- Policy 5.7: Support and facilitate the development of medium to high density senior housing projects.
- Policy 5.8: Inventory existing group home facilities and determine sustainability of these operations and consider providing financial incentives and other considerations needed to sustain existing facilities and develop additional facilities to meet the County's needs. Include in this effort support for modification of State and Federal reimbursement rates in a manner that recognizes the high costs of operating licensed healthcare facilities and programs in Santa Cruz County.
- Policy 5.9: Advocate for increased reimbursement rates for Board and Care facilities.
- Policy 5.10: Discourage the demolition or conversion of units having three or more bedrooms (*large family and female headed households special needs*).
- Policy 5.11: Place a priority on assistance to Large families in utilizing federal programs which provide financial assistance to households for the purpose of paying a portion of housing expenditures.
- Policy 5.12: Promote affordable housing units which are accessible to the physically disabled.
- Policy 5.13: Continue to implement the provisions in the County Code which provide for reasonable accommodation for persons with disabilities seeking fair access to housing in the application of the County's zoning regulations.
- Policy 5.14: Support future proposals for a variety of mental health housing facilities, including a locked perimeter facility for individuals with mental health issues.
- Policy 5.15: Encourage construction of new housing for occupancy by farmworkers.
- Policy 5.16: Farmworker housing code enforcement activities shall be intended to abate unsafe conditions and to expedite, where practicable, the rehabilitation and continued availability of lawfully-constructed farmworker housing units.

Policy 5.17: Designate one or more sites for a camp for 50 seasonal farmworkers on State, County or private land to be operated and maintained by a qualified nonprofit organization. Campsite facilities may include the provision of farmworker-related social services and would be subject to compliance with all applicable health and safety codes.

[Quantified Objective: 50 farmworker housing units]

Policy 5.18: In connection with proposed conservation and open space easements over agricultural lands, consider allowing for construction of farmworker housing in a manner consistent with the General Plan and Zoning Ordinance.

[Quantified Objective: **48** farmworker housing units]

Policy 5.19: Continue to support efforts to enforce anti-discrimination laws through mediation of disputes and provision of assistance in filing discrimination complaints.

Goal 6. IMPROVE CONSERVATION OF ENERGY AND NATURAL RESOURCES

Santa Cruz County benefits from a range of natural features and open space amenities that enhance the quality of life for residents and make Santa Cruz a popular tourist destination; these include forestland, undeveloped mountains, rivers and streams, and the coastline. Housing is a considerable source of demand for energy, water, and other natural resources. While existing regulations (e.g. Title 24) impose rigorous energy and water conservation measures on new housing, additional effort will yield additional energy savings particularly in the remodeling of existing older homes. The County remains committed to energy and water conservation and to protecting the beauty and integrity of its natural environment, particularly in light of anticipated population growth, consumption levels, tourism, and other pressures.

Objective 6.1: Promote conservation of energy, water, and other natural resources as a cost-saving measure in existing residential development.

The following policies shall be used to accomplish this objective:

Policy 6.1 : Encourage improvements that result in conservation of energy, water, and other natural resources in existing residential development, particularly in renter-occupied units by offering workshops, individual consultations, and financial assistance for weatherization and other conservation measures.

-
- Policy 6.2: Continue to provide funding through the Redevelopment Agency for retrofits of existing affordable housing units that result in conservation of energy, water, or other natural resources.
- Policy 6.3: Ensure that natural and cultural resources are protected from the impacts of new residential development in accordance with the goals and objectives outlined in the Conservation and Open Space Element of the Santa Cruz County General Plan.

4.7.2 Quantified Objectives

According to the State Department of Housing and Community Development, the sum of the quantified objectives for the programs should ideally be equal to or surpass the community's identified housing needs. However, State law recognizes that the total housing needs identified may exceed available resources and the community's ability to satisfy this need within the context of the general plan. Under these circumstances, the quantified objectives need not match the identified existing housing needs but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over a five year time frame.

With respect to affordable units, the County has estimated the potential subsidies available during the planning period and has calculated the potential number of units that could be assisted with these funds. In addition, staff has compiled a list of known or expected development projects in the next few years, including preservation projects anticipated to come on line between 2003-2007.

Affordable Housing Quantified Objectives

The quantified objective for affordable housing production was prepared through an assessment of both existing and new housing policies and programs. As a result of County policies and actions a total of 2494 units affordable for rent or sale to very low, low and moderate income households are expected to be produced, exceeding the 2090 affordable units identified in the Regional Housing Needs Determination. These affordable units represent a variety of housing types including development of inclusionary units, subsidized units, second units, farmworker units, institutional sponsored employee housing, converted transient occupancy/court condemned properties and mixed use housing.

Table 4.7.1 presents the quantified objective for housing units in Santa Cruz County by housing unit prototype and affordability category. **Also**, table 4.7.1 summarizes the quantified objective and compares it with the Regional Housing Needs Determination ("RHND") requirements. Overall, the quantified objective, reflecting the combination of existing programs and a range of new

programs, exceeds the total RHND requirement. The combined effort reflected in the Housing Action Program (Section 4.7.3) represents a significant increase over prior affordable housing efforts and unit production. However, market conditions, the high costs of subsidizing affordable housing units, and the lack of additional public funding from discretionary or new funding sources are limiting factors.

Above Moderate Income Objectives

Based on residential building permits issued in the last eighteen months and the projected allocation of market rate permits for the remainder of the planning period, it is expected that 1604 housing units for above moderate income households will be constructed. In addition, it is expected that 94 above moderate income Second Units will be constructed during the planning period. This construction of above moderate income housing will exceed the housing need of 1351 units established by AMBAG.

Sustaining Existing Housing Programs

The core of Santa Cruz County's housing program effort will be (as committed in Policy 3.1) a continuation of the ongoing efforts of the Redevelopment Agency. The Redevelopment Agency has been very effective in its efforts to provide and maintain affordable housing, given the resources available. Similarly, a variety of regulatory programs and policies have been effective and should be continued.

Major sources of affordable housing units from existing programs will result from projects that receive subsidies (RDA funds, etc.) and that take advantage of the density bonus programs. Modifying policies and regulations for second units and sustaining production levels of farmworker units also have the potential to substantially increase permanent affordable housing stock.

Adopting New Housing Programs

The County has a wide range of programs through which it can affect affordable housing production. The programs discussed below reflect a range of such programs that will encourage housing production, provide new funding sources, alter regulatory requirements, and increase County financial participation. These programs, taken as a whole, will require additional efforts and new initiatives by the County.

Under the proposed new Housing Action Programs, major sources of affordable housing units (especially for lower and very low income households) will likely result from:

1. Acquisition of expiring units or subsidizing preservation of existing units through new funding sources;

2. Continuing to offer density bonuses of up to 50% of mapped densities in exchange for provision of affordable housing.
3. Increasing the incentives for construction of affordable Second Units;
4. Providing design flexibility to encourage construction of affordable infill units in Urban Service Areas;
5. Continuing to provide regulatory incentives for construction of farmworker housing in agricultural areas, as well as considering farmworker housing needs in development of affordable housing in Urban Service Areas;
6. Increasing opportunities for mobilehome parks; and,
7. Providing opportunities and/or funding for SRO projects and emergency homeless shelters.

Providing for Special Housing Needs

In addition to examining projected affordable housing needs, Government Code Section 65582 requires that jurisdictions conduct an analysis of any existing special housing needs such as those of the elderly, disabled (including individuals with HIV/AIDS), large families, female headed households, and farmworkers. The following discussion presents a qualitative assessment of the housing needs of these groups. The quantitative analysis of these groups current housing needs is found in Section 4.3. The County also recognizes the housing needs of several subpopulations not specifically mentioned in State Law, such as the mentally ill, developmentally disabled, and youth transitioning from foster care. Efforts have been made to highlight and address these special needs where appropriate. Several of the special needs populations mentioned above do not require housing that is operationally different from that required by the general low income population. Female headed households, large families, and able bodied elderly households, for example, do not require significant operational intervention. While such households may benefit from housing that is proximate to schools, workplaces, or services (e.g. day care, after school activities, senior centers, etc.), they typically do not need to be located in different types of developments than the general population. Design modifications, such as adding extra bedrooms and bathrooms for large families or limiting entry stairs or internal stairs in units for elderly, can accommodate these households.

Other special needs populations may require very specialized housing types. The physically and developmentally disabled may require supportive housing options that provide quarters for personal assistants, or group home facilities that provide services and staffing on site. The same holds true for less able-bodied elderly, the mentally ill, and people with chronic and/or terminal illnesses.

Populations that have self-care and/or mobility limitations have faced increased housing challenges in Santa Cruz County in recent years. Limitations on the operational revenues of housing and service providers combined with escalating property values have caused some service providers to cease operations in favor of the financial windfalls available through closing and selling their properties. This trend is particularly problematic to lower income residents, as they may not have the financial recourse to secure alternative arrangements for housing and care.

The homeless population also requires operational support, as do many families and individuals transitioning from social services to independent housing. Homeless shelters and transitional housing (such as group homes, SRO hotels, etc.), and supportive housing options, should have access to complementary services (e.g., job training, day care, substance abuse programs, etc.)

Finally, a diverse population of farmworkers requires diverse housing opportunities. Those farmworkers who live with their families or with friends and co-workers year-round in Santa Cruz County may not require units that are different from the general lower income population. However, migrant farmworkers (typically men traveling alone) often can be adequately accommodated in SRO hotels, group homes, or bunkhouse units on agricultural lands.

Policy opportunities and incentives programs to develop housing for these special needs populations are discussed in Section 4.7.3.

Given these factors, the County has determined that the quantified objectives for the next five years are as follows:

**Table 4.7.1 - Potential New Units by Affordability Level for
Housing Element 2000-2007**

Type of Development	Total Inventory	2000-2007 Feasible	Very Low Income	Low Income	Moderate Income	Above Moderate Income
General Plan, Zoning and Programs - Existing						
Already 'Developed' Housing (2000-2002)	-	875	201	57	47	570
Urban Sites > 5 units/site	2,121	2,121	-	227	170	1,724
Urban Sites < 5 units/site	2,811	2,811	-	-	140	2,671
Rural Sites	5,770	408	30	30	17	331
Commercial Mixed Use @30%	2,004	601	-	60	180	361
Rural Agricultural Employee Housing	4,845	48	48	-	-	-
Second Units	13,276	335	83	84	85	83
Conversion of Transient Occupancy Development (RV Parks) to Permanent Housing	65	65	65	-	-	-
Permanent Housing for Homeless	0	25	25	-	-	-
Self-Help Housing	10	10	10	-	-	-
Conversion of Existing Housing to Housing for Disabled/Mentally Ill	0	76	76	-	-	-
Sub-Total	30,902	7,375	538	458	639	5,740
Housing Dependent on Proposed Programs						
Designation of Housing Opportunity Sites (HAC)	-	360	72	72	-	216
Additional Incentives for Commercial Mixed Use w/40% lower income (HAC)	-	80	40	40	-	-
Increased density bonus for parcel mergers w/40% lower income	-	40	20	20	-	-
Analysis of "H" sites (non-residential or commercial)	-	300	150	150	-	-

SRO Conversion Program	197	100	100	-	-	-
Develop a Second Migrant Farmworker Camp	50	50	50	-	-	-
RV Park Conversion	-	20	20	-	-	-
Commercial Mixed Use	-	40	-	-	40	-
Employee Housing on Public Facility Sites	-	60	-	30	30	-
Sub-Total	247	1,050	452	312	70	216
Total - New Units (new units =3454)	31,149	8,425	1,015	770	709	5,956
AMBAG New Construction Goals 2000-2007	-	3,441	937	502	651	1,351

Note: See Table 4.6.2 for footnotes

4.7.3 Housing Action Programs:

Section 65583 (c) of the Government Code requires that housing elements contain "a program which sets forth a five year schedule of actions..." in order to implement stated goals, objectives and policies. Moreover, this program of actions is required to include programs which 1) identify sites available for new housing; 2) assist in development of housing; 3) reduce governmental constraints to housing; 4) improve the conditions and sustaining the amount of existing affordable housing units; 5) promote equal housing opportunities for all persons; 6) preserve the number of existing housing units.

The following Housing Action Program organizes individual programs into six general action categories that relate to the housing goals set forth in section 4.7.1.

- GOAL 1: PROMOTE PRODUCTION OF AFFORDABLE UNITS.
- GOAL 2: PROMOTE THE USE OF AVAILABLE SITES FOR AFFORDABLE HOUSING CONSTRUCTION AND PROVIDE ADEQUATE INFRASTRUCTURE BY REMOVAL OF CONSTRAINTS.
- GOAL 3: PRESERVATION OF EXISTING HOUSING PROGRAMS AND AFFORDABLE HOUSING UNITS.
- GOAL 4: MAINTAIN AND INCREASE FUNDING FOR AFFORDABLE UNITS.
- GOAL 5: PROMOTE PRODUCTION OF SPECIAL NEEDS HOUSING UNITS.
- GOAL 6: IMPROVE CONSERVATION OF ENERGY AND NATURAL RESOURCES

The programs included under these categories include a range of existing and newly recommended programs that, taken as a whole, will assure that the County achieves the quantified objectives listed in Section 4.7.2. As noted in the Introduction, the housing programs were developed through an evaluation of existing programs and an identification of new programs.

Goal 1. Promote Production *of* Affordable Units

Through its planning and zoning regulations, Santa Cruz County will expand affordable housing production. Programs that expand the County's capacity to meet its affordable housing goals are described below.

Inclusionary Housing Program

Program Description: Encourage for-profit developers to fulfill their requirement by constructing units rather than paying in-lieu fees. Further provide incentives and encourage for-profit developers to partner with non-profits in developing affordable housing that meets inclusionary requirements. Only Permit in-lieu fees for very high Priced market rate units where the fees will subsidize several lower income units.

Time Frame: 2000-2007

Responsible Party: Planning Department, Board of Supervisors

Projected Units: 131 moderate income units.

Changes to the Affordable Housing Ordinance

Program Description: Maintain the following changes to the Affordable Housing Ordinance as follows:

- (1) Eliminate "rounding" inclusionary unit obligation and calculate the number of affordable units to be exactly equal to the inclusionary percentage of the number of eligible market units
- (2) Approve the creation of a Developer Financed Measure J Home Purchase fund
- (3) Require a \$10,000 per unit contribution to the County's Housing Fund for the third and fourth units in Minor Land Divisions.
- (4) ~~Delete Maintain~~ the current provision that ~~does not~~ exempts demolished units from inclusionary requirement ~~and encourage the imposition of replacement housing requirements for demolished units~~
- (5) Provide a link between the household size and the number of bedrooms for inclusionary unit purchasers/renters.

Revise ordinance on an annual basis to identify regulations and programs that require modification to improve program efficiency.

Time Frames: Board of S

Responsible Party: Planning Department, Board of Supervisors

Self Help Affordable Ownership Housing Program

Program Description: By waiving park fees and providing priority processing, support the efforts of non-profit organizations, such as Habitat for Humanity, in the development of affordable housing for very low, low and moderate income households.

Objective: construct 10 self-help affordable housing units

Process: RDA underwriting land costs

Time Frame: 2000 - 2007

Funding: Habitat for Humanity, others

Responsible Party: Planning Department, Board of Supervisors

Affordable Housing Developers Priority to Purchase Tax Defaulted Property

Program Description: Coordinate with the Assessor's Office to provide developers of affordable housing first opportunity to purchase land foreclosed on and sold due to property tax default.

Time Frame: 2004 - 2007

Responsible Party: Assessor's Office, Board of Supervisors, County Administrative Office

Incentives for Non-Profit Housing Development

Program Description: Provide incentives to non-profits, who propose to develop affordable housing with affordability restrictions. Incentives shall include:

- (a) Expedited priority permit processing
- (b) Assigning specific Planning Department staff member to monitor fast tracking of development application
- (c) Reduced fees
- (d) Reduced development standards (parking, open space, etc ...)
- (e) Funding assistance from local funds such as Redevelopment funds, CDBG and HOME funds, housing trust fund accounts, and other sources
- (f) Density bonus

Time Frame: 2000-2007

Funding: Redevelopment Agency, CDBG and HOME funding.

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Public Facility **Employee** Housing

Program Description: General Plan and Zoning Ordinance amendments to allow for the development of affordable employee housing by public agencies and private public facility uses.

Program Implementation: The County will commit to the adoption of Policy and ordinance amendments that will allow for the development of employee housing on land designated as Public Facility and zoned "PF". This housing will be at densities equivalent to Urban Medium Density and subject to review as a part of a Master Site Plan review for the public facility use.

Quantifiable Objective: 60 moderate/low income units

Time Frame: 2003-2004.

Responsible Party: Planning Department, Board of Supervisors

Expanded Conversion of RV Parks

Program Description: General Plan and Zoning Ordinance amendments to allow for the development of affordable housing, by the conversion of existing, RV parks in the urban area to permanent housing.

Program Implementation: The County will commit to the adoption of ordinance amendments that will allow for the conversion of one or more RV parks located within the urban area to permanent housing, for very low income households.

Quantifiable Objective: 20 very low income units

Time Frame: 2003-2004.

Responsible Party: Planning, Department, Board of Supervisors

Mixed Use Housing Incentives

Program Description: Consider opportunities for expanding the development of mixed use (including live/work units) by revising the County Code to include the following:

- (a) Permit additional residential floor area allowed for a higher percent of residential units that are reserved for lower income households;
- (b) Allow residential use on second and third floor with no floor area ratio limitations;
- (c) ~~Consider~~ Expand — mixed use to urban commercial areas designated as Tourist Commercial or Visitor Accommodations as incidental to uses in these zones;
- (d) ~~Consider~~ Allow residential use of existing underutilized properties designated ~~as~~ Industrial or Commercial ~~or public~~ zones, where there is a need to supply employee housing for adjoining businesses or activities;
- (e) Allowance for shared parking between residential and commercial uses;
- (f) Provide information and hold workshops to educate commercial property owners and development community about mixed-use opportunities and incentives;
- (g) ~~Expand mixed use development to land zoned for public facility for — employee housing~~

Quantifiable Objective: 125 units

Time Frame: 2000-2007

Responsible Party: Planning Department, Board of Supervisors

Expand Live/Work Mixed Use Development

Program Description: Expand areas that allow live/work mixed-use developments. Maintain and expand existing Language in adopted town plans to facilitate these uses.

Time Frame: By December 2004

Responsible Party: Planning Department, Board of Supervisors

Restrict Development of Lower than Minimum Density ~~as~~ Determined ~~by~~ the General Plan Designation

Program Description: ~~Adopt and~~ Maintain an ordinance requiring the ~~Approving Body~~ Board of Supervisors to make certain findings as part of a preliminary approval of a proposed residential development that is below the General Plan density range that the proposed use is consistent with the General Plan.

Objective: Retention of land designated for higher density

Time Frame: Approved by the Board of Supervisors; see County Code Section 18.10.140(b)

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

RV Park Conversion Ordinance

Program Description: Maintain the existing RV Park Conversion regulations. Consider expanding the RV Park Conversion regulations to apply to additional urban parks in the County, in compliance with State and County codes and regulations.

Objective: Retention and Legalization of RVs as affordable housing.

Time Frame: 2003-3007

Responsible Party: Planning Department, Planning Commission, Board of Supervisors

Second Unit Incentives

Program Description: Continue existing policies and consider additional incentives to reduce barriers to second units development.

Actions to be taken:

- (a) Implement AB 1866
- (b) ~~Consider reducing fees~~ Discuss reduction of fees with utility providers, such as sewer connection, water service etc...
- (c) Encourage Incentives from other utility connection providers
- (d) Continue the RDA Second Unit Subsidy Program

Objective: Construction of 335 second units

Time Frame: Adopt ordinance amendments to implement AB1866 by July 1, 2003. Consider additional incentives and regulatory relief by end of 2004.

Responsible Party: Planning Department, Housing Advisory Commission, Redevelopment Agency, Board of Supervisors

Reduce Capital Improvement Fees for Second Units

Program Description: Consider revisions to the County Code and Unified Fee Schedule for Second Units to reduce the cost of constructing these units.

Time Frame: 2003-2004

Responsible Party: Planning Department, Board of Supervisors

Modular Second Units Consistent with Design Standards

Program Description: Develop a catalog of preapproved manufactured housing and preapproved plans for stick-built second units for a range of second unit sizes. Encourage the use of manufactured housing for second units.

Objective: Reduced construction costs for Second Units (see above).

Time Frame: Complete catalog by the end of **2004**.

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

Second Units on Agricultural Land

Program Description: Permit Second Units on Agriculturally zoned Land.

Time Frame: **2002** Ordinance approved by Board of Supervisors; pending Coastal Commission certification

Responsible Party: Planning Department, Board of Supervisors

Farmworker Housing Production

Program Description: Promote the production of farmworker housing under the Employee Housing Act by providing preapproved structural plans, allowing multifamily farmworker units, and reviewing and streamlining regulations pertaining to agricultural employee housing and farm family housing units.

Objective: Construction of **48** units of farmworker family and farmworker housing.

Time Frame: **2003-2007**

Responsible Party: Planning Department, Agricultural Policy Advisory Commission, Board of Supervisors, Redevelopment Agency

Migrant Farmworker Housing

Program: Seek funding to construct a second County migrant farmworker housing project of at least 50 units.

Objective: Construction of at least 50 migrant farmworker housing units.

Time Frame: 2003-2007

Responsible Party: Planning Department, Board of Supervisors; Redevelopment Agency

Reduce Capital Improvement Fees for Larger Affordable Household Units in Large Projects

Program Description: ~~Consider~~ Revising the Unified Fee Schedule to waive Capital Improvement Fees for proposed bedrooms exceeding the minimum required in affordable units of 5+ projects.

Time Frame: ~~2003-2004~~

Responsible Party: Planning Department, Board of Supervisors

Density ~~Bonus/Height~~ Increase for Affordable Housing

Program Description: Initiate, as a high priority item, general plan and zoning ordinance amendments, within the Urban Services Line, to allow densities of 20 - 25 units per acre and, in medium and high density zones, residential building heights of three stories, with design review and for projects with no more than

60 units. where at least 40% of the units are affordable by low and very low income people.

Objective: Construction of 360 units (20% very Low, 20% low, 60% above moderate.

Time Frame: 2004

Responsible Party: Planning Department. Planning Commission. Board of Supervisors.

Affordable Commercial/Residential Mixed Use

Program Description: Initiate general plan and zoning ordinance amendments to allow, on larger vacant and underutilized commercial parcels, where appropriate, mixed use or higher density residential development when at least 40% of the housing is affordable by low and very low income people.

Objective: Construction of 80 additional Low and very low income units.

Time Frame: 2004

Responsible Party: Planning Department. Planning Commission. Board of Supervisors

Parcel Merger Density Bonus

Program Description: Allow Density bonuses of 30% for development on parcels, within the urban services line, of three acres or more that result from the merger of at least two smaller pre-existing parcels, where at least 40% of the units are affordable by low and very low income people.

Objective: Construction of 40 additional low and very low income units.

Time Frame: 2004

Responsible Party: Planning Department. Planning Commission. Board of Supervisors

Goal 2. Promote the Use of Available Sites for Affordable Housing Construction and Provide Adequate Infrastructure by Removal of Constraints.

The County recognizes the need to educate the public about the provision of affordable housing, in particular with regard to such topics as the Location of available sites, design options, and infrastructure issues.

Analysis of Designation of Affordable Housing Sites

Program Description: Identify potential sites for affordable housing. Prepare an analysis of these sites for the purpose of designating specific sites for affordable housing - H sites pursuant to "H" Assisted Housing Combining District, County Code Section 13.10.431 et seq. Revise County Code Section 13.10.431 et seq. to be applicable countywide.

Objective: Designate affordable housing sites for future affordable housing development as a part of the next General Plan update.

Time Frame: 2005-2006

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

incentives for Single Room Occupancy Developments

Program Description: Encourage, promote and provide incentives for the development of Single Room Occupancy Developments ("SROs") and identify areas within the County where there are local services and concentration of need for such units.

Time Frame: 2004-2005

Responsible Party: Planning Department, Planning Commission, Board of Supervisors

increased Affordability Requirements on Large Sites

Program Description: Analyze sites that could accommodate a large number of units and make suggestions to increase the number of affordable housing requirements beyond 15% for projects on these sites either by improving the density bonuses or by reducing fees or other methods within the County's control.

Time Frame: 2003-2007

Responsible Party: Planning Department, Redevelopment Agency

Package Sewer Treatment Plants

Program Description: Maintain the County General Plan/LCP and implementing ordinances that allows for the use of package sewage treatment plants in rural areas where necessary for the development of affordable housing.

Time Frame: 2003-2007

Responsible Party: Planning Department, Board of Supervisors

Review Commercial and Industrial Land for Residential Suitability

Program Description: As a part of the next update to the General Plan land use plan, review existing vacant and underutilized commercial and industrially zoned parcels for their suitability as affordable housing sites.

Time Frame: Next General Plan update.

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

Inventory of Vacant and Underdeveloped **Parcels/Rezoning**
(1994 Housing Element Program 3)

Program Description: Annually review the inventory of vacant and underdeveloped parcels in the County, both within the Urban Services Line (USL) and in rural areas. Identify lower density residential, commercial, industrial, or privately owned land that could be appropriate to rezone for higher density use (Urban High Density up to **17.4** units per acre).

Time Frame: 2004 Update inventory of vacant and underdeveloped parcels. 2005 Based on General Plan Update recommendations and the results of the 2004 inventory, evaluate rezoning or re-designation of appropriate

vacant/underdeveloped land to allow increased residential use. 2004-2007
Program Description: Maintain and update inventory of vacant/underdeveloped parcels as needed.
Funding: apply for a CDBG "Planning and Technical Assistance" Grant
Responsible Party: Planning Department, Board of Supervisors

Adoption of Planned Unit Development Ordinance

Program Description: Develop a Planned Unit Development Ordinance to allow a combination of different dwelling types and/or a variety of land uses which complement each other and harmonize with existing and proposed land uses in the vicinity.

Time Frame: Adopted 4/16/02, pending California Coastal Commission review

Responsible Party: Planning Department, Board of Supervisors

Residential Uses in the Public Facility Zone

Program Description: Develop an ordinance amendment to allow residential development by public agencies on lands zoned Public Facility, such as surplus school district land.

Objective: Development of additional residential units in conjunction with public uses.

Time Frame: 2003-2004

Responsible Party: Planning Department, Board of Supervisors

Employer Assisted Affordable Housing Loan Programs

Program Description: Modify local affordable housing loan programs so that they can be utilized on small-scale in-fill employer-assisted housing projects without the need for lengthy County review processes.

Time Frame: 2003-2007

Responsible Party: Redevelopment Agency

Density Bonus Program

(1994 Housing Element Program 5)

Program Description: Continue to implement a ordinance which complies with State Density Bonus Law providing a 25% density bonus (plus the potential for additional incentives) to developers proposing 10% very low or 20% lower income or 50% qualifying senior projects. Revise ordinance as necessary to comply with new legislation.

Objective: Implement State Density Bonus Law; construction of 17 low income, and 22 moderate income units

Time Frame: 2000-2007 Ordinance Implementation

Responsible Party: Planning Department, Board of Supervisors

Retention of Designations for Properties designated Urban High or Urban Medium Residential and Zoned RM

(1994 Housing Element Program 7.1)

Program Description: Adopt a policy retaining the current General Plan designations and zoning for all property currently designated Urban High or

Urban Medium Residential and zoned Multi-Family Residential (RM) so as to prohibit a change of those designations or zoning to a lower density absent a finding by the Board of Supervisors after public hearing that development of the property as multifamily housing would result in a threat to public health and safety, a significant injurious threat to the environment, or a nuisance. This policy would not preclude the Board of Supervisors from changing these designations to a higher density, if appropriate. In addition, adopt an ordinance amendment Limiting development on land zoned RM (Multi-family Residential) to multi-family dwellings, unless specific findings are made regarding service impacts, neighborhood compatibility, size of parcel, etc. to allow single family development.

Objective: Retention of land designated for multifamily housing

Time Frame: 2003-2004

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

Notify Utility Providers of their Responsibility to Prioritize Service to Affordable Projects under State Law

Program Description: Notify all public sewer and water providers of their responsibility under State law to give affordable housing projects priority for existing service capacity.

Time Frame: 2003/2004

Responsible Party: Planning Department, Board of Supervisors, County Counsel, Other permitting agencies

Promote Dwelling Groups

Program Description: Promote the development of attached and semi-detached dwelling groups (duplexes, triplexes, etc.) as infill development where parcels are of sufficient size to accommodate more than one unit. Consider ordinance amendments to facilitate this type of development, including design standards to insure compatibility with existing development. Develop public information on the process and requirements for dwelling group permits and make this information available on the Planning Department website.

Time Frame: 2004-2005

Responsible Party: Planning Department, Board of Supervisors

Clarification of Land Use **Regulations/Procedures**

Program Description: Revise procedures (and regulations, if necessary) to streamline building and development permit processes. Includes better informational handouts, application intake procedures, County-Applicant communication, and implementation of the Applicants' Bill of Rights.

Time Frame: 2003-2004

Responsible Party: Planning Department

Affordable Housing Outreach

Program Description: Designate the "Affordable Housing Outreach" program as a high priority work task for the 2003-2007 program years. As part of that program, include the following items for staff to complete:

- a) Aggressively inform the public and the development community about the availability of permits for affordable housing units (County website, email etc.)
- b) Continue to work toward improving the public's perception of affordable housing. Nurture an approach to housing development with staff that is enthusiastic and helpful to developers who wish to provide affordable housing. Fast track affordable housing applications.
- c) Continue to provide improved household and unit data for the County's affordable housing units, including the inclusionary units, as well as other affordable units built by non-profit and for-profit developers. Organize the data as appropriate for the needs of the Planning Department, Redevelopment Agency and the Housing Authority. At a minimum include:
 - o Total number of housing units developed;
 - o Total number of affordable units developed (including inclusionary units);
 - o Number of inclusionary (Measure J) units developed;
 - o Number of affordable units according to household income categories; that is, a breakdown of units according to whether they are affordable by very low, lower or moderate income household;
 - o Number of affordable units by income category (see above) and household tenure (owner or renter);
 - o Type and length of affordability restrictions and monitoring requirements.

Report the information above on an annual basis in the staff report prepared for the establishment of growth rates and permit allocations.

Objective: Maintain and preserve existing inventory of affordable housing stock. Encourage use of building permits allocated for affordable units.

Time Frame: 2003-2007 Implement Affordable Housing Outreach Program

Responsible Party: Planning Department, Redevelopment Agency; Housing Authority, Board of Supervisors

Provide Priority Processing for Affordable and Farmworker Housing

Program Description: Amend the County Code to require all departments to provide priority processing for all projects with 20% or more affordable units, all density bonus projects, and all farmworker housing projects. Priority

processing is currently in effect only for planning permit processing on projects of 25% or more affordable units.

Time Frame: 2003-2004

Responsible Party: Planning Department, Board of Supervisors, County Counsel, Other permitting agencies

Fund Staffing Dedicated to Housing Element Implementation

Program Description: Ensure adequate resources are available to implement the policies and programs outlined in this housing element.

Time Frame: 2003-2007

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Goal 3. Preservation of Existing Housing Programs and Affordable Housing Units

The County currently uses Federal, State, and local funds to promote production of new affordable housing and to encourage the retention of existing affordable units. The County also uses zoning regulations and incentives to promote affordable units.

Foreclosure Fund

(1994 Housing Element Program 15)

Program Description: Continue to maintain a revolving fund to assist inclusionary (Measure J) units or any other eligible affordable units in threat of foreclosure proceedings. The funds are used to maintain the affordability of the unit to a lower or moderate income household and to preserve the unit as part of the County's affordable housing stock.

Time Frame: 2000-2007

Funding: \$140,000 in "start up" funds already provided; additional funds as needed from "in lieu" fees or other sources.

Responsible Party: Planning Department, Board of Supervisors, Redevelopment Agency

Preservation of Affordable Units, Including Government Assisted Housing Developments

(1994 Housing Element Program 22)

Program Description: ~~Continue to preserve the affordable housing units in the County's housing stock (510 Measure J units, 140 Second Units, 545 individuals and 123 units of Farmworker Housing Units for a total of 773 units plus 545 individual farmworkers as of 2002). Additionally, there are the 316 affordable housing units that have been assisted with HUD financed mortgages and/or Section 8 assistance.~~ Continue to preserve the affordable housing units developed under the County's Measure J and Second Units programs through monitoring and foreclosure assistance. Continue to monitor the three of the

HUD-assisted developments, Elizabeth Oaks, Pajaro Vista and Seaside Apartments, as they are scheduled to have their Section 8 rental subsidies renewed during the time frame of this Housing Element. Monitor the status of those renewal contracts and develop contingency plans as needed if contracts are not renewed.

Objective: Preserve affordable units, including 316 HUD assisted units.

Time Frame: 2002-2004 Monitor Elizabeth Oaks, Pajaro Vista and Seaside Apartments developments.

Funding: If assistance is needed to preserve the Elizabeth Oaks and Pajaro Vista units, potential funding resources include CDBG funds, Redevelopment housing funds, Foreclosure Funds for Affordable units and work with the California Housing Partnership and Non-Profit Housing Managers.

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Preservation of Units Proposed for Demolition

Program Description: Maintain the ordinance (Chapter 12.06) that requires that all building permits for demolition of housing units first determine if the structure is capable of being moved and then that an offer is made to allow for the relocation of the housing units to another location.

Objective: Preservation of housing stock

Time Frame: Ongoing

Responsible Party: Planning Department

Financial Support for Preservation of At-Risk Units

Program Description: Provide financial support for acquisition of at-risk affordable units at a minimum of \$40,000 per unit or more.

Objective: Preservation of at-risk units

Time Frame: 2004-2007

Responsible Party: Redevelopment Agency, Board of Supervisors

Legal Conversion of Transient Occupancy Use Facilities to Permanent Use

Program Description: The County will consider an amendment to its Zoning Ordinance to allow recognition and legalization of hotels/motels converted to permanent occupancy.

Objective: **To** encourage the development of SRO hotels (100 units) within the 2000-2007 planning period.

Time Frame: Amend the zoning ordinance to allow and encourage the development of SROs through the conversion of existing visitor accommodations and identify funding resources by the end of 2005.

Responsible Party: Planning Department, Board of Supervisors

Measure J Affordable Housing Preservation

Program Description: Identify and monitor affordable Measure J units that have expiring restrictions. Make efforts to preserve the affordability of these units.

Time Frame: 2000-2007

Funding: Redevelopment Agency

Responsible Party: ~~Planning Department,~~ Redevelopment Agency, Board of Supervisors

Allow Rehabilitation of Existing Nonconforming Housing Stock

Program Description: ~~Continue~~ Maintain the ordinance that ~~to~~ allow? existing nonconforming dwelling units to be repaired and structurally altered.

Objective: Retain existing housing stock

Time Frame: Ongoing

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors

Condominium Conversion and **Demolition/Replacement** Housing

(1994 Housing Element Program 13)

Program Description: Carry out the Condominium Conversion Ordinance (County Code Chapter 14.02) to protect the rental housing stock. Carry out the Demolition and Replacement Ordinance (County Code Chapter 12.06) which requires replacement of affordable housing units that are demolished or converted to non-residential use and located in projects of 3 or more units.

Time Frame: 2000-2007

Responsible Party: Planning Department, Board of Supervisors

Mobile Home Park Preservation and Affordability

(1994 Housing Element Program 12)

Program Description:

- (1) Continue to implement County Code Chapter 13.32, as may be amended from time to time which provides regulations for the mobile home rent stabilization program.
- (2) Continue to implement County Code Chapter 13.30 which restricts mobile home park owners from converting parks to other uses.
- (3) Consider creating a special land use category for mobile homes and designating existing parks as "Mobile Home Parks" on General Plan Land Use Map.
- (4) Maintain the Mobile Home Ownership Conversion Program managed by the Redevelopment Agency for the purpose of maintaining Long term affordability.

Objective: Preserve existing mobile home parks and actively assist in providing affordable housing opportunities through rent stabilization and cooperative conversion programs.

Time Frame: 2000-2007 Continue to implement County Code Chapters 13.13 and 13.30 and Mobile Home Ownership Conversion Program.

Funding:

Responsible Party: Planning Department, Board of Supervisors, Redevelopment Agency

Mobile Home Park Legislation

Program Description: Work with State Legislative Representatives to revise the regulations regarding Mobile Home Parks to include site standards for 2-story Mobile Homes. Critical concerns to be addressed include parking, privacy, "light, air and open space," and the infrastructure needs (water, sewer, electrical) of the new units when placed in older parks.

Objective: Development of regulations to preserve the affordability and livability of existing units in mobile home parks where new, multi-story units are proposed.

Time Frame: 2004-2005

Responsible Party: Board of Supervisors, County Counsel

Mobile Home Park Combining District

Program Description: Continue implementation of the Mobile Home Park combining zone district to recognize this housing type as having an important role in meeting the affordability needs of the community.

Objective: Conserve affordable housing in mobile home parks.

Time Frame: Ongoing

Responsible Party: Planning Department, Planning Commission, Board of Supervisors

Coordination with Other Public and Private Organizations

(1994 Housing Element Program 14)

Program Description: Continue to work with the Housing Authority, non-profit housing developers and for profit developers on developing affordable housing opportunities. Maintain adequate data bank on housing stock characteristics and make available to interested parties who may need it for funding applications and program descriptions.

Time Frame: 2000-2607

Responsible Party: Planning Department, Board of Supervisors

Fair Housing Information

(1994 Housing Element Program 33)

Program Description: Continue to disseminate information on fair housing and anti-discrimination information to County households. Provide fair housing information at all County Office locations in both English and Spanish. Provide this information to local housing advocates for further distribution.

Additionally, fair housing information will continue to be provided to clients of the Housing Authority in both English and Spanish. The Housing Authority also provides a complaint referral system for clients. Continue to support the services provided by the County's Office of Consumer Affairs to provide fair housing and tenant/landlord information.

Time Frame: 2000-2007

Responsible Party: Housing Law Center, Planning Department, Office of Consumer Affairs, Board of Supervisors

Anti-Retaliatory Eviction Ordinance

Program Description: Monitor, maintain and update, as needed, County Code Chapter 8.43 that protects the efforts of tenants to assert their right to affordable rents and/or tenants rights.

Time Frame: Adopted 2/12/02.

Responsible Party: County Counsel, Board of Supervisors

Interest on Tenants Security Deposits

(1994 Housing Element Program 15.1)

Program Description: Continue to require that tenants security deposits earn interest that is payable to the tenant on an annual basis or at the time tenancy ceases. interest rates will be evaluated to ensure that they reflect general market conditions.

Time Frame: 2000-2007

Responsible Party: Planning Department, County Administrative Officer, Auditors Office, County Treasurer, Housing Advisory Commission, Consumer Affairs, County Counsel

Emergency Relocation Assistance

Program Description: Coordinate relocation assistance through the Red Cross/Human Resources Agency program that assists people who lost their housing due to natural disaster.

Time Frame: 2000-2007

Funding: Red Cross, Human Resources Agency

Responsible Party: Red Cross, Human Resources Agency

Assistance Programs: Relocation and Rental Deposit Funds

(1994 Housing Element Program 23)

Program Description: ~~Continue to develop~~ Maintain programs to 1) assist residents who may need relocation assistance because of public or private actions and, 2) assist lower income residents in securing housing entry costs (rental deposit and security costs). As part of the relocation program, develop policies to minimize relocation as much as possible. If relocation is necessary, design appropriate policies and funding resources to assist with both temporary and permanent relocation.

Time Frame: 2000-2007 Continue Relocation Assistance Program and Rental Deposit Assistance Program

Funding: Redevelopment Housing Funds, Housing Trust Funds

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Repair, Rehabilitation or Replacement of Existing Affordable Units

Program Description: Require, as part of new development proposals, commercial and residential developers of larger housing units, with existing affordable housing stock located within the project, to either: repair, rehabilitate or replace those units (either on-site or off) on a one for one basis. Encourage a partnership with local, non-profit providers of low-income housing to meet this requirement.

Time Frame: 2004-2007

Responsible Party: Planning Department, Planning Commission, Board of Supervisors

Housing Component to Commercial/Institutional Projects

Program Description: Encourage the development of affordable housing within commercial/institutional projects, when appropriate, for the employees of

Time Frame: 2004-2007

Responsible Party: Planning Department, Planning Commission, Board of Supervisors

Conversion of Housing to Vacation Rentals

Program Description: Adopt an ordinance regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single family neighborhoods. If the use of such housing as vacation rentals is non-compliant with other county and/or state laws, strictly enforce such laws.

Time Frame: 2005

Responsible Party: Planning Department, Board of Supervisors

Goal 4. Maintain and Increase Funding for Affordable Units

The County will endeavor to identify and generate new sources of income for affordable housing programs (such as impact fees, in-lieu fees, intergovernmental grants, etc.). In addition, it may also be appropriate for the County to increase its own budgetary contributions to such programs.¹

Establish Housing Trust Fund

Program Description: Working with cities, explore the potential of private sector and nonprofit organizations to establish a Housing Trust Fund. Such an organization could promote participation from existing employers and other funding sources that are otherwise not available to a public agency, as has been achieved successfully in the Silicon Valley. A local citizens group called the Affordable Housing Advocates has been working on the establishment of a Housing Trust Fund. When the Affordable Housing Advocates has more solid plans, the County will engage with their efforts and help Prepare strategies for the Housing Trust Fund. Additionally, the County will explore new funding sources and research the potential of implementing:

- (1) Increased sales tax;
- (2) real estate property transfer tax;

¹ Government Code Section 65589 (a) (1) states, "Nothing in this article shall require a city, county, or city and county to...expend local revenues for the construction of housing, housing subsidies, or land acquisition." However, the County may voluntarily deem such programs necessary.

- (3) commercial linkage fees;
- (4) transient occupancy tax; or
- (5) increase in the low and moderate income set aside.

Time Frame: 2002-2007

Responsible Party: Redevelopment Agency, Planning Department, Board of Supervisors

Support Establishment of a Land Bank

Program Description: Consider the establishment of a Land Bank designed to buy existing housing units and then resell (or rent) the improvements to income-eligible households while retaining ownership of the land. A Land Bank would also bank vacant land for future development of affordable housing. Affordability for very low, low, and moderate income households would be maintained in perpetuity.

Time Frame: 2002-2007

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Give Discretionary Funding Preference to Nonprofits for New Affordable Housing Projects

Program Description: Give discretionary funding preference to non-profit affordable housing development with maximum Leverage of funds; longest affordability terms, and greatest level of affordability.

Time Frame: 2002-2007

Responsible Party: Redevelopment Agency

First Time Homebuyer Program

Program Description: Continue and monitor the First Time Homebuyer Program through the Redevelopment Agency. Consider additional incentives to encourage family child care providers use of the program.

Time Frame: ~~Board of Supervisors hearing 4/9/02, item 86. Future status report scheduled to be heard by the Board of Supervisors 4/22/03. Ongoing~~

Responsible Party: Redevelopment Agency, Board of Supervisors

Housing Set Aside

Program Description: Maintain an annual budget allocation from capital projects to housing projects in an amount which would increase the housing set aside from 20% to 25%. Based on existing formulas, the anticipated tax increment revenues to support housing activities will be: 2002-2003 \$4.5 million; 2003-2004 \$4.8 million; 2004-2005 \$4.9 million; 2005-2006 \$5.1 million; 2006-2007 \$5.3 million. and that This amount will be included in future recommended Redevelopment Agency Budgets, beginning in fiscal year 2003-2004 to support the creation and support of currently active projects and future projects, servicing current debt, paying administrative costs and to further leverage outside private, federal and state funds of for specific low and moderate income housing opportunities countywide.

Time Frame: 2000-2003

Responsible Party: Redevelopment Agency, Board of Supervisors

Maximize Utilization of the Section 8 Program

Program Description: Ensure maximum usage of Section 8 vouchers through supporting the Housing Authority education program for tenants and landlords.

Time Frame: ~~Board of Supervisors accepted and filed the report 2/12/02, item 53~~ Ongoing

Responsible Party: Housing Authority, Redevelopment Agency, Board of Supervisors

Subsidize or Reduce Development Impact Fees for Affordable Housing

Program Description: Where necessary services and infrastructure costs can be offset from other sources, subsidize or reduce development impact fees for affordable housing.

Time Frame: 2004-2007

Responsible Party: Redevelopment Agency, Board of Supervisors

Financing Program for Affordable Developments

(1994 Housing Element Program 7.2)

Program Description: The County, and the Board of Supervisors, in its capacity as the Redevelopment Agency (RDA), shall continue and enhance its financing program for developments composed of at least 35% lower or very low income rental housing and target the financing to property currently designated Urban High or Urban Medium Residential and zoned Multifamily Residential (RM). The RDA shall establish a fund to assist in development costs, infrastructure fees or improvements, construction costs, and other such costs as are appropriate.

The County shall also provide priority processing for such development at the lowest possible level of review consistent with the current County ordinances

Objective: Provide financial assistance for affordable projects

Time Frame: 2002-2007

Responsible Party: Redevelopment Agency, Board of Supervisors

Identify County-Owned or Other Publicly Owned Lands Suitable for Affordable Housing

Program Description: Prepare a County-wide survey of County owned or other publicly owned lands suitable for affordable housing development. Consider partnering with a non-profit or conveying such Land to a non-profit for development of affordable housing.

Time Frame: 2005-2006

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Leverage Additional Affordable Housing Funds

(1994 Housing Element Program 18)

Program Description: Continue to aggressively explore a variety of potential financial assistance programs from both the public and the private sector to provide more affordable housing units.

Objective: Secure additional funding sources for affordable housing opportunities.

Funding Sources: AHP Grant, CRRP, RHCP, MPROP, CDBG, HUD Section 202, HUD McKinney, HOME, FEMA, Tax Credits, Owner Non-Profits, Bank Loans, and Private Donations

Time Frame: 2000-2007 As funding cycles require, and where appropriate, on a project by project basis.

Responsible Party: Planning Department, Board of Supervisors, Redevelopment Agency, Housing Authority, Housing Advisory Commission, County Administrative Office

Innovative and Cost Effective Building Technology (1994 Housing Element Program 19)

Program Description: Continue to encourage the production of more affordable units through modern building technology, such as manufactured housing. Such housing would need to demonstrate that it meets building code, design criteria and neighborhood compatibility standards, Encourage the use of manufactured housing for affordable housing.

Time Frame: 2000-2007 Continue to evaluate potential policies and programs to encourage the use of manufactured housing in residential developments.

Responsible Party: Planning Department, Board of Supervisors

Convert Existing Mobile Home Parks to Permanent Affordable Housing

Program Description: Consider partnerships with nonprofit organizations to assist in the purchase of existing mobile home parks in order to increase affordability.

Time Frame: 2002-2007

Responsible Party: Redevelopment Agency, local nonprofits

Pilot Subsidy Program for Development of Second Units

Program Description: ~~Develop a pilot~~ Maintain the program to provide subsidies to encourage the development of Second Units

Time Frame:

. Ongoing

Funding: Redevelopment housing funds

Responsible Party: Redevelopment Agency, Board of Supervisors

~~Tenant Notification for Rent Increases~~

Program Description: ~~Prepare a report on the status of the law regarding the noticing of large rent increases for month to month tenancies~~

Time Frame: ~~Board of Supervisors accepted and filed the report 11/20/01, item 20. Implementation 2002-2007.~~

Responsible Party: ~~Redevelopment Agency, Board of Supervisors~~

Tenant Eviction Program

Program Description: Support and continue programs for short term rental assistance when the tenant faces eviction due to lack of rent payment as a result of one-time cash-flow problems.

Funding: CDBG Reuse Fund

Time Frame: **2002-2007**

Responsible Party: Redevelopment Agency, Board of Supervisors

Goal 5. Promote Production of Special Needs Housing Units

Although certain special housing needs have been addressed in the preceding sections, other needs, such as those of the homeless, farmworkers, the mentally ill, and the developmentally disabled, require specialized programs. Options may include supportive housing, transitional housing and temporary shelters.

Group Homes, Transitional Housing and Shelters

Program Description: Ensure that local requirements conform with State Land Use Law regarding group homes, transitional housing and shelters, especially the number of beds triggering a discretionary permit.

Time Frame: **2002-2007**

Responsible Party: Planning Department

Small-Scale Homeless Shelters

Program Description: Maintain the programs that allow for the operation of small-scale homeless shelters.

Time Frame: **2004-2006**

Responsible Party: Planning Department, Board of Supervisors, Continuum of Care

Emergency Winter Shelter Program

Program Description: Continue to monitor and support funding for the Emergency Winter Shelter Program which provides shelter to homeless persons throughout the winter months.

Time Frame: **2000-2007**

Responsible Party: Board of Supervisors, Continuum of Care

Build Permanent Homeless Shelters and/or Commit Stable Sources of Funding

Program Description: Continue to support efforts of the Countywide Continuum of Care Coordinating Group to address the needs of people who are homeless, including emergency, transitional and permanent supported housing, employment services, social services and mental health needs.

Time Frame: **2002-2007**

Responsible Party: County Administrative Office, Continuum of Care, Human Resources Agency

Homeless Shelter

Program Description: In coordination with the City of Santa Cruz, help facilitate establishment of a homeless shelter(s) to meet the needs identified in the Five Year Strategic Homeless Continuum of Care Plan.

Time Frame: ~~2003~~ 2004-2005

Responsible Party: County Administrative Office

Transitional Housing Facilities and Emergency Housing Site Development

Program Description: Continue to support the development of transitional housing facilities and emergency housing in the unincorporated areas of the County to meet the needs identified in the Five Year Strategic Homeless Continuum of Care Plan.

Time Frame: 2000-2007

Responsible Party: Planning Department, Mental Health Housing Advisory Committee, County Housing Authority, Board of Supervisors, Human Resources Agency

Continue Programs that Assist "Special Needs" Households

Program Description: Continue to support the following programs:

- a) Seniors: Continue to support the provision of a Shared Housing Program for seniors and other households in Santa Cruz County. As long as funding remains available, provide financial support for the administration of a Shared Housing Program.
- b) Seniors: Continue the provision of information on "Home Equity Conversion," currently provided by the Santa Cruz County Housing Authority.
- c) Seniors: Continue to retain and maintain existing senior-only mobile home parks in the County and facilitate improvements to ensure retention of seniors only status, and encourage maintenance of existing mobile homes consistent with State and federal Laws.
- d) Disabled: Continue to allow accessibility improvements as eligible work items in the County-sponsored housing rehabilitation program.
- e) All Special Needs Households: Continue to seek all available sources of financing for affordable housing opportunities for the special needs households in the County.

Time Frame: 2000-2007

Responsible Party: Planning Department, Board of Supervisors

Inventory of Senior Housing Developments
(1994 Housing Element Program 39)

Program Description: Continue to maintain a current inventory of senior housing developments in the County with information on development location, eligibility requirements, affordability, type of units, level of services offered,

etc ... Use existing inventory developed by the Seniors Commission as initial base data.

Time Frame: 2000-2007

Responsible Party: Planning Department, Seniors Commission, Senior Network Housing Program, Long Term Care Committee, Board of Supervisors

Consumer Housing Information Service

(1994 Housing Element Program 40)

Program Description: Continue to support the development of a "Consumer Housing Information Service for Seniors" by the Area Agency on Aging

Time Frame: 2000-2007

Responsible Party: Area Agency on Aging, Seniors Commission, Senior Network Housing Program, Board of Supervisors

Inventory Existing Group Homes and Board and Care Facilities

Program Description: Inventory existing group homes, and board and care facilities. ~~and~~ Identify strategies to protect these facilities from conversion to other uses and to encourage the development of new facilities.

Time Frame: 2003

Responsible Party: Planning Department, Health Services Agency

Senior Housing Priority Sites

Program Description: Consider designating sites as "Senior Housing Priority Sites"

Time Frame: 2004-2005

Responsible Party: Planning Department, Board of Supervisors

Reduce Capital Improvement Fees for Second Units ~~for Larger Households~~

Program Description: ~~Revise~~ Consider revising the County Code and Unified Fee Schedule to impose Capital Improvement Fees equivalent to one bedroom for second units, regardless of the number of bedrooms proposed.

Time Frame: 2003-2004

Responsible Party: Planning Department, Board of Supervisors

Encourage Units Suitable for Large Households

(1994 Housing Element Program 41)

Program Description: Continue to monitor, in cooperation with non-profit housing providers, the type and size of new housing units approved for development. Encourage the development of larger-sized units (i.e. 3 or more bedrooms) in both single-family as well as multi-family developments.

Time Frame: 2000-2007

Responsible Party: Planning Department, Redevelopment Agency, Board of Supervisors

Reasonable Accommodation for Disabled Households

Program Description: Implement the Reasonable Accommodation Ordinance to provide increased access to existing housing for disabled persons. The Ordinance establishes a procedure (fee free) to consider requests for accommodations of building and zoning regulations, such as setbacks and lot coverage, to allow disabled persons to occupy existing residential structures without having to seek variances and other entitlements

Time Frame: 2002 - 2007

Responsible Party: Planning Department

Expand Access for Disabled Persons

Program Description: Expand access to housing for disabled persons by:

1. Consider implementation of a inclusive house design ("visitability") ordinance. (2002-2003)
2. Convene an annual meeting between the Housing Advisory Commission and the Commission on Disabilities to identify housing issues for future action by the Housing Advisory Commission and the Board of Supervisors. (2003-2007)
3. Coordinate with the Tri-County Apartment Association and local property managers to develop and maintain a central list of units suitable for tenants with mobility impairments.

Time Frame: 2002 - 2007

Responsible Party: Planning Department, Commission on Disabilities, Housing Advisory Commission

Mental Health Treatment Facilities

Program Description: Support and facilitate the programs of the Human Resources Agency and the Health Services Agency to provide additional crisis treatment facilities, transitional housing, social rehabilitation programs, permanent supportive housing beds, and RCFE beds for elderly with mental illness.

Time Frame: 2003-2007

Responsible Party: Human Resources Agency, Health Services Agency, County Administrative Office, Board of Supervisors

Santa Cruz County Disabled Census/Housing Needs Assessment

Proeram Description: Conduct a countwide Disabled Census/Housing Needs Assessment in cooperation with the cities, the disabled community and appropriate agencies to determine the housing needs for this group of residents.

Time Frame: 2004-05

Responsible Party: Board of Supervisors, Human Resources Agency, Health Services Agency, cities, commission on Disabilities, Mental Health Advisory Board

Development under State Employee Housing Act

Program Description: Study the potential for increasing agricultural housing under the State Employee Housing Act program through a pilot program.

Objective: Provide information regarding development of farmworker housing under the State Employee Housing Act. **(68 units)**

Time Frame: **2002-2007**

Responsible Party: Redevelopment Agency, Board of Supervisors

Farm Family and Farm Work Second Unit Program

Program Description: ~~Amend zoning~~ Maintain an ordinance to allow and promote second units on agriculturally zoned land. Second units permitted under this program shall be eligible for the same/similar incentives as other second units. A marketing and outreach program will be established to promote the development of second units for farm families and workers.

Objective: Increase the supply of decent affordable housing for farm families and farm workers in rural areas of the County. Encourage and facilitate development of ~~5~~ 2 farmworker second unit per year.

Time Frame: Adopted **4/9/02**, pending California Coastal Commission review;

Marketing and Outreach Strategy: by June **2004**.

Responsible Party: Planning Department, Housing Advisory Commission, Agricultural Policy Advisory Commission, Redevelopment Agency, CAO's Office, Board of Supervisors

Reconstruction of Existing Farm Worker Housing Units

Program Description: Continue to implement Ordinance No. **4388**, adopted in **1995**, which provides that existing farm worker housing be rehabilitated by demolition and subsequent on site relocation and reconstruction of structures that are larger than those demolished, so long as:

- (1) neither the number of dwelling units, nor the maximum number of allowed occupants is increased beyond the level legally established on the site (including by continuing nonconforming use); and
- (2) the dwelling units are enforcably restricted in compliance with the County's Affordable Housing Ordinance for the life of the unit to rental by very, very low income households to the maximum extent determined feasible by the Approving Body, and in no event exceeding very low income.

Objective: Increase availability of safe and sanitary housing units for farm worker households suitable for large families.

Time Frame: Ongoing

Responsible Party: Planning Department

Development of Williamson Act Lands for Farmworker Housing

Program Description: Amend the Zoning Ordinance to allow for creation of parcels for farmworker housing on Williamson Act parcels, pursuant to Section **51230.2** of the California Government Code.

Time Frame: **2004**

Responsible Party: Planning Department, Board of Supervisors

Funding for Farmworker Housing

Program Description: Consider allocating a portion of in-lieu fees and/or housing rehabilitation funds for farmworker housing

Time Frame: 2003-2007

Responsible Party: Redevelopment Agency, Housing Advisory Commission, Agricultural Policy Advisory Commission, Board of Supervisors

Study of Meeting Farmworker Housing Needs

Program Description: ~~Conduct a comprehensive study of the housing needs of farmworker households during 2002-2005. Based on the results of the study,~~ Implement the following land use and regulatory changes and aggressively pursue numerous housing programs and funding sources including but not limited to, the following:

- ~~(a) Priority processing for all farmworker housing developments, such as San Andreas Farm Labor Camp and Murphy's Crossing;~~
- (b) Identify _____ selected sites that are non-prime farmland parcels and allow the development of farmworker housing at increased densities (ie. 12 units per state law);
- (c) ~~Facilitate a management~~ Develop a program in conjunction with the Farm Bureau and non-profit housing providers whereby a non-profit would develop, manage and maintain the farmworker housing development on a long term basis on farm land
- (d) ~~Reuse of auxiliary facilities on existing sites~~
- (e) Specify designations of sites for farmworker housing on the General Plan, Local Coastal Plan and land use maps
- (f) Review and consider ~~further~~ revisions to the existing farmworker housing ordinance to clarify the regulations regarding agricultural housing
- (g) ~~Evaluation of the "Rural Village Cluster Housing" concept for farmworker housing~~
- (h) Pursue all available funds for farmworker housing, including State of California rural assistance funds, Farmers Home Administration funds, CDBG funding, private donations and funding sources such as noted in Appendix 1 of this Housing Element
- (i) Develop marketing and outreach campaign for growers, nonprofit housing developers, farmworker advocacy groups, and other relevant groups by June 2002.
- (j) In conjunction with the Housing Authority and other housing providers, assess the need for a second migrant farmworker center. If the need exists, seek funding, to construct such a facility.

Time Frame: 2004-2005

Funding: County

Responsible Party: Planning Department, Housing Advisory Commission, Board of Supervisors, Redevelopment Agency

City of Watsonville Measure U

Program Description: Support the City of Watsonville's implementation of Measure U

Objective: City-centered housing development

Timeframe: **2004** and on

Responsible Party: Board of Supervisors

Childcare Master Plan

Program Description: Support the local Childcare Planning Council's Five year Master Plan and consider incorporating incentives and revised standards to facilitate the development and continuing operation of family and Commercial childcare facilities.

Objective: Provision of family and commercial childcare facilities to meet the need of County residents.

Time Frame: **2004-2005**

Responsible Party: Planning Department, Board of Supervisors, Health Services Agency

Childcare Facilities in Multi-Family Developments

Program Description: Encourage the development of dwellings suitable for family childcare in all multifamily dwelling projects. Develop an ordinance to waive childcare developer fees and provide other incentives such as reduced traffic impact fees or increased Floor Area Ratio for projects that include at least **2** units designed for family childcare use. Consider incentives for a commercial childcare center to be included in a multi-family dwelling project of **25** units or more in accordance with County Code Chapter **15.02**.

Objective: Construction of units capable of being occupied by and operated as family childcare facilities.

Time Frame: **2004-2005**

Responsible Party: Planning Department, Board of Supervisors

Employer Assisted Affordable Housing Loan Programs

Program Description: Modify local affordable housing loan programs so that they can be utilized on small-scale in-fill employer-assisted housing projects without the need for lengthy County review processes.

Time Frame: **2003-2007**

Responsible Party: Redevelopment Agency

Goal **6**. Improve Energy Efficiency of Housing

Promoting energy efficiency in new and existing residences is both an environmental sustainability measure and also a method for keeping housing utility costs low for renters and homeowners alike.

Promote Energy Efficiency in New and Existing Residential Structures

Program Description: Energy conservation can be encouraged in existing development through weatherization and rehabilitation programs. Successful programs may include workshops, individual energy consultations provided free of charge, and weatherization and rehabilitation loan programs that provide low-interest financing for making improvements. In particular, these programs should target renter-occupied units.

Time Frame: 2002-2007

Responsible Party: Community Action Board, Pacific Gas & Electric

4.7.4 Public Financial Resources for Affordable Housing in Santa Cruz County

Financial resources for affordable housing are held by the County of Santa Cruz, the 4 cities, 3 redevelopment agencies, and the housing authority. Funding resources include the twenty percent redevelopment tax increment set-aside, local development fees, and other resources such as public housing authority reserves and general funds.

Twenty percent of the tax-increment in redevelopment areas must be set aside for affordable housing, according to state law. Two of the County's four cities and the County itself have active redevelopment areas.

The housing authority has an affordable housing resource in addition to their allocations of Section 8 vouchers and conventional public housing: their local reserve funds. The Local reserves may be used by a housing authority for housing purposes consistent with state and local law. However, much of these reserves is set aside to cover cash flow and administrative costs and pay for shortfalls in conventional public housing, as well as to develop new opportunities for affordable housing.

4.8 OPPORTUNITIES FOR ENERGY CONSERVATION

Government Code section 65583 (a)(7) An analysis of opportunities for energy conservation with respect to residential development.

4.8.1 ENERGY CONSERVATION IN RESIDENTIAL DEVELOPMENT

Home energy costs have become an increasingly significant factor in housing costs as energy costs have risen, particularly in the past year with the ongoing energy crisis, soaring energy costs and the threat of rolling blackouts in California. Rate increases have resulted from a combination of escalating demand, reduced oil production overseas, and skyrocketing wholesale costs in the West, which have been blamed in part on deregulation of California's power market. Recently announced price hikes are expected to cause monthly energy bills to increase by as much as 40 percent.

Energy Conservation in residential construction in California is regulated by the California Energy Commission through Title 24 of the California Administrative Code (State Building Code). State conservation standards for new Low-rise residential buildings and additions were revised in 1982 in response to rising energy costs to include new technologies in energy conservation and features that must be installed in new residential buildings.

State Title 24, enacted in the 1980s, permits builders of new residential units to achieve compliance either by calculating energy performance in a prescribed manner or by selecting from three sets of conservation measures. In developing the standards, the State Energy Commission was concerned that the requirements not add an excessive, additional cost to the price of each housing unit. Under the adopted standards, it was then estimated that the initial costs range from \$494 to \$5,816, depending on the methods used to comply. When compared to the 30-year life cycle costs of installing, financing and maintaining the conservation measures, net savings to homeowners will be between \$16,000 and \$28,000, according to the Energy Commission.

High utility costs affect all households but are particularly acute for low and fixed income households who do not have enough income to absorb cost increases. Many may be forced to choose between paying utility bills, buying groceries, and/or paying for medication and other health care costs. Compounding the problem is the fact that most low income households live in rental housing. Because tenants are usually responsible for paying for utilities, many landlords are not motivated to make large investments in retrofitting their buildings with energy saving measures and appliances. For example, according to PG&E, the cost of running a refrigerator can range from \$4 to as much as \$30 per month depending on the size and age of the unit. A new refrigerator could result in substantial energy savings for tenants but many landlords are reluctant to make this kind of investment.

Energy costs related to housing include not only the energy required for home heating, cooling and the operation of appliances, but the energy required for transportation to and from home.

4.8.2 OPPORTUNITIES TO CONSERVE ENERGY

All proposed residential units are checked by the County Building Inspection Division to insure that their design and construction complies with the Title 24 standards. Additions and alterations must also meet the Title 24 standards if they increase the heated or cooled floor space of a building. The standards apply only to the new part of the building.

In addition to building standards required by Title 24, the development application review process has the potential to contribute to energy conservation through site design and development plan review, when the following measures are included:

- Lot patterns that maximize proper solar orientation, particularly in subdivisions, where there is sufficient area for alternate designs. Many subdivisions and minor land divisions use private roads that are narrower than public ones, permitting greater flexibility in layout.
- Utilization of south facing glazing
- Use of natural light and ventilation
- Solar water heating
- Provision of wind breaks
- Shaded west walls
- Use of deciduous shade trees and drought tolerant plants
- Use of high efficiency mechanical systems and appliances
- Provision of shade trees
- Use of energy efficient building materials
- Use of better insulation
- Use of double glazed windows

Energy conservation can be encouraged in existing development through weatherization and rehabilitation programs. Successful programs could include County sponsored workshops, individual energy consultations provided free of charge, weatherization and rehabilitation loan programs that provide low interest financing for making improvements. The County Redevelopment Agency currently administers several such programs that provide loans, grants, and matching funds for rehabilitation and retrofitting. Several programs are available to make existing residences more energy efficient or to help lower-income residents afford the cost of energy-most of which are available through Pacific Gas and Electric or non-profit organizations. PG&E funds the CARE (California Alternate Rates for Energy) program that provides a 20% discount on

monthly energy bills for low income households and non-profit group Living facilities.

The County General Plan contains numerous policies that encourage infill development and discourage development that is beyond the edge of currently urbanized areas. These policies serve to encourage a development pattern that results in increased energy conservation.

Additionally, the County maintains ordinances for the use of wind and solar energy as alternative energy sources for development.

4.9 ASSESSMENT OF THE 1994 HOUSING ELEMENT

4.9.1 BACKGROUND INFORMATION:

State Housing Element Guidelines require that communities evaluate their previous Housing Element according to the following criteria:

- × Effectiveness of the Element
- × Progress in Implementation, and
- × Appropriateness of Goals, Objectives and Policies

The County's most recent Housing Element was revised and adopted in 1994. Despite many revisions, this Housing Element was never certified by the State Department of Housing and Community Development (HCD) as being in compliance with State Housing Element law. The review of the 1994 Housing Element detailed below reviews the original Housing Element approved by the Board of Supervisors and submitted to HCD as the 1994 Housing Element, not subsequent revisions which were also not certified by HCD.

4.9.2 EFFECTIVENESS OF THE 1994 HOUSING ELEMENT AND PROGRESS IN IMPLEMENTATION

The 1994 Housing Element identified four broad housing goals:

1. Housing Supply: to insure a decent home and suitable living environment for all County residents.
2. Housing Affordability: To protect and increase the supply of housing affordable by low and moderate income households.
3. Existing Housing Conditions: To maintain and improve the physical condition of existing housing.
4. Equal Housing Opportunity: To insure that all County residents have equal access to housing opportunities.

For each of these four goals, the 1994 Housing Element identified supporting policies, objectives and programs for the furtherance of housing development. This section summarizes the content of the 1994 Housing Element, and describes the effectiveness of programs promoted therein.

The review and evaluation of the 1994 Housing Element is organized according to each housing goal from the 1994 Housing Element and includes a discussion of policies, objectives and programs as appropriate for each housing goal. For ease of reference, housing programs are referenced in the numerical order in which they were listed in the 1994 Housing Element.

4.9.3 REVIEW OF EXISTING HOUSING PROGRAMS

The following identifies the objectives from the 1994 Housing Element, the implementation goals and how those goals were or were not met.

OBJECTIVE:

4.1 To facilitate and encourage the use of allocated and available permits through simplified and expedited permit processing procedures and technical assistance and support to the development community. Exempt units affordable to very low, lower and moderate income households from the permit allocation process in order to facilitate meeting new construction goals for affordable housing.

4.2 Ensure that an adequate amount of publicly and privately held land is designated in the General Plan and appropriately zoned to accommodate the County's housing goals for affordable units.

IMPLEMENTATION	CURRENT SCHEDULE/STATUS
1. Permit Allocation System: The County will revise its permit allocation system by exempting units affordable to very low, lower and moderate income households. The maximum number of units exempted will equal or exceed the new construction goal for very low, lower and moderate income households as identified by the County's housing goals.	County Code Chapter 12.02 was amended on 6/2/92 (Ordinance Number 4202) to exempt all housing for vaery low, low and moderate income households from the Residential Permit Allocation System.
2. Permit and Development Processing: Continue to implement the recommendations contained in the Western Productivity Group Inc.Report (1989) and the Zucker Systems Report (1990) and additional "reform" measures which can improve permit procedures. In particular, recommended program and procedural changes that will reduce permit processing time, eliminate confusion and provide a better level of customer service to all potential clients should be evaluated and implemented as quickly as possible.	1) October 6, 2000 Board of Supervisors letter 2) In March 1997 the Felton Permit Center was opened to serve the planning needs of north county. 3) In May 2001 the Aptos Permit Center was opened to serve the planning needs of south county. 4) Western Productivity Report, Zucker Report. In June 1993 the Planning Department presented a report to the Board of Supervisors that indicated that all recommendations of the Zucker and Western Productivity Reports had been or were being implemented.

<p>3. Inventory of Vacant and Underdeveloped Parcels/Rezoning: Maintain and improve upon the inventory of vacant and underdeveloped parcels in the County, both within the Urban Services Lines (USL) and in rural areas. Evaluate the appropriateness of rezoning existing residentially zoned land to higher density, especially sites that would be appropriate as "H" sites (higher density, affordable housing sites); investigate the potential for re-designating commercial, industrial or publicly owned land to residential; or, permitting residential uses in combination with commercial or industrial use.</p>	<p>1) Inventory has been maintained; and is used to develop the 2002 Housing Element. 2) Appropriate sites evaluated in 2002 for potential as higher density 3) Commercial/industrial parcels evaluated in 2002 with the Housing Advisory Commission 4) Mixed uses are allowed per ordinance with density and height bonuses.</p>
<p>4. Annual Report on Growth Goals and Building Activity: In its annual report to the Board of Supervisors on growth goals, the Planning Department shall also include information on: a) level of residential construction during past year and the Level of density to which parcels have been developed. In specific, the report shall summarize land divisions or subdivisions approved/constructed and a comparison of the maximum allowable density for those parcels and the density actually approved, and b) progress on achieving the new construction goals as identified in this Housing Element.</p>	<p>The annual Growth Goals Report, accepted by the Board of Supervisors, includes information regarding the following: a) A listing of the approved and pending Land divisions for the past year; and a projection of the number of building permits necessary to meet the demand from these developments. A comparison of allowed vs. provided density is not included. b) the progress towards achieving the new constructions goals identified in the Housing Element.</p>
<p>5. Density Bonus Program The County shall proceed with adoption and implementation of an ordinance which complies with State Density Bonus Law providing a 25% density bonus (plus the potential for additional incentives) to developers proposing 10% very low or 20% lower</p>	<p>Density Bonus Ordinance (County Code Section 13.10.391) adopted 12/13/94 (Ordinance Number 4346). Ordinance has been used by three projects: Two 100%affordable projects and one senior housing project.</p>

income or 50%qualifying senior projects.	
5.1 Accessory Dwelling Program Implement the County's new Accessory Dwelling Ordinance that was adopted in 1993 by the Board of Supervisors, entailing revisions to the County's former Second Affordable and Accessory Second Dwelling Ordinances. The ordinance revisions provide greater flexibility in the areas of accessory unit design, size and location, as well as in tenancy types and eligibility criteria. Consider eliminating the guest house ordinance in conjunction with implementation of the accessory dwelling program to facilitate the beneficial housing impacts anticipated. Prepare public information and program outreach materials, and monitor program activity.	<p>The Second Unit program allows second dwelling units to be constructed on residential and agricultural parcels in accordance with specific criteria.</p> <p>The Board of Supervisors took action on August 4, 1998 [Ordinance No. 4496-C] to: Increase the maximum size; decrease level of review from level 5 (public hearing) to level 4 (administrative review with public noticing); decrease permit costs; changed occupancy to allow family members; guest houses were eliminated; outreach program/brochures created; and required ongoing program monitoring; an amendment to allow 2nd units on agricultural land [adopted April 9, 2002] is pending California Coastal Commission approval.</p> <p>Second Unit Program public information is on the Planning Department website and is available in Planning Department brochures.</p>
6. Land Use Consistency Review General Plan land use designation and zoning designations on land parcels to ensure that the two designations are consistent	<p>1) Urban designations and zoning reviewed and ensured consistency as of 5/24/94</p> <p>2) Rural zoning amendments completed in 1998 and 2002 (Highway 9 consistency study performed in 2002)</p>
7. Residential Fee Structure Review existing residential unit and accessory dwelling fee structure; evaluate appropriateness of current fee structure and simplify where necessary	Ordinance Number 4457 reduced the level of review for second units from a public hearing to administrative review. The permit application costs were reduced from \$1400 to \$700 for this review.
8. Residential/Commercial Mixed Use Through the General Plan Update and town plans, evaluate the potential of additional housing provided on upper floor areas in	Mixed uses allowed in several commercial zone districts; parking and fee reduction are available on a project basis. Additional height allowed for 2 stories of affordable residences.

<p>commercial areas. Where elements of convenience, commercial property, security and compatible environments warrant, consider the possibility of encouraging mixed use developments. In addition, evaluate appropriate incentives (such as reduced parking requirements) as well as zoning incentives to encourage "work/live" spaces in such areas.</p>	<p>The Redevelopment Agency Board of Directors approved a second unit financing program with a total allocation of \$150,000. The Redevelopment Agency administers a second unit fee write down program which provides loans up to \$15,000 in Redevelopment Agency financing to second unit developers for the purpose of reimbursing the costs of discretionary, capital improvement, and building permit fees in exchange for an agreement to limit the rent and occupancy of the unit to low income households.</p>
<p>9. Allowance of Residential Uses in Commercial Zones Through the General Plan Update and town plans, consider allowing higher density residential development, secondary to the commercial use, in appropriate commercially-zoned areas.</p>	<p>Mixed uses allowed in several Commercial zone districts; parking and fee reduction are available on a project basis. <u>Program resulted in limited number of new projects due to slow-down in Commercial property development and funding availability for these types of uses. Further incentives should be developed.</u></p> <p>See #8, above.</p>
<p>10. Clarification of Land Use Regulations As directed by the Board, revised Land Use and Zoning regulations of the County Code (Volume 2) with the goal of clarifying and simplifying regulations for use by the Public and the development community</p>	<p>Major amendments were deferred due to budgetary constraints, however, numerous administrative changes were made that attempted to streamline the review process, including opening two satellite Planning offices, accepting wilding plans online, improving the over-the-counter permit process, etc.</p>
<p>10.1 Construction - Unit Program As approved by the Board of Supervisors, allow building and/or development permits to be issued to structures lacking permits built on or before October 19, 1993, if they meet applicable building and development regulations currently in effect; or those in effect at the time</p>	<p>In the mid- 1990s, the Construction Legalization Program was implemented. This program allowed units constructed without permits to be legalized and permitted if they met certain zoning and building criteria. Approximately 80 units were legalized through this program. The program was completed in 1996.</p>

of construction, if health and safety hazards are not created; or subject to Planning Director approval.	The Board of Supervisors is considering the implementation of a similar amnesty program for second units in 2002.
10.2 Fair Share Housing Work with the City of Watsonville to consider possible allocation of County Fair Share Housing Goals to Watsonville in conjunction with County support for City annexations to meet Pajaro Valley housing needs.	No shared allocation arrangement has been agreed upon by the County and the City of Watsonville. However, the County and the City have reached agreement on two major issues: 1) The timing of the Freedom Annexation was delayed to allow for the completion of 2 County RDA funded projects (Vista Verde and Pajaro Lane) - projects that would not have been built without such funding. 2) The County Board of Supervisors adopted a Resolution in support of the City's Urban Growth Initiative - a grassroots developed plan for ordered growth in the Pajaro Valley.

OBJECTIVE

4.4 Preserve the existing housing inventory of 1,329 housing units through the following actions:

- a) monitor the status of the renewal of Section 8 contracts for both Villa San Carlos and Pajaro Vista,
- b) preserve the existing affordable housing stock by maintaining a comprehensive and updated information data base on the units included under the inclusionary housing (Measure J) program and other units considered to be "affordable." Information to be maintained includes household income levels, household type, rent levels, sales prices, affordability restrictions, household tenure, etc., and
- c) continue to utilize the Foreclosure Fund for Affordable Units to assist threatened affordable units.

4.5 Conserve the County's existing stock of 3,480 mobile homes by continuing to enforce County ordinances that protect mobile home parks from conversion and provide rent stabilization agreements.

4.6 Preserve the County's existing stock of rental units and assist in the production of new rental units, as they provide affordable housing opportunities.

IMPLEMENTATION	CURRENT SCHEDULE/STATUS
11. Support the development of new	a) See Program #1.

affordable housing opportunities for very low, lower and moderate income households by:

- a) Exempting affordable units from the Permit Allocation System (See Program #1)
- b) Continuing the Inclusionary Housing program (Measure J) and revising the Affordable Housing Ordinance (Chapter 17.1) as necessary: to simplify the program; and, to create incentives for developers to participate in the program such as financial incentives or technical assistance (i.e. special permit handling, priority processing) incentives,
- c) Passage of a Density Bonus Ordinance which provides incentives to developers proposing 10%very low or 20%lower income or 50%qualifying senior projects,
- d) Increasing coordination with the Redevelopment Agency in providing incentives to developers, and
- e) Seeking the \$398-643 million dollars in funding necessary to subsidize the production of the estimated 4,675- 7,672 affordable housing units.

b) Inclusionary housing program continues. County Code Chapter 17.10 has been revised to provide a wider range of options for developers to meet the affordable housing requirements, including in lieu fees, existing unit conversions, non-profit partnerships, and of course, affordable unit construction. Incentives include priority processing for projects with 25%affordable units, fee waivers (park dedication fees) for affordable ownership units; and density bonus provisions (see below).

c) A Density Bonus Ordinance (Section 13.10.390 et seq.) meeting state law was adopted on 12/13/94 (Ordinance No. 4346).

d) The Redevelopment Agency is involved in the review of all discretionary use permits originating in the Redevelopment Project Area. The Redevelopment Agency continues to work with non profit housing developers on affordable housing both inside and outside the Project Area. The Redevelopment Agency acts as a broker for and lender to non-profit housing developers and Redevelopment Agency financing leverages funds for multifamily and other types of affordable housing projects. As a result, during the past decade, the Redevelopment Agency has provided funding for development of numerous projects which have yielded 474 new affordable housing opportunities.

e) The Redevelopment Agency, in conjunction with a number of non-profit housing providers, has obtained funding for the

	development of a number of projects, including The Farm, San Andreas, Murphy's Crossing, Pajaro Lane, Vista Verde, and Loma Linda.
<p>12. Mobile Home Park Preservation and Affordability</p> <p>Continue to implement County Code Chapter 13.13, as may be amended from time to time, which provides guidelines for the mobile home rent stabilization program. In addition, continue to implement County Code Chapter 13.30 which restricts mobile home park owners from converting parks to other uses. Consider creating a special land use category for mobile homes and designating existing parks as "Mobile Home Parks" on General Plan Land Use Map. Maintain the Mobile Home Co-op Conversion Program managed by the Redevelopment Agency.</p>	<p>County Code Chapter 13.32 regulates Rental Adjustment Procedures for Mobile Home Parks. (The prior Housing Element erroneously identified Chapter 13.13 as the pertinent code section.)</p> <p>County Code Chapter 13.30 has been maintained and implemented.</p> <p>Mobilehome Park Combining District created 5/23/95 (Ordinance Number 4370) to designate and protect existing Mobile Home Parks.</p>
<p>13. Condominium Conversion and Demolition/Replacement Housing</p> <p>Continue to implement the Condominium Conversion Ordinance (County Code Chapter 14.02) to protect the rental housing stock. Continue to implement the Demolition and Replacement Ordinance (County Code Chapter 12.06) which requires replacement of affordable housing units that are demolished or converted to non-residential use and located in projects of 3 or more units.</p>	<p>County Code Chapter 14.02 (Condominium Conversion Regulations) and 12.06 (Demolition of Habitable Residential Structures Suitable for Relocation) have been maintained and implemented.</p>
<p>14. Coordination with Other Public and Private Organizations</p> <p>Continue to work with the Housing Authority, non-profit housing developers and for profit developers on developing affordable housing opportunities. Maintain adequate data bank on housing stock characteristics and make available to interested parties who may need it for funding applications and program descriptions.</p>	<p>The Redevelopment Agency has worked with local non-profit housing development corporations, non-profit social service agencies, the Housing Authority, local farmers, institutional employers, the County's Human Resources and Health Services Agencies, as well as many private sector entities to develop affordable housing opportunities.</p>

<p>15. Foreclosure Fund Continue to maintain a revolving fund to assist inclusionary (Measure J) units or any other eligible affordable units in threat of foreclosure proceedings. The funds are used to maintain the affordability of the unit to a lower or moderate income household and to preserve the unit as part of the County's affordable housing stock.</p>	<p>The Fund was established to assist owners of permanently affordable housing units created as a result of County housing programs, such as the inclusionary housing (Measure J) and the First Time Homebuyer Programs. Owners facing imminent foreclosure on their mortgage may receive temporary financing to cure the default and prevent foreclosure. The purpose of this Fund is to retain the affordability of the unit.</p>
<p>15.1 Interest on Tenants Security Deposits Continue to require that tenants security deposits earn interest that is payable to the tenant on an annual basis or at the time tenancy ceases. Interest rates will be evaluated to ensure that they reflect general market conditions.</p>	<p>County Code Chapter 8.42 requires interest to be paid on all residential rental deposits, based on an annually established percentage.</p>
<p>16. Affordable Housing Outreach Designate the "Affordable Housing Outreach" program as a high priority work task for the 1991-1996 program years. As part of that program, include the following items for staff to complete:</p> <ul style="list-style-type: none"> a) Aggressively inform the public and the development community about the availability of permits for affordable housing units. b) Continue to work towards improving the public's perception of the Planning Department's attitude about housing, especially affordable housing. Nurture and approach to housing development, with staff that are enthusiastic and helpful to developers who wish to provide affordable housing. Fast tracking of applications, c) Use consistent language in reporting information on affordable housing. Affordable 	<ul style="list-style-type: none"> a) A listing of available affordable units is published weekly and distributed. b) Staff participated in monthly evening seminars sponsored by a local real estate firm to inform prospective home purchasers of the available housing options in the County. c) The database created to meet d) (below) has consistent language describing and cataloging affordable housing. 3) A database has been developed with required information. e) Staff is monitoring the location of new affordable housing to date. Distribution has been fairly uniform across the urban area. f) Brochures have been prepared for public use which describe the various housing programs run or supported by the County. The Planning Department website has links to these documents.

<p>housing includes the inclusionary (Measure J) program as well as other units developed with government assistance, whose affordability is restricted for a period of time.</p> <p>d) Provide improved household and unit data for the County's affordable housing units, including the inclusionary units as well as other affordable units built by non-profit and for-profit developers. Organize the data as appropriate for the needs of the Planning Department, Redevelopment Agency and the Housing Authority. At a minimum, include:</p> <ul style="list-style-type: none">• # of total housing units developed• # of total affordable units developed (including inclusionary units)• # of Inclusionary (Measure J) units developed• # of affordable units according to household income categories; that is, a breakdown of units according to whether they are affordable by very low, lower or moderate income households• # of affordable units by income category (see above) and household tenure (owner and renter)• type and length of affordability restrictions and monitoring requirements <p>Report the information above on an annual basis in the staff report prepared for the establishment of growth rates and permit allocations.</p> <p>e) In conjunction with e) [sic] above, monitor the location of affordable units in the County. Develop and</p>	
--	--

<p>implement a policy which encourages the proportional distribution of affordable housing units in the County, based on the existing supply of affordable housing, the development potential of the area, and the access to employment opportunities.</p> <p>f) Prepare a brochure outlining requirements and Procedures for affordable housing.</p>	
<p>17. "Second Unit" Program Implement the newly adopted Accessory Dwelling Ordinance so that more property owners are encouraged to provide second units. Create incentives (either financial or technical assistance with permit processings) to encourage property owners to provide more affordable units and develop public information/outreach program to correct public misperceptions and encourage program participation.</p>	<p>Ordinance implemented and amended to decrease level of review and costs, increase allowed unit size, and broaden allowed occupancy. A fee subsidy is available to offset the permit costs for second units with affordable restrictions.</p> <p>A brochure is available both at the Planning Department and online.</p>
<p>18. Leverage Additional Affordable Housing Funds Aggressively explore the variety of potential financial assistance programs from both the public and the private sector to provide more affordable housing units.</p>	<p>During the past decade, every dollar contributed by the Redevelopment Agency has resulted in leveraging 4 dollars of federal and State funds. Since 1988, the Redevelopment Agency spent about \$18.9 million of its fund which leveraged more than \$83 million in federal and State funding.</p>
<p>19. Innovative and Cost Effective Building Technology Encourage the production of more affordable units through modern building technology, such as manufactured housing. Such housing would need to demonstrate that it meets building code, design criteria and neighborhood compatibility standards. Evaluate the possibility of adopting a policy encouraging developers of affordable housing to consider the use of</p>	<p>Manufactured housing is allowed in the residential zone district. A policy encouraging the use of manufactured housing as affordable housing has not been implemented. However, due to construction and costs in this area, manufactured housing is a cost effective option.</p>

manufactured housing in their developments.	
20. Coordination with New Community Housing Program Initiatives Support the work of the Greater Santa Cruz County Community Foundation in their objective to develop a public-private initiative to address housing issues. The Foundation has been awarded a \$500,000 grant to administer a 5 year program designed to bring together public and private leaders in the community to identify housing problems and solutions. Encourage the Foundation to develop programs that will provide for greater affordable housing opportunities in the County.	Santa Cruz County staff participated in the Santa Cruz Community Foundation's housing workshops and pilot projects. <u>Resulted in Action Pajaro Valley.</u>
21. Housing Trust Fund Investigate the feasibility of developing a Housing Trust Fund to provide an additional source of financing for housing that is locally-controlled and managed. Housing Trust Funds have been established in other communities to provide additional sources of funding and program support for affordable housing. Examples of funding resources that other communities have used to establish Housing Trust Funds include real estate property transfer taxes, hotel and motel taxes, private and public donations and General Fund transfers.	Numerous entities in the community are exploring the potential for creating a housing trust fund. County staff has participated in those discussions.
22. Preservation of Affordable Units, Including Government Assisted Housing Developments Preserve the affordable housing units in the County's housing stock (1,329 units as of December, 1990). A significant portion of those 1,329 units are the 698 affordable housing units that have been assisted with HUD financed mortgages and/or Section 8 assistance. Two of the HUD- assisted developments, Pajaro Vista and Villa San Carlos, are scheduled to have their Section 8 rental subsidies	These units have been maintained in their affordable status. However, the threat of loss of these units to market rate is continuing. The status of the renewal contracts are monitored and contingency plans are in place to address the potential non-renewal of contracts.

renewed during the time frame of this Housing Element. Monitor the status of those renewal contracts and develop contingency plans as needed if contracts are not renewed.	
23. New Assistance Programs: Relocation and Rental Deposit Funds Develop programs to 1) assist residents who may need relocation assistance because of public and private actions and, 2) assist lower income residents in securing housing entry costs (rental deposit and security costs). As part of the relocation program, develop policies to minimize relocation as much as possible. If relocation is necessary, design appropriate policies and funding resources to assist with both temporary and permanent relocation.	1) Relocation Assistance for Displaced Tenants, County Code Chapter 8.45 identifies the assistance requirements for displaced tenants. 2) A program is in place to assist tenants with funds for security deposits through the Redevelopment Agency.
24. Co-Housing Opportunities Evaluated the feasibility of developing a Co-Housing Ordinance. Work with local groups and individuals interested in promoting co-housing opportunities.	No interest from local groups, individuals or developers was found.

OBJECTIVE

4.7 Encourage the continued rehabilitation and maintenance of the County's existing housing stock. The objective for 1991-96 will be to assist 75-100 units per year (or 375-500 units over the five year period) with publicly assisted rehabilitation and to encourage the private rehabilitation and maintenance of units.

25. Housing Rehabilitation Program Continue to administer the housing rehabilitation program and provide financial and technical assistance to property owners to rehabilitate their housing units. Expand the rehabilitation program to include more funding resources and to ensure adequate assistance for all types of rehabilitation needs, including rental rehabilitation, rehabilitation of owner occupied units and rehabilitation of mobile homes. Seek State CDBG funds	The Redevelopment Agency has continued to administer the Housing Rehabilitation Program which is directed primarily toward mobile home rehabilitation. Unfortunately, due to the County's inability to get Housing Element certification, the County has been unable to expand this program through the State's CDBG funding.
---	---

during 1991-96 period to both extend and broaden the County's existing rehabilitation program	
<p>26. Housing Rehabilitation Funding Sources</p> <p>To support Program #25, aggressively pursue all sources of funding for rehabilitation of housing units. The State Community Development Block Grant (CDBG) program has provided funds for the County's rehabilitation program in the past and the County will continue to request CDBG funds from the State for the continuation for the rehabilitation program. Other potential resources include the federal housing programs such as Section 312, the Rental Rehabilitation Program, the HOME program, and state housing programs such as California Housing Rehabilitation Program (CHRP) for both owner occupied and renter occupied housing.</p>	<p>During the past decade, the County, through the Redevelopment Agency, has been successful in attracting other rehabilitation funds for projects including apartment acquisition and rehabilitation, as well as mobile home acquisition and rehabilitation.</p>
<p>27. Maintenance of Existing Units</p> <p>Continue administration of the "Civil Penalties" program which establishes civil penalties for illegal construction or conversion of residential structures. This program establishes substantial penalties for construction or conversion of structures which require a building or development permit. Continue to enforce Title 24 requirements for residential building activities.</p>	<p>This program continues to be implemented.</p>
<p>28. Jurisdictional Coordination of Housing Rehabilitation Activities</p> <p>Evaluate the possibility of cooperating with other local jurisdictions in the County that are operating housing rehabilitation programs to see if there could be some cost-savings regarding staffing levels or program administration.</p>	<p>Each local jurisdiction focuses its program in unique ways and it has been difficult to coordinate them.</p>
29. Updated Housing Condition Survey	Due to budgetary constraints and

Data Maintain a current housing condition survey of housing units in the County. Update as needed and include revised number of units in need of rehabilitation and replacement in amendments to the Housing Element on a regular basis throughout the 1991-96 time frame.	staffing shortages, this survey has not been performed. The last housing condition survey was completed between 1985-1990. That survey was a block by block housing condition windshield survey of Freedom and Davenport for a CDBG grant application.
30. Program for Unpermitted Units Implement the Construction Legalization Program, geared toward legalization of unpermitted residential additions and/or structures. The purpose of this program is to correct health and safety deficiencies and to provide rehabilitated decent, safe and sanitary housing units, where appropriate. It is recognized that this type of program will involve a significant level of staff and funding resources and will also involve extensive public outreach and education.	In the mid- 1990s, the Construction Legalization Program was implemented which allowed property owners to legalize units constructed illegally if they met certain requirements. Approximately 80 permits were issued through this program. The program was completed in 1996.
31. Encourage the rehabilitation of seasonal and motel units located outside the coastal zone to permanent residential housing units through the County's housing rehabilitation program and the Redevelopment Agency's housing programs.	The Santa Cruz County Board of Supervisors adopted a Recreational Vehicle Park Conversion Ordinance which provided that certain recreational vehicle parks containing seasonal and dilapidated residential units can be rehabilitated and converted into full time occupancy. (County Code Sections 13.10.456 to 13.10.458, Ordinance Number 4370) Additionally, the Board of Supervisors has expressed continued support of the Redevelopment Agency's efforts to develop seasonal farm worker housing under the provisions of the State Employee Housing Act.
31.1 Mobile Home Parks Consider establishing a Mobile Home Park combining zone district to recognize this housing type as having an important role in meeting the	Mobilehome Park Combining District created 5/23/95 (County Code Sections 13.10.456 to 13.10.458, Ordinance Number 4370) to designate and protect existing Mobile Home

affordability needs of the community. Include site and use standards for parks with minimum age requirements (Senior Parks) as appropriate as required by State and Federal Fair Housing law.	Parks.
---	--------

OBJECTIVE

4.8 Continue to ensure that all households have equal access to housing opportunities and strive to address the housing needs of those households identified as "special need" households in the Housing Element. In addition to the programs listed below, support the recommendations for households with special needs as listed in Section 4.2 of this document.

<p>32. Continue Programs that Assist "Special Need" Households Continue to support the following programs:</p> <ul style="list-style-type: none"> a) Seniors: Continue to support the provision of a Shared Housing Program for seniors and other households in Santa Cruz County. As long as funding remains available, provide financial support for the administration of a Shared Housing Program b) Seniors: Continue the provision of information on "Home Equity Conversion," currently provided by the Santa Cruz County Housing Authority. c) Seniors: Continue to retain and maintain existing senior-only mobile home parks in the County and to encourage maintenance of existing mobile homes. d) Disabled: Continue to allow accessibility improvements as eligible work items in the County-sponsored housing rehabilitation program. e) All Special Need Households: Continue to seek all available 	<ul style="list-style-type: none"> a) The Redevelopment Agency has continued to contract with Senior Network Services to provide house sharing services. b) The Housing Authority of Santa Cruz County continues to provide information in response to inquiries on the "Equity Conversion Program." c) Santa Cruz County continues to retain mobile home rent control as a key aspect of retaining affordability in mobile home parks and provides a mobile home rehabilitation program targeted to fixed income households. Existing senior only mobilehome parks continue to exist and be maintained. d) The Redevelopment Agency continues to allow and ensure accessibility improvements as part of the Redevelopment Agency's rehabilitation program. Additionally, the Reasonable Accommodation Ordinance was approved by the Board of Supervisors April 9, 2002. e) <u>The County and the Redevelopment Agency continued to seek funds to address the needs of all special need households. Unfortunately, many of the funds were unavailable due to the status of the County's Housing Element. Funds have been leveraged</u>
--	---

sources of financing for affordable housing opportunities for the special need households in the County. Examples of the types of sources to be examined include federal program; such as the Section 8 (Existing) rental subsidy programs, Section 202 housing financing, State of California housing assistance programs, and private financing resources.	<u>through various non-profit organizations to construct housing for disabled (Linda Vista), farmworkers (San Andreas, Murphy's Crossing, etc) and other low income households (The Farm, McIntosh MHP, etc).</u>
33. Fair Housing information Continue to fund the dissemination of Fair housing and anti-discrimination information to County households. In addition, support the continuation of services provided by the County's Office of Consumer Affairs to provide tenant/landlord information.	1) The Planning Department website contains "links" to Federal and state housing discrimination Hotlines. 2) The County's Housing Information section (under the Planning Department website) lists a number of housing resources in all jurisdictions in the County, including the County's Office of Consumer Affairs Tenant/Landlord Information Line.
34. Security Deposit Interest Ordinance Continue to implement the Security Deposit Interest Ordinance which stipulates that interest earned on security deposits for residential rental units be repaid to the tenants.	Tenant's Interest on Security Deposit for Residential Rental Property, County Code Chapter 8.42, continues to be implemented.
35. Study of Farmworker Housing Needs Conduct a comprehensive study of the housing needs of farmworker households during 1992-93. Based on the results of the study, aggressively pursue numerous housing programs and funding sources including, but not limited to, the following: a) priority processing for farmworker housing developments, b) allowance for increased density on selected sites that are non-prime farmland parcels,	The Redevelopment Agency helped fund a study of farm worker housing and health needs. In addition, the County has revised regulations to facilitate: a) Reconstruction or rehabilitation of farmworker housing, b) Development of farmworker housing under the provisions of the State Employee Housing Act, and c) Development of new housing designed for farmworkers such as Jardines Del Valle (17 units), San Andreas Farm Labor Camp (42 units), and Villas Del Paradiso (50 units).

<p>c) reuse of auxiliary facilities on existing sites,</p> <p>d) specific designation of sites for farmworker housing on the General Plan, Local Coastal Plan and land use maps,</p> <p>e) evaluation of the "Rural Village Cluster Housing" concept for farmworker housing,</p> <p>f) review and consider further revisions to the existing farmworker housing ordinance, and</p> <p>g) pursuit of all available funds for farmworker housing, including State of California rural assistance funds, Farmers Home Administration funds, CDBG funding, private donations and funding sources such as noted in Appendix #1 of this Housing Element</p>	<p><u>The County funded the "Santa Cruz County Farmworker Housing Needs Assessment Study (1995) to gain better data on local housing needs. Santa Cruz County and Monterey County jointly funded the "Farmworker Housing, and Health Assessment Study" (2001); Farmworker housing, needs studies helped decision makers understand more specifically the interdependence between the continued economic vitality of agriculture and the need to house farmworkers. This deeper understanding resulted in the Board of Supervisors approval and subsequent development of the Jardines, and San Andreas projects aimed at and built specifically for farmworker families as well as approval of the Recreational Vehicle park Conversion Ordinance which provided new farmworker housing in old seasonal trailer Darks.</u></p> <p><u>In some of the County's affordable housing projects such as Paiaro Lane and Marmos a number units have been set aside specifically for farmworker families.</u></p> <p><u>In addition, the Board also directed staff of the Redevelopment Agency to:</u></p> <p><u>Explore the feasibility of rehabilitating existing farmworker units for active agricultural operations along North Coast.</u></p> <p><u>Structure an alternative approach to Employee Housing Act that provides certain incentives for farmers who allow their land to be leased for the purpose of development of migrant employee housing program;</u></p>
---	--

	<p>Seek out funds in conjunction w/ non-profits for farmworker projects which was accomplished with the Marmos project which received a total of \$2.35 million in RCAC and HCD Joe Serna Farmworker Housing Grant monies.</p>
36. CDBG Funding for improvements to Buena Vista Farmworker Housing Implement the 1991-92 CDBG application for improvements for wastewater facility at the Buena Vista farmworker housing development.	The improvements to the wastewater facility at the Buena Vista farmworker housing development have been implemented.
37. Congregate Living Units Monitor the number of new congregate living units developed in the County. Implement the requirement that 35% of the Congregate Care units be affordable as specified by the Board of Supervisors and implement the other Board-adopted findings resulting from the Congregate Care study. If no projects are developed by January 1995, the 35% affordability requirement and the development standards should be reviewed.	The number of new congregate living units has been monitored. The requirement that 35% of the Congregate Care units be affordable as specified by the Board of Supervisors and the other Board-adopted findings resulting from the Congregate Care study have been implemented.
38. Senior Housing Sites As part of the General Plan Update process, consider designating senior housing sites at locations appropriate for senior housing. Include the possibility of designating high density residential sites which would be appropriate for senior housing developments.	Designation of senior housing sites has not occurred.
39. Inventory of Senior Housing Developments Maintain a current inventory of senior housing developments in the County with information on development location, eligibility requirements, affordability, type of units, level of services offered, etc... Use existing inventory developed by the Seniors Commission as initial base data.	Senior Network Services, in conjunction with the County, maintains an inventory of senior housing developments and resources.

40. Consumer Housing Information Service Support the development of a "Consumer Housing Information Service for Seniors" by the Area Agency on Aging.	A Housing Information Service has been implemented and is run by Senior Network Services, which is partly funded by the Area Agency on Agency, to provide assistance to seniors seeking housing and referrals.
41. Encourage Units Suitable for Large Households Monitor the type and size of new housing units approved for development. Encourage the development of larger-sized units (i.e. 3 or more bedrooms) in both single family as well as multi-family developments.	Unit sizes are monitored as a part of the review of all housing developments. The Board of Supervisors is considering ordinance amendments to tie household size to the number of bedrooms in new affordable unit allocations.
42. Child Discrimination Ordinance Review existing County regulations regarding child discrimination and investigate feasibility of establishing occupancy standards for rental units. The intent of both of these actions would be to discourage discrimination in housing for families with children.	Prohibition of Discrimination in Rental Housing Against Families with Children and other Age Discrimination Housing, County Code Chapter 8.40, prohibits discrimination against families with children.
43. Residential Developments with Child Care Facilities Develop and implement requirements for providing on-site child care facilities in large-scale residential developments.	Two projects (The Farm and Vista Verde) incorporated childcare facilities into the project.
44. Support Goals for Disabled Households Support the development of additional housing opportunities for disabled households. Encourage the attainment of the housing goals as identified in the 1990 "Mental Health Housing Plan;" especially, the development of a Residential Care Facility, studio or single room occupancy apartments, dual diagnosis transitional housing, transitional residential treatment programs with 24 hour support.	Two projects (Stepping Out and <u>Casa Linda Vista</u> ; 39 total units) have been built at high densities for low income psychiatrically disabled persons.
45. Inventory of Accessible Units for Physically Disabled Households	This was not completed.

<p>Develop an inventory of residential units that are accessible by physically disabled households. Include information on unit location, affordability, size of units and other pertinent data.</p>	
<p>46. Transitional Housing Facilities and Emergency Housing Site Development Support the development of transitional housing facilities in north or mid county. Identify sites suitable for emergency or transitional housing in the unincorporated areas.</p>	<p>The Redevelopment Agency has funded housing and programs which support transitional housing. These include: Housing on Redevelopment Agency owned property on Chanticleer Street (4 bedrooms), and 6 units of transitional housing on Brommer Street run by Families in Transition. The Redevelopment Agency also has a contract with Families in Transition to provide rental assistance to families who are moving from transitional housing into permanent housing.</p>
<p>47. Revised Development Standards and Zoning Classifications for Special Need Households Revise zoning and development standards to reflect the special housing needs of the homeless, disabled and those that rely on SRO (Single Room Occupancy) accommodations. For example, parking requirements should be reviewed and reduced as appropriate. Revise zoning definitions and residential unit definitions to reflect single person household requirements.</p>	<p>This program has not been implemented in the past planning period.</p>
<p>48. Rehabilitation Assistance For Special Need Households Provide rehabilitation funds at low or no interest rates to rehabilitation projects that provide housing for the homeless, farmworkers, psychiatrically disabled and physically disabled persons.</p>	<p>Recreational Vehicle Conversion ordinance was adopted by the Board of Supervisors in 2001. This ordinance permits the conversion of existing permitted recreational vehicle parks to very low and low income permanent housing. The Redevelopment Agency has participated in 3 projects which utilized this program. These include: 1. <u>Murphy's Crossing Farm Labor Camp/Jardines Del Valle,</u></p>

	<p><u>property acquisition, extensive demolition and rehabilitation of 18 rental apartments for farmworkers;</u></p> <p>2, <u>Above the Line/Freedom Blvd. Cottages, site acquisition and rehabilitation of 7 cottages, one residential care building and one administrative building for the operation of the Above the Line youth residential care program;</u></p> <p>3. <u>Willowbrook Residential Care Home, acquisition and renovation of a 40 bed residential care facility.</u></p>
<p>49. Coordination of Funds for Special Need Households and/or Very Low and Low income Households The Planning Department shall coordinate with the Redevelopment Agency of the County to leverage the use of funds from both agencies, whenever feasible. Future Community Development Block Grant (CDBG) applications shall contain this joint use of funds program element to illustrate: (1) the County's coordinated housing program; (2) the amount of "local match" to be provided by the County, and (3) the County's resolve to financially assist existing affordable housing programs.</p>	<p>in the past decade, permanently affordable units have been provided through coordination of various funding sources.</p>

The County projected that programs outlined in the Table 6.3 of the 1994 Housing Element would result in the production of 28,973 new units over the 1991-1996 planning period. The prescribed affordability mix anticipated 9,559 units for very low/low income, and 10,586 units for moderate income. Above moderate income housing construction for the planning period naturally exceeded the AMBAG housing needs determination. This quantified objective was roughly 241 percent of the units called for to meet the County's regional fair share of housing. AMBAG's housing needs determination called for a total of 11,983 units. Of that number, the determination indicated that 3,430 units for very low, 2,077 units for low, and 2,165 units *for* moderate income households should be provided.

Since the date of the last Housing Element in 1994 to 2000, 1221 housing units were permitted in the unincorporated areas of the County. This number includes 84 second units (rentals for low income households or moderate income seniors) and 96 Measure J units for sale to moderate income households that carry affordability restrictions.

New housing production did not meet the quantified objectives for very low, low and moderate income housing of the 1994 Housing Element for a variety of reasons. These included the following:

- Annexation of 120 acres into the City of Watsonville, which removed a population of 2022 people.
- The lack of sufficient available funding for affordable housing production.
- A national economic recession, which depressed job growth and new residential construction. New production of housing declined by 36 percent between 1989 and 1990. Production began to increase again in 1994, but it had hit a 10 year low in 1993 when net growth of only 109 units occurred. Production has never recovered to 1989 levels.
- Dramatic job and population growth throughout the Bay Area during the 1990's resulted in escalating housing demand from households that generally were both willing and able to pay higher prices. Accordingly, new construction was largely targeted to the higher end of the market, with the effect that most "market rate" units were affordable only to above moderate income buyers.
- The quantified objectives mandated by the State and AMBAG were totally unrealistic given the County's growth patterns, applications for development and infrastructure constraints.

4.9.4 AFFORDABLE HOUSING PRODUCTION SUMMARY

Since 1994, the County's affordable housing programs have resulted in the construction or acquisition of 227 permanent affordable housing units 146 second units.

REDEVELOPMENT AGENCY TAX INCREMENT REVENUE PROJECTIONS

The County's Redevelopment Agency has been a critical element in the successes of the County's affordable housing production efforts. Not only has the Agency contributed over \$20 million since 1988, but these funds have leveraged over \$85 million of private, federal and state funds. As a result, almost 1,000 new long-term affordable housing opportunities have been created.

As a result of the Agency's decision in 2002 to increase its housing set-aside from 20% to 25%, even more funds will be available in future years. The following chart illustrates anticipated tax increment revenues to support housing activities over the planning period, projected expenditures to support debt service and administrative expenses, and remaining tax increment funds available to fund projects or additional debt services.

<u>Tax Increment Projections for Housing Activities</u> (\$ in millions)	
<u>Fiscal Year</u>	<u>Gross Tax Increment</u>
<u>2000-01</u>	<u>\$3.5</u>
<u>2001-02</u>	<u>\$3.6</u>
<u>2002-03</u>	<u>\$4.5</u>
<u>2003-04</u>	<u>\$4.8</u>
<u>2004-05</u>	<u>\$4.9</u>
<u>2005-06</u>	<u>\$5.1</u>
<u>2006-07</u>	<u>\$5.3</u>

Proceeds from bond financing are fully committed to currently active projects. A majority of these funds will be committed to projects, required to service current debt or pay administrative costs. The Agency will use the remaining funds available to provide direct funding to additional projects or to leverage additional bond financing. Finally, as they have in the past, these funds will be used to further leverage outside private, federal and state funds.

4.10 LOW AND MODERATE INCOME HOUSING WITHIN THE COASTAL ZONE

Government Code Section 65590 et seq. requires documentation of affordable housing in the Coastal Zone. This area is regulated by the County's Local Coastal Plan (LCP), in addition to its General Plan, Zoning Ordinance, and other Land use and building regulations. Pursuant to policy contained in the County's LCP, there have been no conversions or demolition of existing housing units occupied by persons or families of low or moderate income during the past decade that have not been replaced in some fashion.

The recently completed San Andreas Farmworker Housing project provides 43 farmworker housing units in the Coastal Zone. Additionally, there have been 18 second unit permits issued in the Coastal Zone since 1994.

Table 4.10.1 documents building permits for new housing units issued in the Coastal Zone from 1991 to 2000. Overall, there has been a gain of 513 residential units in the Coastal Zone. These were primarily single family residential units in the coastal urban services area. See Table 4.10.1 for more details.

Table 4.10.1 Building Permits Issued Within the Coastal Zone 1991 to 2000					
Year	Type	Units	Parcel	Situs Address	Area
1991	DPL	2	05409178	122 TIBURON CT	APTOS
1991	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1991	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1991	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1991	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1991	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1991	MH	1	03116118	1255 38TH AV	SANTA CRUZ
1991	SFD	1	02618148	1160 FREYA PL	SANTA CRUZ
1991	SFD	1	02618149	1150 FREYA PL	SANTA CRUZ
1991	SFD	1	02706108	460 LAKE AV	SANTA CRUZ
1991	SFD	1	02718202	2693 E CLIFF DR	SANTA CRUZ
1991	SFD	1	02804163	1775 DEL MAR CT	SANTA CRUZ
1991	SFD	1	02813202	181 12TH AV	SANTA CRUZ
1991	SFD	1	04218129	309 TREASURE ISLAND DR	APTOS
1991	SFD	1	04218130	311 TREASURE ISLAND DR	APTOS
1991	SFD	1	04312105	610 CLIFF DR	APTOS
1991	SFD	1	04405162	613 ENCINO DR	APTOS
1991	SFD	1	04418239	833 LOMA PRIETA DR	APTOS
1991	SFD	1	04427234	125 BRYCE CT	APTOS
1991	SFD	1	04427235	120 BRYCE CT	APTOS

1991	SFD	1	04427236	110 BRYCE CT	APTOS
1991	SFD	1	04513250	57 VERDOSO AV	LA SELVA BEACH
1991	SFD	1	04606137	420 HEATHER POINT LN	LA SELVA BEACH
1991	SFD	1	04621207	170 HILLVIEW WY	LA SELVA BEACH
1991	SFD	1	04621214	250 HILLVIEW WY	LA SELVA BEACH
1991	SFD	1	04626113	1135 SAN ANDREAS RD	WATSONVILLE
1991	SFD	1	04627136	146 CREST DR	LA SELVA BEACH
1991	SFD	1	05232108	97 CORMORANT WY	WATSONVILLE
1991	SFD	1	05418105	335 VIA CONCHA	APTOS
1991	SFD	1	05718119	719 SWANTON RD	DAVENPORT
1991	SFD	1	06217103	520 WARREN DR	SANTA CRUZ
1991	SFD	1	06301128	450 THAYER RD	BONNY DOON
1991	SFD	1	06308113	255 BLESSING LN	SANTA CRUZ
1991	SFD	1	08028225	140 WESTDALE DR	SANTA CRUZ
1991	TH	1	02616178	655 CAMBRIA LN	SANTA CRUZ
1991	TH	1	02616179	650 CAMBRIA LN	SANTA CRUZ
1991	TH	1	02616180	646 CAMBRIA LN	SANTA CRUZ
1991	TH	1	02616181	640 CAMBRIA LN	SANTA CRUZ
1991	TH	1	02616182	630 CAMBRIA LN	SANTA CRUZ
1991	TH	1	02616183	626 CAMBRIA LN	SANTA CRUZ
1992	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1992	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1992	MH	1	02726129	1555 MERRILL ST	SANTA CRUZ
1992	SFD	1	02706109	470 LAKE AV	SANTA CRUZ
1992	SFD	1	02716208	41 6TH AV	SANTA CRUZ
1992	SFD	1	02804164	1764 DEL MAR CT	SANTA CRUZ
1992	SFD	1	02817312	295 COASTVIEW DR	SANTA CRUZ
1992	SFD	1	02826366	2825 FRESNO ST	SANTA CRUZ
1992	SFD	1	02826367	2875 FRESNO ST	SANTA CRUZ
1992	SFD	1	03204176	3785 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204178	3715 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204179	3665 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204180	3645 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204181	3642 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204182	3660 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204183	3688 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03204184	3730 TRANQUILITY CT	SANTA CRUZ
1992	SFD	1	03218141	432 LARCH LN	SANTA CRUZ
1992	SFD	1	03816306	760 SEACLIFF DR	APTOS
1992	SFD	1	04205258	153 SEACLIFF DR	APTOS
1992	SFD	1	04205322	130 SEA TERRACE WY	APTOS

1992	SFD	1	04205502	109 KELP LN	APTOS
1992	SFD	1	04209309	105 SAN BENITO AV	APTOS
1992	SFD	1	04213211	122 BENNETT RD	APTOS
1992	SFD	1	04222521	216 VENETIAN RD	APTOS
1992	SFD	1	04402216	416 LOMA PRIETA DR	APTOS
1992	SFD	1	04405165	521 ENCINO DR	APTOS
1992	SFD	1	04406149	717 ENCINO DR	APTOS
1992	SFD	1	04409429	427 BELLE MONTI CT	APTOS
1992	SFD	1	04418241	829 LOMA PRIETA DR	APTOS
1992	SFD	1	04419263	333 LOYOLA DR	APTOS
1992	SFD	1	04513223	1599 SAN ANDREAS RD	LA SELVA BEACH
1992	SFD	1	04519212	324 VISTA DR	LA SELVA BEACH
1992	SFD	1	04603210	190 WILLOW CREEK DR	LA SELVA BEACH
1992	SFD	1	04623169	44 ZILS RD	WATSONVILLE
1992	SFD	1	04625113	105 CREST DR	LA SELVA BEACH
1992	SFD	1	04626114	1127 SAN ANDREAS RD	LA SELVA BEACH
1992	SFD	1	05230103	62 AVOCET CI	WATSONVILLE
1992	SFD	1	05418108	330 VIA CONCHA	APTOS
1992	SFD	1	05425147	189 VIA NOVELLA DR	APTOS
1992	SFD	1	05719121	110 FISTELERA RIDGE RD	DAVENPORT
1992	SFD	1	05801106	301MOLINO CREEK FARM RD	DAVENPORT
1992	SFD	1	05808101	38 MARINE VIEW AV	DAVENPORT
1992	SFD	1	05905133	218 HIGHVIEW DR	SANTA CRUZ
1992	SFD	1	06305305	270 QUAIL DR	SANTA CRUZ
1992	SFD	1	08028207	1759 PINE FLAT RD	SANTA CRUZ
1993	SFD	1	02710115	327 ASSEMBLY AV	SANTA CRUZ
1993	SFD	1	02804165	1768 DEL MAR CT	SANTA CRUZ
1993	SFD	1	02827140	2810 FRESNO ST	SANTA CRUZ
1993	SFD	1	03204177	3735 TRANQUILITY CT	SANTA CRUZ
1993	SFD	1	03204185	3782 TRANQUILITY CT	SANTA CRUZ
1993	SFD	1	03817505	501 COURT WY	APTOS
1993	SFD	1	04405178	624 BONITA DR	APTOS
1993	SFD	1	04507105	76 ALTA DR	LA SELVA BEACH
1993	SFD	1	04516408	217 ARBOLADO DR	LA SELVA BEACH
1993	SFD	1	06212203	1995 SMITH GRADE	SANTA CRUZ
1993	SFD	1	06213103	1925 SMITH GRADE	SANTA CRUZ
1993	SFD	1	06307109	815 BRISA DEL MAR	SANTA CRUZ
1993	SFD	1	06307113	1295 BRISA DEL MAR	SANTA CRUZ
1993	SFD	1	06321110	6015 EMPIRE GRADE RD	SANTA CRUZ
1994	SFD	1	02616184	620 CAMBRIA LN	SANTA CRUZ
1994	SFD	1	02616185	610 CAMBRIA LN	SANTA CRUZ

1994	SFD	1	02624118	1001 BROMMER ST	SANTA CRUZ
1994	SFD	1	02806261	1795 MATTHEWS LN	SANTA CRUZ
1994	SFD	1	02806262	1775 MATTHEWS LN	SANTA CRUZ
1994	SFD	1	02806263	1755 MATTHEWS LN	SANTA CRUZ
1994	SFD	1	02806264	1735 MATTHEWS LN	SANTA CRUZ
1994	SFD	1	02813222	135 12TH AV	SANTA CRUZ
1994	SFD	1	02815431	266 14TH AV	SANTA CRUZ
1994	SFD	1	03209189	3811 FLORAL CT	SANTA CRUZ
1994	SFD	1	03209191	3815 FLORAL CT	SANTA CRUZ
1994	SFD	1	03214231	3435 HAWES DR	SANTA CRUZ
1994	SFD	1	03214341	410 35TH AV	SANTA CRUZ
1994	SFD	1	04204227	230 CENTER AV	APTOS
1994	SFD	1	04205292	137 SEACLIFF DR	APTOS
1994	SFD	1	04206604	305 MOOSEHEAD DR	APTOS
1994	SFD	1	04206722	203 WIXON AV	APTOS
1994	SFD	1	04213228	118 BENNETT RD	APTOS
1994	SFD	1	04215115	133 ESPLANADE	APTOS
1994	SFD	1	04215125	137 ESPLANADE	APTOS
1994	SFD	1	04223219	213 CLAUDIUS DR	APTOS
1994	SFD	1	04413201	412 VISTA DEL MAR DR	APTOS
1994	SFD	1	04415147	741 LOMA PRIETA DR	APTOS
1994	SFD	1	04425126	713 CLUB HOUSE DR	APTOS
1994	SFD	1	04502234	9 PASO CIELO	LA SELVA BEACH
1994	SFD	1	04627137	545 SEA VIEW TE	WATSONVILLE
1994	SFD	1	05229207	87 PUFFIN LN	WATSONVILLE
1994	SFD	1	05439104	1104 VIA MALIBU	APTOS
1994	SFD	1	05706117	2074 HWY 1	SANTA CRUZ
1994	SFD	1	08028218	504 WESTDALE DR	SANTA CRUZ
1994	TH	1	02616186	615 CAMBRIA LN	SANTA CRUZ
1994	TH	1	02616187	601 CAMBRIA LN	SANTA CRUZ
1995	DPL	2	02718204	2651 E CLIFF DR	SANTA CRUZ
1995	SFD	1	02618118	1433 EL DORADO AV	SANTA CRUZ
1995	SFD	1	02716311	120 6TH AV	SANTA CRUZ
1995	SFD	1	02804166	1772 DEL MAR CT	SANTA CRUZ
1995	SFD	1	02804169	1765 DEL MAR CT	SANTA CRUZ
1995	SFD	1	02822127	115 18TH AV	SANTA CRUZ
1995	SFD	1	02824103	2670 WARREN ST	SANTA CRUZ
1995	SFD	1	03214214	450 34TH AV	SANTA CRUZ
1995	SFD	1	03216106	451 MANZANITA AV	SANTA CRUZ
1995	SFD	1	03315233	4545 OPAL CLIFF DR	SANTA CRUZ
1995	SFD	1	03816316	704 SEACLIFF DR	APTOS

1995	SFD	1	03818410	319 HILLCREST DR	APTOS
1995	SFD	1	03821306	107 LOMA PL	APTOS
1995	SFD	1	04222522	218 VENETIAN RD	APTOS
1995	SFD	1	04223315	233 HIGHLAND DR	APTOS
1995	SFD	1	04301103	305 TOWNSEND DR	APTOS
1995	SFD	1	04301226	315 MARTIN DR	APTOS
1995	SFD	1	04303101	322 MARTIN DR	APTOS
1995	SFD	1	04304308	205 BALDWIN DR	APTOS
1995	SFD	1	04310438	430 SEAVIEW DR	APTOS
1995	SFD	1	04421406	435 SEMPLE AV	APTOS
1995	SFD	1	04427238	115 BRYCE CT	APTOS
1995	SFD	1	04518405	309 PLAYA BL	LA SELVA BEACH
1995	SFD	1	04601162	185 DANS DR	LA SELVA BEACH
1995	SFD	1	04606159	100 SAND DOLLAR DR	LA SELVA BEACH
1995	SFD	1	05720107	336 SWANTON RD	DAVENPORT
1995	SFD	1	06210114	3000 SMITH GRADE	SANTA CRUZ
1995	SFD	1	06217224	1020 WARREN DR	SANTA CRUZ
1995	SFD	1	06307122	275 VIA VENADO	BONNY DOON
1995	TH	1	02826358	411 HICKMAN CT	SANTA CRUZ
1996	ADU	1	02814303	255 14TH AV	SANTA CRUZ
1996	SFD	1	02617222	745 EDDY LN	SANTA CRUZ
1996	SFD	1	02617223	755 EDDY LN	SANTA CRUZ
1996	SFD	1	02617224	765 EDDY LN	SANTA CRUZ
1996	SFD	1	02617225	775 EDDY LN	SANTA CRUZ
1996	SFD	1	02618156	1124 HARPER CT	SANTA CRUZ
1996	SFD	1	02618159	1145 HARPER CT	SANTA CRUZ
1996	SFD	1	02711219	916 DOLORES ST	SANTA CRUZ
1996	SFD	1	02716305	107 7TH AV	SANTA CRUZ
1996	SFD	1	02815443	198 14TH AV	SANTA CRUZ
1996	SFD	1	02817113	220 19TH AV	SANTA CRUZ
1996	SFD	1	02822117	158 SUNNY COVE DR	SANTA CRUZ
1996	SFD	1	03214316	460 35TH AV	SANTA CRUZ
1996	SFD	1	03811206	517 SPRUCE ST	APTOS
1996	SFD	1	04310202	424 CLIFF DR	APTOS
1996	SFD	1	04310439	440 SEAVIEW DR	APTOS
1996	SFD	1	04312135	645 BAY VIEW DR	APTOS
1996	SFD	1	04312137	641 BAY VIEW DR	APTOS
1996	SFD	1	04424178	714 LA HONDA CT	APTOS
1996	SFD	1	04513205	33 PALMA AV	LA SELVA BEACH
1996	SFD	1	04518101	60 VERDOSO AV	LA SELVA BEACH
1996	SFD	1	05220109	244 SAN ANDREAS RD	WATSONVILLE

1/22/2004

1996	SFD	1	05808301	140 MARINE VIEW AV	DAVENPORT
1996	SFD	1	05905135	203 HIGHVIEW DR	SANTA CRUZ
1996	SFD	1	05905136	301 HIGHVIEW CT	SANTA CRUZ
1996	SFD	1	06213113	2062 BACK RANCH RD	SANTA CRUZ
1996	SFD	1	06218110	5187 EMPIRE GRADE RD	SANTA CRUZ
1996	SFD	1	06306133	505 MARTIN RD	BONNY DOON
1996	SFD	1	06308204	85 PINE FLAT RD	SANTA CRUZ
1997	ADU	1	02704310	520 6TH AV	SANTA CRUZ
1997	ADU	1	05905135	203 HIGHVIEW DR	SANTA CRUZ
1997	ADU	1	08018155	260 PHILLIPS RANCH RD	BONNY DOON
1997	SFD	1	02618157	1125 HARPER CT	SANTA CRUZ
1997	SFD	1	02618158	1135 HARPER CT	SANTA CRUZ
1997	SFD	1	02718110	2615 E CLIFF DR	SANTA CRUZ
1997	SFD	1	02819149	541 26TH AV	SANTA CRUZ
1997	SFD	1	02825208	332 26TH AV	SANTA CRUZ
1997	SFD	1	02825246	359 BAKER ST	SANTA CRUZ
1997	SFD	1	03209190	3813 FLORAL CT	SANTA CRUZ
1997	SFD	1	03218102	531 41ST AV	SANTA CRUZ
1997	SFD	1	03218102	531 41ST AV	SANTA CRUZ
1997	SFD	1	03218122	3860 FLORAL CT	SANTA CRUZ
1997	SFD	1	03221134	3426 ST DEYNS ST	SANTA CRUZ
1997	SFD	1	03223114	2935 PLEASURE POINT DR	SANTA CRUZ
1997	SFD	1	03811222	522 PINE ST	APTOS
1997	SFD	1	04205280	151 SEACLIFF DR	APTOS
1997	SFD	1	04222524	232 APTOS BEACH DR	APTOS
1997	SFD	1	04303103	326 MARTIN DR	APTOS
1997	SFD	1	04303306	213 APPLETON DR	APTOS
1997	SFD	1	04402215	412 LOMA PRIETA DR	APTOS
1997	SFD	1	04412107	429 MONTEREY DR	APTOS
1997	SFD	1	04417173	813 VISTA DEL MAR DR	APTOS
1997	SFD	1	04422310	619 CLUB HOUSE DR	APTOS
1997	SFD	1	04426150	821 CLUB HOUSE DR	APTOS
1997	SFD	1	04507106	60 ALTA DR	LA SELVA BEACH
1997	SFD	1	04519204	7 BENITO AV	LA SELVA BEACH
1997	SFD	1	04614133	360 FIESTA WY	WATSONVILLE
1997	SFD	1	04619206	25 SUNSET DR	WATSONVILLE
1997	SFD	1	05302302	181 ST ANDREWS DR	APTOS
1997	SFD	1	05405103	1537 DOLPHIN DR	APTOS
1997	SFD	1	05415303	2252 DOLPHIN DR	APTOS
1997	SFD	1	05418130	724 VIA PALO ALTO	APTOS
1997	SFD	1	05425169	134 VIA NOVELLA DR	APTOS

1997	SFD	1	06305108	495 TOWHEE DR	SANTA CRUZ
1997	SFD	1	06305210	50 TOWHEE DR	SANTA CRUZ
1997	SFD	1	06312109	4680 SMITH GRADE	SANTA CRUZ
1998	ADU	1	03315230	4585 OPAL CLIFF DR	SANTA CRUZ
1998	ADU	1	05229122	70 PUFFIN LN	WATSONVILLE
1998	SFD	1	02627222	523 MELLO LN	SANTA CRUZ
1998	SFD	1	02704108	520 ALTA LOMA LN	SANTA CRUZ
1998	SFD	1	02708203	446 9TH AV	SANTA CRUZ
1998	SFD	1	02717222	132 8TH AV	SANTA CRUZ
1998	SFD	1	02814335	70 GEOFFROY DR	SANTA CRUZ
1998	SFD	1	02817129	219 20TH AV	SANTA CRUZ
1998	SFD	1	02830419	25 ROCKVIEW DR	SANTA CRUZ
1998	SFD	1	03211309	520 35TH AV	SANTA CRUZ
1998	SFD	1	03212208	546 37TH AV	SANTA CRUZ
1998	SFD	1	03221135	3430 ST DEYNS ST	SANTA CRUZ
1998	SFD	1	03807227	502 GERTRUDE AV	APTOS
1998	SFD	1	03846103	789 LAS OLAS DR	APTOS
1998	SFD	1	04209231	192 SEACLIFF DR	APTOS
1998	SFD	1	04222250	205 BURNHAM CT	APTOS
1998	SFD	1	04222405	215 LAKE CT	APTOS
1998	SFD	1	04301105	309 TOWNSEND DR	APTOS
1998	SFD	1	04302127	217 FLORENCE DR	APTOS
1998	SFD	1	04315269	612 BAY VIEW DR	APTOS
1998	SFD	1	04409420	396 BELLE MONTI AV	APTOS
1998	SFD	1	04417148	803 CRESTA VISTA WY	APTOS
1998	SFD	1	04417174	813 VISTA DEL MAR AV	APTOS
1998	SFD	1	04421117	544 CLUB HOUSE DR	APTOS
1998	SFD	1	04421321	428 SEMPLE AV	APTOS
1998	SFD	1	04423130	575 SANTA MARGUARITA DR	APTOS
1998	SFD	1	04424128	702 VISTA DEL MAR DR	APTOS
1998	SFD	1	04430101	201 AUGUSTA LN	APTOS
1998	SFD	1	04430102	205 AUGUSTA LN	APTOS
1998	SFD	1	04430103	209 AUGUSTA LN	APTOS
1998	SFD	1	04430104	215 AUGUSTA LN	APTOS
1998	SFD	1	04430105	217 AUGUSTA LN	APTOS
1998	SFD	1	04430106	221 AUGUSTA LN	APTOS
1998	SFD	1	04430107	225 AUGUSTA LN	APTOS
1998	SFD	1	04430108	229 AUGUSTA LN	APTOS
1998	SFD	1	04430109	233 AUGUSTA LN	APTOS
1998	SFD	1	04430110	237 AUGUSTA LN	APTOS
1998	SFD	1	04430111	241 AUGUSTA LN	APTOS

1998	SFD	1	04430112	245 AUGUSTA LN	APTOS
1998	SFD	1	04430113	249 AUGUSTA LN	APTOS
1998	SFD	1	04430114	253 AUGUSTA LN	APTOS
1998	SFD	1	04430115	257 AUGUSTA LN	APTOS
1998	SFD	1	04430116	356 SPYGLASS WY	APTOS
1998	SFD	1	04430117	352 SPYGLASS WY	APTOS
1998	SFD	1	04430118	348 SPYGLASS WY	APTOS
1998	SFD	1	04430119	344 SPYGLASS WY	APTOS
1998	SFD	1	04430120	340 SPYGLASS WY	APTOS
1998	SFD	1	04430121	336 SPYGLASS WY	APTOS
1998	SFD	1	04430122	332 SPYGLASS WY	APTOS
1998	SFD	1	04430123	328 SPYGLASS WY	APTOS
1998	SFD	1	04430124	324 SPYGLASS WY	APTOS
1998	SFD	1	04430125	320 SPYGLASS WY	APTOS
1998	SFD	1	04430126	316 SPYGLASS WY	APTOS
1998	SFD	1	04430127	312 SPYGLASS WY	APTOS
1998	SFD	1	04430128	308 SPYGLASS WY	APTOS
1998	SFD	1	04430129	304 SPYGLASS WY	APTOS
1998	SFD	1	04430130	301 SPYGLASS WY	APTOS
1998	SFD	1	04430131	305 SPYGLASS WY	APTOS
1998	SFD	1	04430132	309 SPYGLASS WY	APTOS
1998	SFD	1	04430133	313 SPYGLASS WY	APTOS
1998	SFD	1	04430134	317 SPYGLASS WY	APTOS
1998	SFD	1	04430135	321 SPYGLASS WY	APTOS
1998	SFD	1	04430136	118 SPANISH BAY DR	APTOS
1998	SFD	1	04430137	110 SPANISH BAY DR	APTOS
1998	SFD	1	04430138	106 SPANISH BAY DR	APTOS
1998	SFD	1	04430139	102 SPANISH BAY DR	APTOS
1998	SFD	1	04430201	111 SPANISH BAY DR	APTOS
1998	SFD	1	04430202	204 AUGUSTA LN	APTOS
1998	SFD	1	04430203	208 AUGUSTA LN	APTOS
1998	SFD	1	04430204	212 AUGUSTA LN	APTOS
1998	SFD	1	04430205	238 AUGUSTA LN	APTOS
1998	SFD	1	04430206	242 AUGUSTA LN	APTOS
1998	SFD	1	04430207	246 AUGUSTA LN	APTOS
1998	SFD	1	04430208	250 AUGUSTA LN	APTOS
1998	SFD	1	04430209	339 SPYGLASS WY	APTOS
1998	SFD	1	04430210	329 SPYGLASS WY	APTOS
1998	SFD	1	04430211	119 SPANISH BAY DR	APTOS
1998	SFD	1	04430212	115 SPANISH BAY DR	APTOS
1998	SFD	1	04431102	135 SONATA LN	APTOS

1998	SFD	1	04515147	234 ALTIVO AV	LA SELVA BEACH
1998	SFD	1	04516206	22 CRESTA WY	LA SELVA BEACH
1998	SFD	1	04603109	200 BABE THOMPSON RD	LA SELVA BEACH
1998	SFD	1	04607202	91 SANDERLING HILL	LA SELVA BEACH
1998	SFD	1	04607203	90 SANDERLING HILL	LA SELVA BEACH
1998	SFD	1	04607214	87 SANDERLING HILL	LA SELVA BEACH
1998	SFD	1	04624142	86 LILLY WY	LA SELVA BEACH
1998	SFD	1	04624152	177 CREST DR	LA SELVA BEACH
1998	SFD	1	04625128	11 CREST DR	LA SELVA BEACH
1998	SFD	1	05303102	716 CLUB HOUSE DR	APTOS
1998	SFD	1	05406109	1725 DOLPHIN DR	APTOS
1998	SFD	1	05416126	1952 SEASCAPE BL	APTOS
1998	SFD	1	05422303	911 VIA PALO ALTO	APTOS
1998	SFD	1	05439105	1106 VIA MALIBU	APTOS
1998	SFD	1	05905131	180 HIGHVIEW DR	SANTA CRUZ
1998	SFD	1	05905136	301 HIGHVIEW CT	SANTA CRUZ
1998	SFD	1	06212109	2320 SMITH GRADE	SANTA CRUZ
1998	SFD	1	06312113	4686 SMITH GRADE	SANTA CRUZ
1998	SFD	1	06317201	860 QUAIL DR	SANTA CRUZ
1998	SFD	1	08038102	2173 PINE FLAT RD	SANTA CRUZ
1998	TH	0	02801532	2215 FELT ST	SANTA CRUZ
1998	TH	1	04207321	270 CARRERA CI	APTOS
1998	TH	1	04207322	260 CARRERA CI	APTOS
1998	TH	1	04207323	250 CARRERA CI	APTOS
1998	TH	1	04207324	240 CARRERA CI	APTOS
1998	TH	1	04207325	230 CARRERA CI	APTOS
1998	TH	1	04207326	220 CARRERA CI	APTOS
1998	TH	1	04207327	210 CARRERA CI	APTOS
1998	TH	1	04207328	200 CARRERA CI	APTOS
1998	TH	1	04207329	190 CARRERA CI	APTOS
1998	TH	1	04207330	180 CARRERA CI	APTOS
1998	TH	1	04207331	170 CARRERA CI	APTOS
1998	TH	1	04207332	160 CARRERA CI	APTOS
1998	TH	1	04207333	150 CARRERA CI	APTOS
1998	TH	1	04207334	140 CARRERA CI	APTOS
1998	TH	1	04207335	130 CARRERA CI	APTOS
1998	TH	1	04207336	120 CARRERA CI	APTOS
1998	TH	1	04207337	110 CARRERA CI	APTOS
1998	TH	1	04207338	100 CARRERA CI	APTOS
1999	ADU	1	02804145	845 TOWER PL	SANTA CRUZ
1999	ADU	1	04632110	100 OCEANVIEW DR	LA SELVA BEACH

1999	ADU	1	06221131	1077 SMITH GRADE	SANTA CRUZ
1999	ADU	1	06314120	4685 BONNY DOON RD	SANTA CRUZ
1999	SFD	1	02627217	485 MELLO LN	SANTA CRUZ
1999	SFD	1	02630252	1185 OMAR CT	SANTA CRUZ
1999	SFD	1	02630253	1175 OMAR CT	SANTA CRUZ
1999	SFD	1	02630254	1165 OMAR CT	SANTA CRUZ
1999	SFD	1	02663104	745 TANNER CT	SANTA CRUZ
1999	SFD	1	02663105	749 TANNER CT	SANTA CRUZ
1999	SFD	1	02663106	734 CAPITOLA RD	SANTA CRUZ
1999	SFD	1	02704311	523 ASSEMBLY AV	SANTA CRUZ
1999	SFD	1	02711136	327 8TH AV	SANTA CRUZ
1999	SFD	1	02727362	620 14TH AV	SANTA CRUZ
1999	SFD	1	102806268	1961 PORTOLA DR	SANTA CRUZ
1999	SFD	1	02806268	1961 PORTOLA DR	SANTA CRUZ
1999	SFD	1	02806269	1981 PORTOLA DR	SANTA CRUZ
1999	SFD	1	02806269	1981 PORTOLA DR	SANTA CRUZ
1999	SFD	1	02824140	2-2613 E CLIFF DR	SANTA CRUZ
1999	SFD	1	02824208	2-2720 E CLIFF DR	SANTA CRUZ
1999	SFD	1	03317102	4100 OPAL CLIFF DR	SANTA CRUZ
1999	SFD	1	03817516	108 LONGLEAF LN	APTOS
1999	SFD	1	03822133	808 PINE TREE LN	APTOS
1999	SFD	1	04205254	109 GLEN DR	APTOS
1999	SFD	1	04222109	218 HIGHLAND DR	APTOS
1999	SFD	1	04316129	641 BEACH DR	APTOS
1999	SFD	1	04322221	220 FARLEY DR	APTOS
1999	SFD	1	04409106	410 BELLE MONTI CT	APTOS
1999	SFD	1	04412258	459 CLUB HOUSE DR	APTOS
1999	SFD	1	04413125	431 VISTA DEL MAR DR	APTOS
1999	SFD	1	04414310	520 VISTA DEL MAR DR	APTOS
1999	SFD	1	04414328	519 SANTA MARGUARITA DR	APTOS
1999	SFD	1	04513220	1617 SAN ANDREAS RD	LA SELVA BEACH
1999	SFD	1	04624154	163 CREST DR	LA SELVA BEACH
1999	SFD	1	04626121	500 SEA VIEW TE	WATSONVILLE
1999	SFD	1	04629104	490 SEA HORSE DR	LA SELVA BEACH
1999	SFD	1	05316124	102 VERONA CT	APTOS
1999	SFD	1	05316209	157 CASTILLO CT	APTOS
1999	SFD	1	05316217	293 VENTANA WY	APTOS
1999	SFD	1	05316218	289 VENTANA WY	APTOS
1999	SFD	1	05316219	285 VENTANA WY	APTOS
1999	SFD	1	05401103	1325 DOLPHIN DR	APTOS
1999	SFD	1	06221115	1011 SMITH GRADE	SANTA CRUZ

1999	SFD	1	06221131	1077 SMITH GRADE	SANTA CRUZ
2000	ADU	1	06212203	1995 SMITH GRADE	SANTA CRUZ
2000	AP5	10	05219106	295 SAN ANDREAS RD	WATSONVILLE
2000	AP5	10	05219106	295 SAN ANDREAS RD	WATSONVILLE
2000	AP5	11	05219106	295 SAN ANDREAS RD	WATSONVILLE
2000	AP5	11	05219106	295 SAN ANDREAS RD	WATSONVILLE
2000	DPL	2	02804225	815 CORCORAN AV	SANTA CRUZ
2000	ELH	0	03315123	4420 OPAL CLIFF DR	SANTA CRUZ
2000	SFD	1	02624149	1205 ODYSSEY CT	SANTA CRUZ
2000	SFD	1	02624150	1215 ODYSSEY CT	SANTA CRUZ
2000	SFD	1	02624151	1225 ODYSSEY CT	SANTA CRUZ
2000	SFD	1	02624152	1235 ODYSSEY CT	SANTA CRUZ
2000	SFD	1	02663101	765 TANNER CT	SANTA CRUZ
2000	SFD	1	02663102	761 TANNER CT	SANTA CRUZ
2000	SFD	1	02669101	730 TANNER CT	SANTA CRUZ
2000	SFD	1	02817304	256 21ST AV	SANTA CRUZ
2000	SFD	1	02821209	240 GEOFFROY DR	SANTA CRUZ
2000	SFD	1	02822208	150 18TH AV	SANTA CRUZ
2000	SFD	1	03209193	611 41ST AV	SANTA CRUZ
2000	SFD	1	03209194	613 41ST AV	SANTA CRUZ
2000	SFD	1	03209195	617 41ST AV	SANTA CRUZ
2000	SFD	1	03209196	621 41ST AV	SANTA CRUZ
2000	SFD	1	03313121	4625 OPAL CLIFF DR	SANTA CRUZ
2000	SFD	1	03811221	520 PINE ST	APTOS
2000	SFD	1	04205321	126 SEA TERRACE WY	APTOS
2000	SFD	1	04220308	269 APTOS BEACH DR	APTOS
2000	SFD	1	04413126	435 VISTA DEL MAR	APTOS
2000	SFD	1	04422121	544 SANTA MARGUARITA DR	APTOS
2000	SFD	1	04423121	609 LA HONDA CT	APTOS
2000	SFD	1	04510254	512 ALTIVO AV	LA SELVA BEACH
2000	SFD	1	04601163	130 DANS DR	LA SELVA BEACH
2000	SFD	1	04609123	91 LILLY WY	WATSONVILLE
2000	SFD	1	04623155	126 OCEAN MIST	LA SELVA BEACH
2000	SFD	1	05316118	280 VENTANA WY	APTOS
2000	SFD	1	05316119	316 UPLANDS DR	APTOS
2000	SFD	1	05316130	310 VENTANA WY	APTOS
2000	SFD	1	05316142	101 VERONA CT	APTOS
2000	SFD	1	05316208	150 CASTILLO CT	APTOS
2000	SFD	1	05316210	153 CASTILLO CT	APTOS
2000	SFD	1	05316220	281 VENTANA WY	APTOS
2000	SFD	1	05316221	275 VENTANA WY	APTOS

2000	SFD	1	05316236	315 VENTANA WY	APTOS
2000	SFD	1	05316237	309 VENTANA WY	APTOS
2000	SFD	1	05316238	305 VENTANA WY	APTOS
2000	SFD	1	05316240	427 VENTANA WY	APTOS
2000	SFD	1	05317110	168 ZANZIBAR DR	APTOS
2000	SFD	1	05317205	133 ZANZIBAR DR	APTOS
2000	SFD	1	05317209	121 ZANZIBAR DR	APTOS
2000	SFD	1	05318104	240 VENTANA WY	APTOS
2000	SFD	1	05318110	216 VENTANA WY	APTOS
2000	SFD	1	05318111	212 VENTANA WY	APTOS
2000	SFD	1	05318115	201 VENTANA WY	APTOS
2000	SFD	1	05318120	211 VENTANA WY	APTOS
2000	SFD	1	05318121	217 VENTANA WY	APTOS
2000	SFD	1	05318122	221 VENTANA WY	APTOS
2000	SFD	1	05318123	227 VENTANA WY	APTOS
2000	SFD	1	05318124	231 VENTANA WY	APTOS
2000	SFD	1	05318125	235 VENTANA WY	APTOS
2000	SFD	1	05318127	243 VENTANA WY	APTOS
2000	SFD	1	05318130	255 VENTANA WY	APTOS
2000	SFD	1	05407102	1919 DOLPHIN DR	APTOS
2000	SFD	1	05415202	2122 DOLPHIN DR	APTOS
2000	SFD	1	06301133	640 THAYER RD	BONNY DOON
2000	SFD	1	06307112	1125 BRISA DEL MAR	SANTA CRUZ
2000	SFD	1	08024116	7011 EMPIRE GRADE RD	SANTA CRUZ
TOTAL :		513			

ADU = Second Unit
AP3 = Apartment Building 3 or 4 units
AP5 = Apartment Building 5+ units
DPL = Duplex, side by side
DPU = Duplex, up and down
ELH = Home for elderly
MH = Mobile Home
SFD = Single Family Dwelling
TH = Townhouse

4.11 EFFORTS TO ACHIEVE CITIZEN PARTICIPATION

State law requires cities and counties to make a diligent effort to achieve participation by all segments of the community in preparing a housing element. Section 65583 (c) (6) of the California Government Code specifically requires that:

The local government shall make a diligent effort to achieve public participation of all economic segments-of the community in the development of the housing element, and the program shall describe this effort.

The diligent effort required by state law means that local jurisdictions must do more than issue the customary public notices and conduct standard public hearings prior to adopting a housing element. State law requires cities and counties to take active steps to inform, involve, and solicit input from the public, particularly low-income and minority households who might otherwise not participate in the process. Active involvement of all segments of the community can include one or more of the following:

1. Outreach to community organizations serving low-income, special needs, and underserved populations;
2. Special workshops, meetings, or study sessions that include participation by these groups;
3. Establishment of an advisory committee with representatives of various housing interests; and
4. Public information materials translated into languages other than English if a significant percentage of the population is not English proficient.

To meet the requirements of state law, the County of Santa Cruz has completed the following public outreach and community involvement activities:

4.12.1 Public Meetings and Hearings

The County of Santa Cruz ~~will conduct~~ has conducted ~~several~~ many community workshops on the Housing Element in the months of July, August and September 2003 both through public meetings and through presentations and workshops with the following Commissions:

- ☐ ~~Children and Families First 5~~ Commission
- ☐ Childcare Plannings Council
- ☐ Mobile Home Commission
- ☐ Commission on Disabilities
- ☐ Housing Advisory Commission

- ☐ Latino Affairs Commission
- ☐ Mental Health Advisory Board
- ☐ Planning Commission
 - ☐ Seniors Commission
- ☐ Womens Commission
- ☐ Water Advisory Commission

The purpose of the workshops is to educate the public on the requirements of housing element law, the contents of a housing element, the process for updating the current County of Santa Cruz Housing Element, and to present preliminary findings regarding changes in community conditions since the mid 1990s. Most importantly, the workshops also provide an opportunity for the public to present issues of concern and information relevant to the update.

Two meetings were conducted on the draft Housing Element prior to its submittal to the California Department of Housing and Community Development (HCD) for review:

- | | |
|---------------|--|
| May 1, 2002 | Meeting with representatives of organizations that assist the developmentally disabled |
| July 17, 2002 | Meeting with Women's Council of Realtors |

The Housing Advisory Commission, on August 6, and 20, 2003, held public hearings regarding the Draft Housing Element. The Planning Commission held its first public hearing on August 27, 2003. Additional Planning Commission public hearings are to be scheduled, as are public hearings before the Board of Supervisors prior to final adoption of the Element.

Public Notice and Outreach

On June 3, 2003, the Board of Supervisors accepted a report regarding the completion of the Draft Housing Element and directed staff to provide the public with an opportunity to review and comment on the document. To facilitate this review, the County placed one-quarter page display ads in the newspapers of general circulation to provide notice that the Draft Housing Element was available for public review. In these notices, the public was informed as to how to obtain a copy of the Draft Housing Element (by phone, fax or e-mail), how to view it on-line, and how to provide comments to the County. Almost 300 copies of the Draft Housing Element were distributed to interested persons. These public notices also contained information regarding where and when the Housing Element would be presented to various Commissions and Committees for review, and where and when public hearings would be held to provide testimony on the proposed Housing Element. Additional one-quarter page ads were placed in these newspapers to provide legal noticing of the public hearings before the Housing Advisory Commission and the Planning Commission.

The County of Santa Cruz ran public notices in local newspapers and provided handouts to interested persons both in the Planning Department lobby and through the mail. In response, the Planning Department received many responses including suggestions and questions. Upon release to the public, the Draft Housing Element will be available for review on the County website.



Status	ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	GENERAL PLAN LAND USE	POTENTIAL UNITS	TOTAL UNITS - GDB*	VL	L	M	AM	WATER AVAILABLE?	SEWER AVAILABLE?
vacant	05313123	2716058	SU-SP	R-UL	60	75	-	12	-	63	yes	yes
vacant	10421102	161338	R-1-6	R-UL	20	25	-	4	-	21	yes	yes
vacant	03918206	34350	RM-3	R-UH	10	13	-	2	-	11	yes	yes
vacant	02808111	39174	RM-4	R-UM	8	-	-	-	2.00	6	yes	yes
vacant	03905117	95088	R-1-10	R-UL	8	-	-	-	2.00	6	yes	yes
vacant	02830204	33096	R-1-5-D	R-UM	6	-	-	-	1.00	5	yes	yes
vacant	03110146	22982	R-1-4	R-UM	5	-	-	-	1.00	4	yes	yes
vacant	04205246	39444	R-1-4	R-UM	5	-	-	-	1.00	4	yes	yes
					122	113		18	7	120		

* For projects of 10-units or larger only



Urban R-1 Zoned Sites(non-vacant) Available for 5+ Units and County Density Bonus

Appendix A-2

202

ASSESSORS	PARCEL	SQUARE	ZONING	General Plan	EXISTING	POTENTIAL	CDB*	VL	L	M	AM	Water	Sewer
STATUS	NUMBER	FEET		Land Use	UNITS	UNITS	Total Units-					Available?	Available?
underutilized	02501317	131530	lt-1-10		1	6		-	-	1	5	yes	yes
underutilized	02503217	42065	R-1-6		1	5		-	-	1	4	yes	yes
underutilized	02503330	30823	R-1-3.5		1	6		-	-	1	5	yes	yes
underutilized	02604218	39126	R-1-5		1	6		-	-	1	4	yes	yes
underutilized	02607101	34484	lt-1-5		1	5		-	-	1	4	yes	yes
underutilized	02607119	37372	R-UM		1	5		-	-	1	4	yes	yes
underutilized	02607152	35688	R-UM		1	5		-	-	1	4	yes	yes
underutilized	02611101	69867	R-1-6		3	9		-	-	2	7	yes	yes
underutilized	02611108	45024	R-1-6		1	5		-	-	1	4	yes	yes
underutilized	02620106	50189	R-1-6-D		1	6		-	-	/	6	yes	yes
underutilized	02620107	43397	R-1-6-D		1	5		-	-	1	4	yes	yes
underutilized	02624107	94580	lt-1-6		1	13	17	-	-	3	14	yes	yes
underutilized	02624144	50652	R-1-6		1	6		-	-	1	5	yes	yes
underutilized	02624145	39971	R-1-6		1	5		-	-	1	4	yes	yes
underutilized	02630110	47278	R-1-6		1	5		-	-	1	4	yes	yes
underutilized	02630130	75508	R-1-6		0	10	13	-	-	2	11	yes	yes
underutilized	02630211	99652	R-1-6		1	14	18	-	-	3	15	yes	yes
underutilized	02723125	30936	R-UM		1	5		-	-	1	4	yes	yes
underutilized	02804101	42372	8-1-6-a		0	5		-	-	1	4	yes	yes
underutilized	029031350	42409	R-1-5		1	6		-	-	1	5	yes	yes
underutilized	02903106	166815	R-1-5		1	10	13	-	-	2	11	yes	yes
underutilized	07906112	77167	R-1-6-D		0	10	13	-	-	2	11	yes	yes
underutilized	02906120	82342	R-1-6-D		2	10	13	-	-	2	11	yes	yes
underutilized	02906121	47477	R-UL		1	5		-	-	1	4	yes	yes
underutilized	02907103	44030	lt-1-6		2	5		-	-	1	4	yes	yes
underutilized	02907138	100935	R-1-6-D		0	15	19	-	-	3	16	yes	yes
underutilized	02907168	92312	R-1-6-D		1	13	17	-	-	3	14	yes	yes
underutilized	02908103	43611	R-1-6		1	5		-	-	1	4	yes	yes
underutilized	02910126	42734	R-1-6		1	5		-	-	1	4	yes	yes



Urban R-1 Zoned Sites(non-vacant) Available for 5+ Units and County Density Bonus

ASSESSORS											
Status	PARCEL NUMBER	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	Total Units-CDB*	VL	L	M	AM
underutilized	02912101	90826	R-1-6-D	R-UL	1	13	17	-	3	-	14
underutilized	02915102	59484	R-1-6	R-UL	1	7	-	-	-	2	5
underutilized	02917104	70301	R-1-6-D	R-UL	1	9	-	-	-	2	7
underutilized	02917105	68469	R-1-6-D	R-UL	0	6	-	-	-	1	5
underutilized	02917106	70855	R-1-6-D	R-UL	2	8	-	-	-	2	6
underutilized	02917112	60261	R-1-6	R-UL	1	8	-	-	-	2	6
underutilized	02937118	105806	R-1-6	R-UL	0	16	20	-	4	-	16
underutilized	03004111	66149	R-1-6	R-UL	1	9	-	-	-	2	7
underutilized	03006116	80143	R-1-10	R-UL	1	6	-	-	-	1	5
underutilized	03010162	89275	R-1-6	R-UL	1	12	15	-	3	-	12
underutilized	03024120	52169	R-1-6	R-UL	1	6	-	-	-	1	5
underutilized	03025372	40479	R-1-6	R-UL	0	5	-	-	-	1	4
underutilized	03026109	60191	R-1-6	R-UL	4	5	-	-	-	1	4
underutilized	03101114	52995	R-1-6	R-UL	1	6	-	-	-	1	5
underutilized	03103136	109250	R-1-6	R-UL	1	16	20	-	4	-	16
underutilized	03103180	51355	R-1-6	R-UL	1	6	-	-	-	1	5
underutilized	03109101	189360	R-1-6	R-UL	1	10	13	-	2	-	11
underutilized	03111349	28488	R-1-4	R-UH	1	5	-	-	-	1	4
underutilized	03114115	140952	R-1-6	R-UL	1	15	19	-	3	-	16
underutilized	03114118	77949	R-1-6	R-UL	1	10	13	-	2	-	11
underutilized	03114120	40475	R-1-6	R-UL	1	5	-	-	-	1	4
underutilized	03115137	29130	R-1-4	R-UH	1	5	-	-	-	1	4
underutilized	03115203	34134	R-1-4	R-UH	1	6	-	-	-	1	5
underutilized	03706108	66535	R-1-10	R-UL	1	5	-	-	-	1	4
underutilized	03706154	69408	R-1-6	R-UL	1	9	-	-	-	2	7
underutilized	03710101	111408	R-1-6	R-UL	2	15	19	-	3	-	16
underutilized	03710143	50672	R-1-6	R-UL	1	6	-	-	-	1	5
underutilized	03712129	157734	R-1-10	R-UL	0	14	18	-	3	-	15
underutilized	03713106	86769	R-1-10	R-UL	1	6	-	-	-	1	5
underutilized	03719112	152631	R-1-6	R-UL	1	20	25	-	4	-	21
underutilized	03719113	253882	R-1-6	R-UL	1	38	48	-	8	-	40
underutilized	03722135	40315	R-1-5	R-UM	1	6	-	-	-	1	5
underutilized	03902118	70716	R-1-10	R-UL	1	5	-	-	-	1	4
underutilized	03902124	106176	R-1-10	R-UL	1	8	-	-	-	2	6

a



Urban R-1 Zoned Sites(non-vacant) Available for 5+ Units and County Density Bonus

ASSESSORS

Status	PARCEL NUMBER	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	U _i DB	VL	L	M	AM	Water Available?	Sewer Available?
underutilized	03903102	60841	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	03903148	66092	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	03904131	61195	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	03905110	110315	R-1-10	R-UL	1	9	-	-	-	2	7	yes	yes
underutilized	03905117	95088	R-1-10	R-UL	1	7	-	-	-	2	5	yes	yes
underutilized	03905119	88990	R-1-10	R-UL	1	6	-	-	-	1	5	yes	yes
underutilized	03912110	75475	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	03912118	107738	R-1-10	R-UL	1	8	-	-	-	2	6	yes	yes
underutilized	03931151	44332	R-1-6	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	03952103	76245	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04032301	64635	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04106103	244346	R-1-20	R-UVL	1	6	-	-	-	1	5	yes	yes
underutilized	04122114	72167	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04122140	141688	R-1-20	R-UVL	1	5	-	-	-	1	4	yes	yes
underutilized	04123350	88686	R-1-10	R-UL	1	6	-	-	-	1	5	yes	yes
underutilized	04210106	29934	R-1-4	R-UH	0	5	-	-	-	1	4	yes	yes
underutilized	04821125	95798	R-1-6	R-UL	1	13	-	-	3	-	14	yes	yes
underutilized	04822109	623655	R-1-6	R-UL	0	100	-	-	20	-	105	yes	yes
underutilized	04823101	109548	R-1-10	R-UL	1	8	-	-	-	2	6	yes	yes
underutilized	04922120	43320	R-1-6	R-UL	2	5	-	-	-	1	4	yes	yes
underutilized	04926121	46769	R-1-6	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04931203	61660	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04931205	80497	R-1-10	R-UL	1	6	-	-	-	1	5	yes	yes
underutilized	04931211	61711	R-1-10	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04932115	58122	R-1-6	R-UL	2	6	-	-	-	1	5	yes	yes
underutilized	04933110	76831	R-1-6	R-UL	1	10	13	-	2	-	11	yes	yes
underutilized	04933111	80885	R-1-6	R-UL	1	11	14	-	3	-	11	yes	yes
underutilized	04933112	40546	R-1-6	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	04933117	62449	R-1-6	R-UL	0	9	-	-	-	2	7	yes	yes
underutilized	04933118	84067	R-1-6	R-UL	1	13	17	-	3	-	14	yes	yes
underutilized	04933119	43184	R-1-6	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	05004112	57165	R-1-5	R-UM	1	9	-	-	-	2	7	yes	yes
underutilized	05133116	50656	R-1-6	R-UL	1	6	-	-	-	1	5	yes	yes
underutilized	05134113	193964	R-1-10	R-UL	1	17	22	-	4	-	18	yes	yes



Urban R-1 Zoned Sites(non-vacant) Available for 5+Units and County Density Bonus

ASSESSORS

Status	PARCEL NUMBER	SQUARE FEET	ZONING	General Plan Land Use	IS INI	TEN' UNIT	VL	L	M	AM	Water Available?	Sewer Available?
underutilized	05134114	133208	R-1-10	R-UL	1	6	-	-	1	5	yes	yes
underutilized	05141107	165665	R-1-10	R-UL	1	14	-	3	-	15	yes	yes
underutilized	05141120	101524	R-1-10	R-UL	1	8	-	-	2	6	yes	yes
underutilized	05141123	87068	R-1-10	R-UL	1	-	-	-	1	5	yes	yes
underutilized	05151135	300830	R-1-10	R-UL	1	28	-	6	-	29	yes	yes
underutilized	05152111	190835	R-1-10	R-UL	1	14	-	3	-	15	yes	yes
underutilized	05152113	83097	R-1-10	R-UL	0	7	-	-	2	5	yes	yes
underutilized	06026124	805503	R-1-20	R-UVL	1	17	-	4	-	18	yes	yes
underutilized	06708150	209396	R-1-20	R-UVL	1	8	-	-	2	6	yes	yes
underutilized	06708152	213805	R-1-20	R-UVL	1	8	-	-	2	6	yes	yes
underutilized	06708154	206001	R-1-20	R-UVL	1	8	-	-	2	6	yes	yes
underutilized	06708155	463049	R-1-20	R-UVL	1	12	-	3	-	12	yes	yes
underutilized	06720221	288293	R-1-20	R-UVL	1	12	-	3	-	12	yes	yes
underutilized	06748104	110286	R-1-15	R-UVL	1	5	-	-	1	4	yes	yes
underutilized	06824137	152769	R-1-20	R-UVL	1	5	-	-	1	4	yes	yes
underutilized	10217113	141647	R-1-20	R-UVL	1	5	-	-	1	4	yes	yes
underutilized	10218108	157630	R-1-10	R-UL	4	9	-	-	2	7	yes	yes
underutilized	10222153	59600	R-1-6	R-UL	1	7	-	-	2	5	yes	yes
underutilized	10237211	93764	R-1-10	R-UL	1	5	-	-	1	4	yes	yes
underutilized	10251105	72277	R-1-6	R-UL	1	7	-	-	2	5	yes	yes
underutilized	10421128	47430	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
						81		116	115	1004		

* For projects of 10-units or larger only



RM ZONED URBAN SITES WITH 5+ UNIT DEVELOPMENT POTENTIAL (NON-VACANT)

Status	ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	Total Units- CDB*	VL	L	M	AM	Water Available?	Sewer Available?
underutilized	025-023-10	20037.6	RM-3	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	025-082-50	18295.2	RM-3	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	025-091-49	41817.6	RM-4	R-UM, O-U	1	8	-	-	-	2	6	yes	yes
underutilized	025-202-02	54089.0	RM-4	R-UM	1	10	13	-	2	-	11	yes	yes
underutilized	025-202-17	37897.2	RM-4	R-UM, O-U	1	7	-	-	-	2	5	yes	yes
underutilized	025-202-18	60028.0	RM-4	R-UM	1	11	14	-	3	-	11	yes	yes
underutilized	025-211-02	83051.0	RM-6	R-UL	0	12	15	-	3	-	12	yes	yes
underutilized	025-211-06	102460.0	RM-6-L	R-UM	1	14	18	-	3	-	15	yes	yes
underutilized	026-051-21	56880.0	RM-4	R-UM	0	12	15	-	3	-	12	yes	yes
underutilized	026-193-01	23958.0	RM-2.5	R-UH	1	8	-	-	-	2	6	yes	yes
underutilized	026-193-53	16552.8	RM-2.5	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	026-211-19	60645.0	RM-4	R-UM	1	11	14	-	3	-	11	yes	yes
underutilized	026-211-20	60636.0	RM-4	R-UM	4	8	-	-	-	2	6	yes	yes
underutilized	026-211-22	83241.0	RM-4	R-UM	1	16	20	-	4	-	16	yes	yes
underutilized	026-211-25	79962.0	RM-4	R-UM	1	16	20	-	4	-	16	yes	yes
underutilized	026-211-43	139582.0	RM-4	R-UM	0	30	38	-	6	-	32	yes	yes
underutilized	026-221-15	41382.0	RM-4	R-UM	1	9	-	-	-	2	7	yes	yes
underutilized	026-311-11	72222.0	RM-6	R-UL	1	9	-	-	-	2	7	yes	yes
underutilized	026-311-12	41382.0	RM-6	R-UL	1	5	-	-	-	1	4	yes	yes
underutilized	026-311-13	42688.8	RM-6	R-UL	1	6	-	-	-	1	5	yes	yes
underutilized	026-621-12	65720.0	RM-4	R-UM	0	15	19	-	3	-	16	yes	yes
underutilized	026-641-01	77403.0	RM-4	R-UM	2	15	19	-	3	-	16	yes	yes
underutilized	027-051-25	73545.0	RM-6-D	R-UL	1	9	-	-	-	2	7	yes	yes
underutilized	027-261-39	20473.2	RM-3	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	027-273-17	21780.0	RM-3	R-UH	1	6	-	-	-	1	5	yes	yes
underutilized	028-014-01	41382.0	RM-4	R-UM	2	8	-	-	-	2	6	yes	yes
underutilized	028-031-45	35283.6	RM-3	O-U, R-UH	4	6	-	-	-	1	5	yes	yes
underutilized	028-062-28	37026.0	RM-4	R-UM	1	8	-	-	-	2	6	yes	yes
underutilized	028-062-29	88697.0	RM-4	R-UM	1	21	26	-	5	-	21	yes	yes



RM ZONED URBAN SITES WITH 3+ UNIT DEVELOPMENT POTENTIAL
(NON-VACANT)

Status	ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	Total Units- CDB*	VL	L	M	AM	Water Available?	Ava
underutilized	028-062-32	31363.2	RM-4	R-UM	1	6	-	-	-	1	5	yes	yes
underutilized	028-081-04	44961.0	RM-4	R-UM	1	9	-	-	-	2	7	yes	yes
underutilized	028-081-10	27007.2	RM-2.5	O-U, R-UH	1	8	-	-	-	2	6	yes	yes
underutilized	028-081-11	39204.0	RM-4	O-U, R-UM	1	7	-	-	-	2	5	yes	yes
underutilized	028-091-01	99604.0	RM-3	R-UH	0	33	41	-	7	-	34	yes	yes
underutilized	028-091-16	20473.2	RM-3	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	028-091-27	54263.0	RM-2.5	R-UH	0	21	26	-	5	-	21	yes	yes
underutilized	029-042-08	29620.8	RM-4	R-UM	1	6	-	-	-	1	5	yes	yes
underutilized	029-182-04	40075.2	RM-4	R-UM	2	8	-	-	-	2	6	yes	yes
underutilized	029-321-03	44185.0	RM-3	R-UH	0	13	16	-	3	-	13	yes	yes
underutilized	030-071-19	32670.0	RM-3	O-U, R-UH	4	5	-	-	-	1	4	yes	yes
underutilized	030-152-03	23086.8	RM-3-GH	O-U, R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	030-152-04	22651.2	RM-3-D-GH	R-UH	1	6	-	-	-	1	5	yes	yes
underutilized	030-161-09	33541.2	RM-3	R-UH	6	5	-	-	-	1	4	yes	yes
underutilized	030-161-10	18295.2	RM-3-L	R-UH	1	5	-	-	-	1	4	yes	yes
underutilized	037-101-02	109205.0	RM-4	R-UM	1	25	31	-	5	-	26	yes	yes
underutilized	037-113-26	46857.0	RM-4, RM-6	R-UM, R-UL	2	8	-	-	-	2	6	yes	yes
underutilized	037-151-13	69691.0	RM-4	R-UM	1	16	20	-	4	-	16	yes	yes
underutilized	037-171-25	30927.6	RM-4	R-UM	1	6	-	-	-	1	5	yes	yes
underutilized	037-181-07	79242.0	RM-4	R-UM	1	18	23	-	4	-	19	yes	yes
underutilized	037-241-36	26136.0	RM-4	R-UM, O-R	1	5	-	-	-	1	4	yes	yes
underutilized	038-081-34	109555.0	RM-3-H	R-UH	0	40	50	-	8	-	42	yes	yes
underutilized	038-081-35	110970.0	RM-3-H	R-UH	0	36	45	-	8	-	37	yes	yes
underutilized	039-182-06	34412.4	RM-3	R-UH	1	10	13	-	2	-	11	yes	yes
underutilized	039-201-35	46559.0	RM-3	R-UH	1	13	16	-	3	-	13	yes	yes
underutilized	041-221-32	75433.0	RM-6	R-UL	0	10	13	-	2	-	11	yes	yes
underutilized	054-331-08	23958.0	RM-3	R-UH	1	6	-	-	-	1	5	yes	yes
underutilized	054-361-07	18730.8	RM-3	R-UH	1	5	-	-	-	1	4	yes	yes
					65	640	523		93	48	604		

*For projects of 10 units or larger only.



URBAN RESIDENTIAL DEVELOPMENT POTENTIAL

Planning Department staff has developed the probable build-out of the urban area of the County. The build-out was developed using the Geographic Information System (GIS) and applying the densities that have been established under the 1994 General Plan/Local Coastal Program Land Use Plan (GP/LCP) and the Zoning Plan that was adopted to implement the Plan.

Staff identified three categories of residential properties for the analysis:

- Vacant residential parcels
- R-1 zoned non-vacant parcels
- RM zoned non-vacant parcels

R-1 denotes single-family residential use; RM denotes multi-family use.

Vacant residential parcels were identified through the Assessors Use Codes as those properties where no residential use exists. Staff determined the probable build-out by applying the existing zoning for the property to the property size, with appropriate area deducted for right-of ways, riparian corridor and other non-developable areas. Other factors that may influence the final density of potential development, such as environmental impacts, neighborhood compatibility, etc., were not factored into the analysis. **Table A-1a** lists the parcels, the parcel size, the specific zoning and the number of potential units for those sites where 5 or more units could be developed under existing zoning.

R-1 and RM zoned non-vacant parcels were also identified from the Assessors Use Codes. From these Codes, staff was able to determine the existing use of the property and whether additional residential use was possible. Where additional residential use was determined to be feasible, the existing zoning was applied to the area of the property to determine the number of new units that could be developed. Appropriate areas were deducted for right-of ways, riparian corridor and other non-developable areas depending on the zoning. Other factors that may influence the final density of potential development, such as environmental impacts, neighborhood compatibility, etc., were not factored into the analysis. **Table A-1b** lists those parcels zoned R-1, the size of the parcel, the specific zoning of the parcel, the number of existing units (if any) and the number of potential units (if any) for those sites where 5 or more units could be developed under existing zoning. **Table A-1c** lists those parcels zoned RM, the size of the parcel, the specific zoning of the parcel, the number of existing units (if any) and the number of potential units (if any) for those sites where 5 or more units could be developed under existing zoning.

Small-scale development, usually in the form of infill, could result in the development of 2,811 residential units under the existing zoning. It is assumed that almost all of this development will be for above moderate income households.



RESIDENTIAL CONSTRUCTION POTENTIAL
IN CONJUNCTION WITH REDEVELOPMENT OF COMMERCIAL PARCELS
REVISED

Potential Residential Units				
Planning Area	Acres	Potential Commercial Square Footage	Potential Residential Square Footage	Potential Units
Aptos	28.0	1,229,089	656,334	820
	<u>32.3</u>	<u>562,795</u>	<u>281,398</u>	<u>352</u>
Live Oak	25.4	1,107,992	591,668	740
	<u>51.3</u>	<u>894,025</u>	<u>447,013</u>	<u>559</u>
Pajaro Valley	3.0	129,983	69,411	86
	<u>7.5</u>		<u>64,992</u>	<u>81</u>
San Lorenzo Valley	17.7	770,315	462,190	578
	<u>41.7</u>	<u>726,581</u>	<u>363,291</u>	<u>454</u>
Soquel	21.4	931,487	497,414	622
	<u>25.6</u>	<u>446,577</u>	<u>223,289</u>	<u>279</u>
Totals	95.5	4,168,866	2,277,017	2,846
	<u>158.4</u>	<u>2,759,966</u>	<u>1,379,983</u>	<u>1,725</u>

Source: Santa Cruz County Planning Department, April 2000; revised October 2003

Assumptions:

1. As per current policies, 50% of the total square footage of the project can be devoted to residential development. If all the units are 100% affordable, up to 67% of the total square footage may be developed with residential uses. For the purposes of this analysis, it is assumed that none of the new residential projects will be 100% affordable. If all proposed units in the table above were 100% affordable, the potential residential square footage would increase to **1,849,177** and the number of potential units to **2,311**.
2. The potential for commercial redevelopment was calculated as follows: a listing of commercial parcels was compiled which included all parcels greater

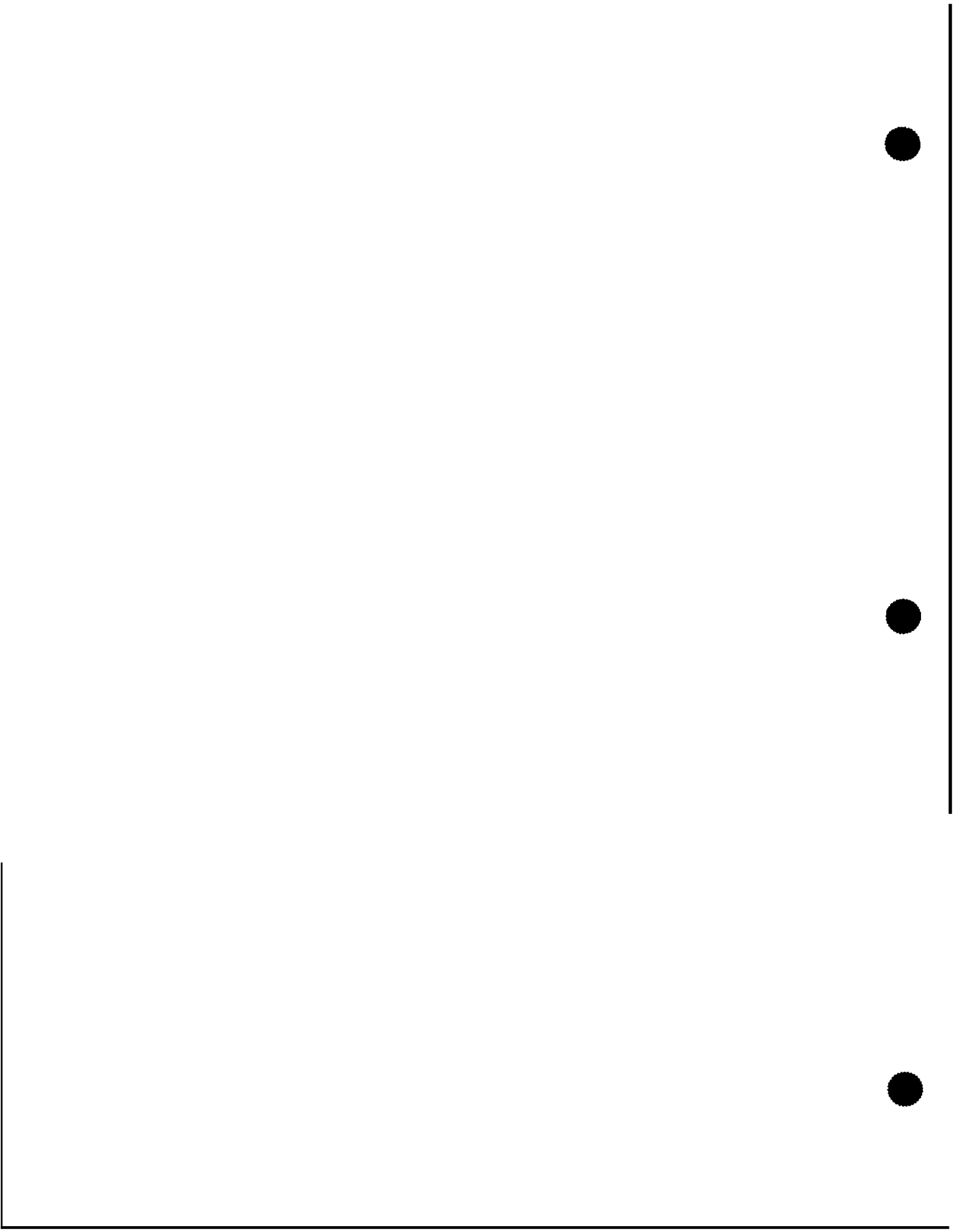


APPENDIX B-1

than 20,000 square feet with an improvements value less than \$200,000'. This identifies those parcels with existing development that is old or is small in relation to the parcel size. A floor area ratio of 0.4 is assumed to determine the potential commercial development that could take place.

3. It is assumed that the projects would provide 40% of the units for low and moderate-income residents (split 3/4 moderate (518 units), 1/4 low (173 units)).
4. It is assumed that 100% of the potential commercial redevelopment could have a residential component. The listing of parcels only includes those of approximately one-half acre or larger, and does not include parcels where the zoning would not allow mixed-use development. Parcels with split zoning have been adjusted so that only the portion on which mixed use development could occur has been counted
5. An 800 square foot average size per unit was assumed. That size would allow units of one to two bedrooms.
6. Some potential mixed-use development is assumed for "villages" in the rural area, in the San Lorenzo Valley.

¹ Based on GIS analysis of Assessors records, February 2003; **revised** October 2003



**NEW RESIDENTIAL CONSTRUCTION POTENTIAL IN CONJUNCTION
WITH COMMERCIAL DEVELOPMENT ON VACANT PARCELS**

Potential Residential Units				
Planning Area	Acres	Potential Commercial Square Footage	Potential Residential Square Footage	Potential Units
Aptos	11.7	172,890	92,323	115
	11.0	160,519	80,260	100
Live Oak	5.9	92,913	49,615	62
	5.6	87,164	43,582	54
San Lorenzo Valley	3.2	53,840	28,754	35
			26,920	34
Soquel	10.9	149,324	79,754	99
	10.7	145,839	72,920	91
Total	31.7	468,967	224,563	311
	30.5	447,362	223,681	279

Source: Santa Cruz County Planning Department, April 2000; revised October 2003

Assumptions:

As per current policies, 50% of the total square footage of the project can be devoted to residential development. If all the units are 100% affordable, up to 67% of the total square footage may be developed with residential uses. For the purposes of this analysis, it is assumed that none of the new residential projects will be 100% affordable. If all proposed units in the table above were 100% affordable, the potential residential square footage would increase to **299,733** and the number of potential units to **374**.

The potential for new commercial development used in the analysis is that described in the General Plan EIR. Total vacant commercial land was tallied², and a floor area ratio of 0.4 for smaller parcels and 0.3 for larger parcels was assumed to determine the potential commercial square footage that could be accommodated.

It is assumed that 100% of the new potential commercial development could have a

² Based on GIS analysis of Assessor's records, February 2003, revised October 2003



e

e

APPENDIX B-1

residential component. The remainder is excluded to account for commercial zoning designations that do not allow residential development, and to account for parcels that would be too small to accommodate both residential and Commercial uses.

An 800 square foot average size per unit was assumed. That size would allow units of one to two bedrooms.

It is assumed that the projects would provide 40% of the units as affordable to low and moderate income households (split 3/4 moderate (84 units), 1/4 low income (28 units)).



RESIDENTIAL POTENTIAL OF VACANT COMMERCIAL PROPERTIES

ASSESSORS PARCEL NUMBER APTOS	ACRES	PARCEL SQUARE FOOTAGE	BUILD OUT @40% COVERAGE	POTENTIAL 800 SF RESIDENTIAL UNITS	ZONING	PLANNING AREA	ASSESSORS USE CODE	ASSESSORS USE CODE DESCRIPTION
04402305	0.18	7841	3136	2	PA-SP	AT	110	LOT/COMMERCIAL ZONE
04102212	0.19	8276	3311	2	C-1	AT	110	LOT/COMMERCIAL ZONE
04105107	0.22	9583	3833	2	PA	AT	110	LOT/COMMERCIAL ZONE
04105220	0.22	9583	3833	2	PA	AT	110	LOT/COMMERCIAL ZONE
04202113	0.44	19166	7667	5	C-1	AT	110	LOT/COMMERCIAL ZONE
04106104	0.48	20909	8364	5	PA	AT	110	LOT/COMMERCIAL ZONE
04101109	0.73	31799	12720	8	C-1	AT	110	LOT/COMMERCIAL ZONE
04114156	0.74	32234	12894	8	PA	AT	110	LOT/COMMERCIAL ZONE
04104238	0.77	33541	13416	8	C-1-GH	AT	110	LOT/COMMERCIAL ZONE
03808136	2.97	129373	38812	24	C-2-D	AT	110	LOT/COMMERCIAL ZONE
04101120	4.02	175111	52533	33	C-1	AT	110	LOT/COMMERCIAL ZONE
	10.96		160519	100				
LIVE OAK								
03205131	0.14	6098	2439	2	C-2	LO	110	LOT/COMMERCIAL ZONE
02801307	0.16	6970	2788	2	PA	LO	115	LOT/MISC COMM'L IMPS
02520142	0.18	7841	3136	2	C-1	LO	115	LOT/MISC COMM'L IMPS
02609132	0.21	9148	3659	2	C-1	LO	115	LOT/MISC COMM'L IMPS
03314130	0.30	13068	5227	3	C-2	LO	110	LOT/COMMERCIAL ZONE
02603144	0.43	18731	7492	5	C-2	LO	110	LOT/COMMERCIAL ZONE
02508103	0.93	40511	16204	10	PA	LO	110	LOT/COMMERCIAL ZONE
02631133	0.95	41382	16553	10	C-1	LO	110	LOT/COMMERCIAL ZONE
03314155	1.04	45302	13591	8	C-2	LO	115	LOT/MISC COMM'L IMPS
02516102	1.23	53579	16074	10	PA	LO	110	LOT/COMMERCIAL ZONE
	5.57		87164	54				
SAN LORENZO VALLEY								
08113204	0.18	7841	3136	2	C-2	SL	110	LOT/COMMERCIAL ZONE
06504403	0.23	10019	4008	3	C-1	SL	110	LOT/COMMERCIAL ZONE
06504417	0.24	10454	4182	3	C-1	SL	110	LOT/COMMERCIAL ZONE
08120308	0.32	13939	4182	3	C-2	SL	115	LOT/MISC COMM'L IMPS
07213225	0.61	26572	10629	7	C-1	SL	110	LOT/COMMERCIAL ZONE
07708113	0.70	30492	12197	8	C-1	SL	110	LOT/COMMERCIAL ZONE
07808205	0.89	38768	15507	10	C-1	SL	110	LOT/COMMERCIAL ZONE
	3.17		53840	34				



e



RESIDENTIAL POTENTIAL OF VACANT COMMERCIAL PROPERTIES

SOQUEL							
03008113	0.20	8712	3485	2	C-2-GH	SQ	115
03015122	0.42	18295	7318	5	C-2-GH	SQ	110
03006104	0.79	34412	13765	9	C-2	SQ	110
03021107	1.69	73616	22085	14	C-1-GH	SQ	110
03006106	2.26	98446	29534	18	C-2	SQ	115
03013145	2.57	111949	33585	21	C-2	SQ	110
03013137	2.76	120226	36068	23	C-2	SQ	110
	10.69		145839	91			
TOTALS				279			

LOT/MISC COMM'L IMPS
 LOT/COMMERCIAL ZONE
 LOT/COMMERCIAL ZONE
 LOT/COMMERCIAL ZONE
 LOT/MISC COMM'L IMPS
 LOT/COMMERCIAL ZONE
 LOT/COMMERCIAL ZONE



RESIDENTIAL POTENTIAL ON DEVELOPED COMMERCIAL PROPERTIES

235

ASSESSORS PARCEL NUMBER	ACRES	FOOTAGE SQUARE PARCEL	POTENTIAL BUILD OUT AT 40% RESIDENTIAL	UNITS 800 SF	ZONING	PLANNING AREA	ASSESSORS USE CODE	ASSESSORS DESCRIPTION
03818511	0.54	23522	9409	6	E-1	AT	190	MISC MULTI USE
03912122	0.50	21780	8712	5	PA	AT	210	BANK
03947102	0.49	21344	8538	5	C-1	AT	200	RESTAURANT
03947106	0.77	33541	13416	8	C-1	AT	202	COCKTAIL LOUNGE/BAR
03947105	5.87	255697	102279	64	C-1	AT	000	5 - 10 UNITS
03947106	2.60	113256	45302	28	C-1	AT	192	COMMERCIAL PARKING
03951101	0.54	ZESZ	9409	6	E-1	AT	200	RESTAURANT
04101103	1.09	47480	18992	12	E-1	AT	321	WAREHSE/DRY STORAGE
04101124	0.54	ZESZ	9409	6	C-1	AT	120	SINGLE STORE
04101133	ZSS	111078	44431	28	C-1-L	AT	321	WAREHSE/DRY STORAGE
04101133	2.55	111078	44431	28	C-1	AT	321	WAREHSE/DRY STORAGE
04102107	0.47	20473	8189	5	E-1	AT	020	SINGLE RESIDENCE
04102116	0.65	28314	11326	7	PA	AT	031	TWO SFRS/1 APN
04104210	0.51	22216	8886	6	PA-GH	AT	020	SINGLE RESIDENCE
04104211	1.61	70132	28053	ie	PA-GH	AT	020	SINGLE RESIDENCE
04104243	2.48	108029	43212	Z1	E-1	AT	221	SELF SERVICE STATION
04104244	0.86	37462	14985	9	PA-GH	AT	221	SELF SERVICE STATION
04105103	0.06	20909	8364	5	PA	AT	028	SFR + SECOND UNIT
04105208	0.66	28750	11500	7	PA	AT	028	NON-CONFORMING RES
04105216	0.47	20473	8189	5	PA	AT	028	NON-CONFORMING RES
04114123	1.19	51836	20735	13	PA	AT	131	NON-CONFORMING RES
04114129	0.47	ZOPL	8189	5	PA	AT	171	MULTI OFFICES/1 BLDG
04122131	0.93	40511	16204	10	PA	AT	170	SINGLE OFFICE
04156106	3.48	151589	60636	38	E-1-GH	AT	250	AUTO/TRUCK REPAIR
LIVE OAK								
02501337	0.52	22651	9060	6	PA	LO	028	NON-CONFORMING RES
02507105	0.64	27878	11151	7	C-2	LO	120	SINGLE STORE
02507119	0.56	24394	9757	6	C-2	LO	220	FULL SERVICE STATION
02507120	0.59	ZSLO	10280	6	E-2	LO	120	SINGLE STORE
02508102	0.93	40511	16204	10	PA	LO	184	MEDI-DENTAL LAB
02508122	0.66	28750	11500	7	PA	LO	192	COMMERCIAL PARKING
02508221	0.69	21344	8538	5	PA	LO	180	MEDICAL OFFICE



RESIDENTIAL POTENTIAL ON DEVELOPED COMMERCIAL PROPERTIES

02508304	0.52	22651	9060	6	C-2	LO	120	SINGLE STORE
02508423	0.65	28314	11326	7	C-2	LO	183	VETERINARY CLINIC
02511224	0.51	22216	8886	6	PA	LO	023	NON-CONFORMING RES
02516114	0.52	22651	9060	6	C-2	LO	180	MEDICAL OFFICE
02520149	0.72	31363	12545	8	C-1	LO	191	OTHER COMMERCIAL USE
02535104	0.95	41382	16553	10	C-1	LO	190	MISC MULTI USE
02535118	0.99	43124	17250	11	PA	LO	024	SFR W/ SECONDARY USE
02535119	6.26	272686	109074	68	C-1	LO	010	LOT/RESIDENTIAL ZONE
02548105	6.26	272686	109074	68	PA	LO	010	LOT/RESIDENTIAL ZONE
02602216	0.50	21780	8712	5	PA	LO	184	MEDI-DENTAL LAB
02604117	0.46	20038	8015	5	C-2	LO	221	SELF SERVICE STATION
02615159	0.63	27443	10977	7	PA	LO	023	NON-CONFORMING RES
02619340	0.53	23087	9235	6	C-1	LO	120	SINGLE STORE
02619341	0.94	40946	16379	10	C-1	LO	930	VACANT CITY LAND
02619342	0.99	43124	17250	11	C-1	LO	922	COUNTY SHOP/YARDS
02619343	1.08	47045	18818	12	C-1	LO	921	COUNTY BUILDING
02619344	0.66	28750	11500	7	C-1	LO	921	COUNTY BUILDING
02619345	1.17	50965	20386	13	C-1	LO	123	COIN LAUNDRY
02619346	0.89	38768	15507	10	C-1	LO	150	GROCERY STORE
02621147	0.71	30928	12371	8	C-1	LO	024	SFR W/ SECONDARY USE
02626113	1.69	73616	29447	18	C-2	LO	931	CITY BUILDING
02626115	1.83	79715	31886	20	C-2-D	LO	921	COUNTY BUILDING
02631122	6.09	265280	106112	66	C-2-D	LO	062	HOMESITE/5-19.9 ACRE
02804119	0.86	37462	14985	9	C-1	LO	323	STORAGE YARD
02815536	1.00	43560	17424	11	C-1	LO	122	STORE W/ LIVING UNIT
02820225	0.86	37462	14985	9	C-1	LO	042	11 - 20 UNITS
03204168	0.59	25700	10280	6	C-1	LO	200	RESTAURANT
03205122	1.83	79715	31886	20	C-2	LO	250	AUTO/TRUCK REPAIR
03205129	0.48	20909	8364	5	C-2	LO	180	MEDICAL OFFICE
03205132	0.57	24829	9932	6	C-2	LO	121	MULTI STORES/1 BLDG
03209103	1.19	51836	20735	13	C-2	LO	120	SINGLE STORE
03209139	0.69	30056	12023	8	C-2	LO	202	COCKTAIL LOUNGE/BAR
10206110	0.69	30056	12023	8	C-2	LO	331	RETAIL LUMBER YARD
	2.61	113692	45477	28	PA	LO	05B	MISC IMPS 1-4.9 ACRE
	51.31		894025	559				
PAJARO								
04806105	1.54	67082	26833	17	PA	PV	061	HOMESITE/1-4.9 ACRES
04806106	1.50	65340	26136	16	PA	PV	061	HOMESITE/1-4.9 ACRES



e



RESIDENTIAL TIAL ON DEVELOPED COMMERCIAL PROPERTIES

05119117	2.12	92347	36939	23	C-1	PV	150	GROCERY STORE
05127108	0.60	26136	10454	7	C-1	PV	152	CONVENIENCE STORE
05127109	0.62	27007	10803	7	C-1	PV	190	MISC MULTI USE
05155105	1.08	47045	18818	12	C-1	PV	051	1-4.9 ACRE/RURAL
	7.46		129983	81				
SAN LORENZO VALLEY								
06418155	0.57	24829	9932	6	C-1	SL	023	NON-CONFORMING RES
06502402	0.51	22216	8886	6	C-1	SL	020	SINGLE RESIDENCE
06502405	0.64	27878	11151	7	C-1	SL	023	NON-CONFORMING RES
06504404	0.50	21780	8712	5	C-1	SL	041	5 - 10 UNITS
06504407	1.09	47480	18992	12	C-1	SL	220	FULL SERVICE STATION
06507108	0.54	23522	9409	6	C-2	SL	131	MULTI STORES/OFFICES
06508106	0.59	25700	10280	6	C-2	SL	023	NON-CONFORMING RES
06508131	0.66	28750	11500	7	C-2	SL	201	FAST FOOD RESTAURANT
06508132	0.46	20038	8015	5	C-2	SL	023	NON-CONFORMING RES
06512101	0.46	20038	8015	5	C-2	SL	250	NON-CONFORMING RES
07119205	0.50	21780	8712	5	C-1	SL	250	AUTO/TRUCK REPAIR
07119206	0.81	35284	14113	9	C-1	SL	250	AUTO/TRUCK REPAIR
07119207	0.53	23087	9235	6	C-1	SL	020	SINGLE RESIDENCE
07214116	0.64	27878	11151	7	C-1	SL	200	RESTAURANT
07216307	0.49	21344	8538	7	C-1	SL	121	MULTI STORES/1 BLDG
07217102	0.68	29621	11848	5	C-1	SL	250	AUTO/TRUCK REPAIR
07220120	0.55	23958	9583	7	C-1	SL	023	NON-CONFORMING RES
07708105	0.68	29621	11848	6	C-1	SL	020	SINGLE RESIDENCE
07708111	0.48	20909	8364	7	C-1	SL	032	3 OR 4 UNITS/2+ BLDGS
07710312	0.49	21344	8538	5	C-1	SL	050	LOT/RURAL ZONE
07710405	0.53	23087	9235	5	C-1	SL	170	SINGLE OFFICE
07716101	2.63	114563	45825	6	C-1	SL	131	MULTI STORES/OFFICES
07717214	0.90	39204	15682	29	C-1-L	SL	122	STORE W/ LIVING UNIT
07816102	0.59	25700	10280	10	C-1	SL	041	5 - 10 UNITS
07901114	0.63	27443	10977	6	C-1-L	SL	020	SINGLE RESIDENCE
07901115	7.97	347173	138869	7	C-1	SL	042	11 - 20 UNITS
07901117	3.39	147668	59067	37	C-1	SL	040	VACANT APARTMENT LOT
08108109	0.53	23087	9235	37	C-1	SL	051	1-4.9 ACRE/RURAL
08108114	0.52	22651	9060	6	C-2	SL	041	5 - 10 UNITS
08108302	0.63	27443	10977	6	C-2	SL	210	BANK
08114115	0.48	20909	8364	7	C-2	SL	200	RESTAURANT
08120205	0.77	33541	13416	5	C-2	SL	121	MULTI STORES/1 BLDG
				8	C-2-L	SL	041	5 - 10 UNITS



RESIDENTIAL POTENTIAL ON DEVELOPED COMMERCIAL PROPERTIES

08125319	0.53	23087	9235	6	C-2	SL	122	STORE W/ LIVING UNIT
08125324	2.10	91476	36590	23	C-2-MH	SL	100	MH PARK
08223113	0.93	40511	16204	10	C-2	SL	070	MOTEL/UNDER 20 UNITS
08403121	2.89	125888	50355	31	C-1	SL	032	3 OR 4 UNITS/2+ BLDGS
08417101	1.38	60113	24045	15	C-1	SL	121	MULTI STORES/1 BLDG
08505104	1.35	58806	23522	15	C-1	SL	023	NON-CONFORMING RES
08719105	1.08	47045	18818	12	C-1	SL	191	OTHER COMMERCIAL USE
	41.70		726581	454				
SOQUEL								
03006114	0.49	21344	8538	5	C-2	SQ	023	NON-CONFORMING RES
03006118	1.90	82764	33106	21	C-2	SQ	122	STORE W/ LIVING UNIT
03006119	3.35	145926	58370	36	C-2	SQ	042	11 - 20 UNITS
03006120	0.61	26572	10629	7	C-2	SQ	023	NON-CONFORMING RES
03006124	0.54	23522	9409	6	C-2	SQ	300	LOT/INDUSTRIAL ZONE
03007110	1.33	57935	23174	14	C-2	SQ	321	WAREHOUSE/DRY STORAGE
03008119	0.48	20909	8364	5	C-2-GH	SQ	321	WAREHOUSE/DRY STORAGE
03008240	0.93	40511	16204	10	C-2-GH	SQ	131	MULTI STORES/OFFICES
03012114	0.47	20473	8189	5	C-2	SQ	024	SFR W/ SECONDARY USE
03012127	0.84	36590	14636	9	C-2	SQ	331	RETAIL LUMBER YARD
03012149	1.08	47045	18818	12	C-2	SQ	191	OTHER COMMERCIAL USE
03014161	0.57	24829	9932	6	C-2-GH	SQ	020	SINGLE RESIDENCE
03015308	0.51	22216	8886	6	C-2-GH	SQ	121	MULTI STORES/1 BLDG
03015309	0.56	24394	9757	6	C-2-GH	SQ	170	SINGLE OFFICE
03015310	0.46	20038	8015	5	C-2-GH	SQ	011	UNBUILDABLE LOT
03022145	0.92	40075	16030	10	C-2-GH	SQ	131	MULTI STORES/OFFICES
03022146	2.89	125888	50355	31	C-2-GH	SQ	120	SINGLE STORE
03022301	0.49	21344	8538	5	C-2-GH	SQ	221	SELF SERVICE STATION
03034103	1.61	70132	28053	18	C-2	SQ	920	VACANT COUNTY LAND
03709325	0.66	28750	11500	7	C-1	SQ	153	CONVENIENCE/GAS PUMPS
03715112	1.87	81457	32583	20	PA	SQ	171	MULTI OFFICES/1 BLDG
03723112	0.82	35719	14288	9	PA	SQ	050	LOT/RURAL ZONE
03723120	0.68	29621	11848	7	PA	SQ	192	COMMERCIAL PARKING
03727105	0.86	37462	14985	9	C-1	SQ	223	GAS STATION W/ STORE
03727149	0.71	30928	12371	8	PA	SQ	010	LOT/RESIDENTIAL ZONE
	25.63		446577	279				
TOTALS				1725				



SECOND UNIT POTENTIAL **BUILDOUT** CALCULATIONSPotential Second Units

Rural	=	9,060
Urban	-	<u>4,216</u>
Total	-	13,276

Assumptions:

- 1 Rural: The Rural number projection is derived from the number of parcels in the unincorporated area of the County that are: outside the Urban Services Line, one acre or more in size, and have a General Plan designation of Suburban Residential, Rural Residential or Mountain Residential. This number was then reduced by 25% to reflect parcels, which for a variety of reasons are not buildable (such as floodplain, geologic, and septic constraints) ($12,080 \times 25\% = 9,060$).
- 2 Urban: In the Urban areas, it was assumed that second units would be built only on lots zoned R-I with lot size requirements of 6,000 square feet or greater. Although the ordinance does not make this restriction and second units are approved on smaller lots and those zoned RM, it becomes increasingly difficult to meet setback and parking requirements on parcels smaller than 6,000 square feet in area.
 - a. To estimate the number of Urban area parcels, of various sizes, that could accommodate second units, the following factors were used:

Parcel Size	% of Parcels Able to Accommodate a Second Unit
6,000 - 8,999 sq. ft.	30%
9,000 - 9,999 sq. ft.	50%
10,000 - 14,999 sq. ft.	70%
15,000 sq. ft. or larger	80%

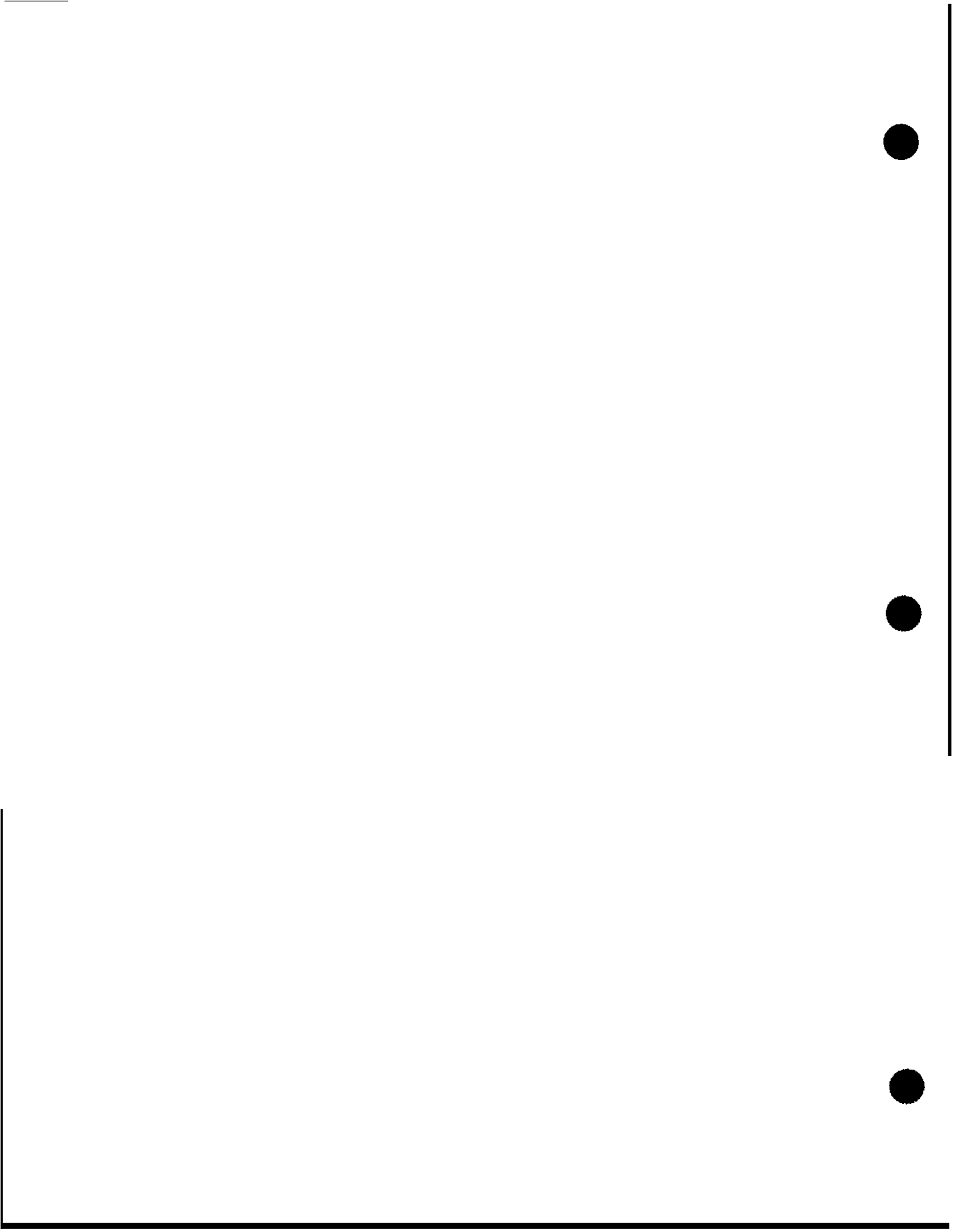
- b. Due to the lack of public sewer service, the entire Carbonera planning area was treated as a rural area for purposes of determining potential second units.
 - c. It is assumed, for both rural and urban areas, that 50% of the units will be available for occupancy by a family member and that one-half of these units would be occupied by elderly family members or students, both in the very low income category. Of the



remaining 50% of the units, this number is divided equally between moderate-income elderly and low-income households.

- d. The number and distribution of potential second units in the Urban area is as follows:

URBAN RESIDENTIAL PARCELS* AND POTENTIAL FOR SECOND UNITS**									
Planning Area	R-1-6	R-1-9	R-1-10	R-1-15	R-1-20	R-1-32	R-1-1 acre	Total Parcels	Second Units
Aptos	4,006 (1,202)	1,226 (613)	0 (0)	126 (101)	201 (126)	11 (9)	77 (62)	5,647	2,113
Live Oak***	1,869 (561)	3 (1)	18 (13)	1 (1)	5 (4)	0 (0)	0 (0)	1,896	580
Pajaro	2,278 (857)	293 (146)	0 (0)	145 (116)	0 (0)	11 (9)	0 (0)	2,727	1,128
Soquel	962 (289)	128 (64)	1 (1)	5 (4)	37 (30)	0 (0)	9 (7)	1,142	395
Total	9,115 (2,909)	1,650 (824)	19 (14)	277 (222)	243 (160)	22 (18)	86 (69)	11,412	4,216
* for parcels greater than 6,000 square feet, excluding those with GH and SP Combining District zoning ** first number is number of parcels; second number is (number of second units) based on factors in assumption 2.a. above *** Live Oak Planning Area is limited to five new second units per year									



R-1 SINGLE FAMILY RESIDENTIAL ZONE DISTRICTS (County of Santa Cruz Code Sect. 13.10.323)

SITE AND STRUCTURAL DIMENSIONS CHART

ZONE DISTRICT AND MINIMUM SITE AREA PER DWELLING UNIT	PARCEL SPECIFIC CONDITION	SETBACKS (FEET)			MAXIMUM PARCEL COVERAGE	MAXIMUM HEIGHT (FEET)	FLOOR- AREA RATIO	MAXIMUM NUMBER STORIES	MINIMUM SITE WIDTH (FEET)	MINIMUM SITE FRONTAGE
		FRONT	SIDE	REAR						
RB 0 to <4,000 square feet	General Requirements	10 *	0&5	10	40%	25; beach side: 17	0.5:1	2; on beach side: 1	40	40
	Corner lots	10 *	0&10	10	40%	See above	0.5:1	See above	40	40
	Lots on beach side of street	10 *	0&5	0	40%	See above	0.5:1	See above	40	40
	Scmi-detached dwellings and dwellings adjacent to pedestrian rights-of-way	10 *	0&5	10						
R-1-3.5 to R-1-4.9 0 to <5,000 sq. ft.	General Requirements	15 *	5&5	15	40%	28	0.5:1	2	35	35
	Corner lots — existing parcels	15 *	5&10	15	40%	28	0.5:1	2	35	35
	— creating new parcels	15 *	5&15	15	40%		0.5:1	2	35	35
	Parcels > 5,000 square feet	20	5&8	15	30%	28	0.5:1	2	35	35
R-1-5 to R-1-5.9 5,000 to <6,000 sq. ft.	General Requirements	20	5&8	15	30%	28	0.5:1	2	50	50
	Corner lots — existing parcels	20	5&10	15	30%	28	0.5:1	2	50	50
	— creating new parcels	20	5&20	15	30%	28	0.5:1	2	50	50
	Parcels 4 to <5,000 square feet	20	5&8	15	40%	28	0.5:1	2	50	50
R-1-6 to R-1-9.9 6,000 to <10,000 sq. ft.	General Requirements	20	5&8	15	30%	28	0.5:1	2	60	60
	Corner lots — existing parcels	20	5&10	15	30%	28	0.5:1	2	60	60
	— creating new parcels	20	5&20	15	30%	28	0.5:1	2	60	60
	Parcels > 4,000 to <5,000	20	5&8	15	40%	28	0.5:1	2		
R-1-10 to R-1-15.9 10,000 to <16,000 sq. ft.	General Requirements	20	10&10	15	30%	28	0.5:1	2	60	60
	Creating new corner lots	20	10&20	15	30%	28	0.5:1	2	60	60
R-1-16 to R-1-19.9 16,000 sq. ft. to <1 acre	General Requirements	30	15&15	15	20%	28	N/A	2	90	60
	General Requirements	40	20&20	20	10%	28	N/A	2	100	60
RR, RA and R-1-1 > 1 acre	General Requirements — 1 to <5 acres	40	20&20	20	10%	28	N/A	2	150	100
	General Requirements — 5 acres or more	40	20&20	20	10%	28	N/A	2		
*All Districts	Minimum to garage/carport entrance	20	20	20						
	Parcels < 60 feet wide		5&5							

NOTE: This chart contains the multi-family residential zone districts standards and some of the most commonly used exceptions. For additional exceptions relating to parcels, see Section 13.10.323(d). For additional exceptions relating to structures, see Section 13.10.323(e). Variations from maximum structural height, maximum number of stories and maximum floor area as defined by F.A.R. may be approved with a residential development permit by the appropriate approving body for affordable housing units built on-site or off-site in accordance with Chapter 17.10 and Sections 13.10.681 and 13.10.685 of Santa Cruz County Code.

Last revised 5/12/97



e

RM MULTI-FAMILY RESIDENTIAL ZONE DISTRICTS

SITE AND STRUCTURAL DIMENSIONS CHART

MINIMUM SITE AREA PER DWELLING UNIT	PARCEL SPECIFIC CONDITION	SETBACKS (FEET)			MAXIMUM PARCEL COVERAGE	MAXIMUM HEIGHT (FEET)	FLOOR AREA RATIO	MAXIMUM NUMBER STORIES	MINIMUM SITE WIDTH (FEET)	MINIMUM SITE FRONTAGE (FEET)
		FRONT	SIDE	REAR						
RM-1.5 to RM-4.9 0 to <5,000 sq. ft.	General Requirements for all parcels within these zone districts	15*	5&5	15	40%	28	0.5:1	Per Use Permit or 2	35	35
	Corner lots — existing parcels	15*	5&10	15	40%	28	0.5:1		35	35
	— creating new parcels	15*	5&15	15	40%	28	0.5:1		35	35
	Parcels >5,000 sq. ft.	20	5&8	15	30%	28	0.5:1		35	35
RM-5 to RM-5.9 5,000 to <6,000 sq. ft.	General Requirements and for parcels >6,000 sq. ft. in area	20	5&8	15	30%	28	0.5:1	Per Use Permit or 2	50	50
	Corner lots — existing parcels	20	5&10	15	30%	28	0.5:1		50	50
	— creating new parcels	20	5&10	15	30%	28	0.5:1		50	50
	Parcels >4 to <5,000 sq. ft.	20	5&8	15	40%	28	0.5:1		50	50
RM-6 to RM-9.9 6,000 to <10,000 sq. ft.	General Requirements and for parcels >10,000 sq. ft. in size	20	5&8	15	30%	28	0.5:1	Per Use Permit or 2	60	60
	Corner lots — existing parcels	20	5&10	15	30%	28	0.5:1		60	60
	— creating new parcels	20	5&20	15	30%	28	0.5:1		60	60
	*Minimum to garage/carport entrance	20	20	20						
*All Districts	For parcels <60 ft. wide		5&5							

NOTE: This chart contains the multi-family residential zone districts standards and some of the most commonly used exceptions. For additional exceptions relating to parcels, see Section 13.10.323(d). For additional exceptions relating to structures, see Section 13.10.323(e). Variations from maximum structural height, maximum number of stories and maximum floor area as defined by F.A.R. may be approved with a residential development permit by the appropriate approving body for affordable housing units built on-site or off-site in accordance with Chapter 17.10 and Sections 13.10.681 and 13.10.685 of Santa Cruz County Code.



BEFORE THE PLANNING COMMISSION OF THE COUNTY OF SANTA CRUZ,
STATE OF CALIFORNIA

RESOLUTION NO. _____

On the motion of Commissioner:
Duly seconded by Commissioner:
The following Resolution is adopted:

PLANNING COMMISSION RESOLUTION RECOMMENDING ADOPTION OF THE
DRAFT HOUSING ELEMENT OF THE GENERAL PLAN.

WHEREAS, the County has prepared a draft Housing Element; and

WHEREAS, the draft Housing Element meets the requirements of State law; and

WHEREAS, the draft Housing Element has been released to the public for review; and

WHEREAS, the public and various commissions have had an opportunity to make
comments and recommendations regarding the draft Housing Element; and

WHEREAS, comments and recommendations from the public and commissions have
been incorporated into the draft Housing Element, where appropriate; and

WHEREAS, the Housing Advisory Commission has reviewed the draft Housing Element
and referred the document to the Planning Commission for review; and

WHEREAS, the draft Housing Element is currently undergoing environmental review;
and

WHEREAS, the Planning Commission has reviewed the draft Housing Element; and

WHEREAS, the Planning Commission has held a duly noticed public hearing to receive
testimony from the public and has considered such testimony and other evidence
submitted.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends
that the draft Housing Element, as set forth in Exhibit A be adopted by the Board of
Supervisors; and

PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz,
State of California, this _____ day of _____, 2003 by the following vote:

AYES:	COMMISSIONERS
NOES:	COMMISSIONERS
ABSENT:	COMMISSIONERS
ABSTAIN:	COMMISSIONERS

Chairperson

ATTEST: _____
Secretary

APPROVED AS TO FORM:

COUNTY COUNSEL

cc: County Counsel
Planning Department

**COUNTY OF SANTA CRUZ
PLANNING DEPARTMENT**

Date: **1/22/04**
Staff Planner: Julianne Ward

**ENVIRONMENTAL REVIEW
INITIAL STUDY**

APPLICANT: County of Santa Cruz
OWNER: Various
Application No: none
Site Address: Countywide
Location: Countywide

APN: Countywide
Supervisory District: All

EXISTING SITE CONDITIONS

Parcel Size: N/A
Existing Land Use: Residential, Commercial, Vacant
Vegetation: varied
Slope: varied
Nearby Watercourse: various
Distance To: varied
Rock/Soil Type: various

ENVIRONMENTAL RESOURCES AND CONSTRAINTS

Groundwater Supply: Mapped	Liquefaction: Mapped
Water Supply Watershed: Mapped	Fault Zone: Mapped
Groundwater Recharge: Mapped	Scenic Corridor: Mapped
Timber or Mineral: Mapped	Historic: Numerous
Agricultural Resource: Mapped	Archaeology: Mapped
Biologically Sensitive Habitat: Mapped	Noise Constraint: Mapped
Fire Hazard: Mapped	Electric Power Lines: No issues
Floodplain: Mapped	Solar Access: unblocked
Erosion: Low potential	Solar Orientation: Good
Landslide: Mapped	Hazardous Materials: None

SERVICES

Fire Protection: All
Drainage District: All
School District: All
Project Access: N/A
Water Supply: Water Districts, private wells
Sewage Disposal: Sewer and Septic

PLANNING POLICIES

Zone District: Various
Special Designation: All
General Plan: Various
Special Community: Countywide
Coastal Zone: Yes and No
Within **USL**: Yes and No

PROJECT SUMMARY DESCRIPTION:

Proposal to adopt the Draft Housing Element of the General Plan.

DETAILED PROJECT DESCRIPTION:

This project is the Draft Housing Element Update for the planning period of 2000 – 2007. Within the Draft Housing Element are Goals, Objectives, Policies and Programs which will be implemented once the Draft is adopted by the Board of Supervisors and certified by the State Department of Housing and Community Development. These Goals, Objectives, Policies and Programs are identified in Chapter 4.7 of the Draft Housing Element and are the focus of this Initial Study. The Draft Housing Element is an attachment to the Initial Study, incorporated by reference and is on file with the Planning Department.

The Housing Element affects the unincorporated area of the County of Santa Cruz. The Housing Element of the General Plan is a comprehensive statement by the County of Santa Cruz of its current and future housing needs and proposed actions to facilitate the provision of housing to meet those needs at all income levels. The purpose of the Housing Element is to establish specific goals, policies and objectives relative to the provision of housing and to adopt an action plan to achieve these goals. Chapter 4.7 of the Draft Housing Element reflects the County's action plan.

The Draft Housing Element does not change any zoning or General Plan densities. Further, it does not anticipate any specific development project. However, there are programs within the Housing Element which propose to look at the possibility of changing zoning and/or General Plan densities in the future. Because these programs are described in preliminary form and the reach of said programs is undetermined at this time. It is premature to evaluate environmental impacts that might flow from the adoption of such programs. It is anticipated that detailed evaluation of the environmental impacts of any specific changes in density or other aspects of zoning and land use will occur at the time when such changes are actually proposed. Including such evaluation as a part of this Initial Study is premature and would not be specific enough to adequately assess potential impacts.

PROJECT SETTING:

This project area is the entire County.

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
---	---	------------------------------------	--------------

ENVIRONMENTAL REVIEW CHECKLIST

A. Geology and Soils

Does the project have the potential to:

- | | | | | | |
|----|--|---|---|---|---|
| 1. | Expose people or structures to potential adverse effects, including the risk of material loss, injury, or death involving: | | | | |
| | a. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or as identified by other substantial evidence? | — | — | — | X |
| | b. Seismic ground shaking? | — | — | — | X |
| | c. Seismic-related ground failure, including liquefaction? | — | — | — | X |
| | d. Landslides? | — | — | — | X |

All of Santa Cruz County is subject to some hazard from earthquakes. The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

- | | | | | | |
|----|--|---|---|---|---|
| 2. | Subject people or improvements to damage from soil instability as a result of on- or off-site landslide, lateral spreading, to subsidence, liquefaction, or structural collapse? | — | — | — | X |
| 3. | Develop land with a slope exceeding 30%? | — | — | — | X |
| 4. | Result in soil erosion or the substantial loss of topsoil? | — | — | — | X |

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
---	---	------------------------------------	--------------

- | | | | | |
|---|---|---|---|------------|
| 5. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code(1994), creating substantial risks to property? | — | — | — | <u>X</u> |
| 6. Place sewage disposal systems in areas dependent upon soils incapable of adequately supporting the use of septic tanks, leach fields, or alternative waste water disposal systems? | — | — | — | <u>X</u> . |

New sewer connections and/or the installation of new septic systems will be evaluated on a project specific basis. As no development proposed as a part of this project, the anticipated future development cannot be predicted. The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts..

- | | | | | |
|-------------------------------------|---|---|---|------------|
| 7. Result in Coastal cliff erosion? | — | — | — | <u>X</u> . |
|-------------------------------------|---|---|---|------------|

Though the project area includes the entire County, including the Coastal Zone, no development is specifically anticipated. All proposed development will have to comply with Coastal protection policies including those prohibiting erosion to coastal cliffs and bluffs.

B. Hydrology, Water Supply and Water Quality

Does the project have the potential to:

- | | | | | |
|---|---|---|---|----------|
| 1. Place development within a 100-year flood hazard area? | — | — | — | <u>X</u> |
|---|---|---|---|----------|

Parcels within the 100-year flood hazard area are included in the project area, however, no new development within the flood area is proposed. Any future proposals for development in the flood hazard area must meet the appropriate requirements.

- | | | | | |
|--|---|---|---|----------|
| 2. Place development within the floodway resulting in impedance or redirection of flood flows? | — | — | — | <u>X</u> |
|--|---|---|---|----------|

Parcels within the floodway area are included in the project area, however, no new development within the flood area is proposed. Any future proposals for development in the flood hazard area must meet the appropriate requirements.

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
3. Be inundated by a seiche or tsunami?	—	—	—	<u>X</u>
4. Deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit, or a significant contribution to an existing net deficit in available supply, or a significant lowering of the local groundwater table?	—	—	—	<u>X</u>

As no development is proposed as a part of this project, the anticipated impacts *to* groundwater supply or groundwater recharge is unknown. Each development proposal will be analyzed to determine whether that particular development would have any impact on groundwater supply or groundwater recharge.

5. Degrade a public or private water supply? (Including the contribution of urban contaminants, nutrient enrichments, or other agricultural chemicals or seawater intrusion).				
6. Degrade septic system functioning?	—	—	—	<u>X</u>
7. Alter the existing drainage pattern of the site or area, including the alteration of the course of a stream or river, in a manner which could result in flooding, erosion, or siltation on or off-site?	—	—	—	<u>X</u>

No change to drainage pattern will result from *the* approval of this planning document. Any new development will be required *to* address drainage issues specifically pertaining to that parcel.

8. Create or contribute runoff which would exceed the capacity of existing or planned storm water drainage systems, or create additional source(s) of polluted runoff?	—	—	—	<u>X</u>
---	---	---	---	----------

No change *to* runoff or drainage **pattern** will result *from* the approval of this planning document. Any new development will be required to address drainage issues specifically pertaining *to* that parcel.

9. Contribute to flood levels or erosion				
--	--	--	--	--

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
---	---	------------------------------------	--------------

in natural water courses by discharges
of newly collected runoff?

—	—	—	<u>X</u>
---	---	---	----------

See B. 8. above.

10. Otherwise substantially degrade water
supply or quality?

—	—	—	<u>X</u>
---	---	---	----------

Although future development will place additional burdens on existing water supply, the water resources available to meet the needs of the vacant parcels were evaluated and analyzed during the preparation of the 1994 General Plan. The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

C. Biological Resources

Does the project have the potential to:

1. Have an adverse effect on any species identified as a candidate, sensitive, or special status species, in local or regional plans, policies, or regulations, or by the California Department of Fish and Game, or U.S. Fish and Wildlife Service?

—	—	—	<u>X</u>
---	---	---	----------

2. Have an adverse effect on a sensitive biotic community (riparian corridor), wetland, native grassland, special forests, intertidal zone, etc.)?

—	—	—	<u>X</u>
---	---	---	----------

3. Interfere with the movement of any native resident or migratory fish or wildlife species, or with established native resident or migratory wildlife corridors, or impede the use of native or migratory wildlife nursery sites?

—	—	—	<u>X</u>
---	---	---	----------

4. Produce night time lighting that will illuminate animal habitats?

5. Make a significant contribution to the reduction of the number of

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
species of plants or animals?	—	—	—	<u>X</u>
6. Conflict with any local policies or ordinances protecting biological resources (such as the Significant Tree Protection Ordinance, Sensitive Habitat Ordinance, provisions of the Design Review ordinance protecting trees with trunk sizes of 6 inch diameters or greater)?	—	—	—	<u>X</u>
7. Conflict with the provisions of an adopted Habitat Conservation Plan, Biotic Conservation Easement, or other approved local, regional, or state habitat conservation plan?	—	—	—	<u>X</u>

Issues regarding protected species, sensitive biotic communities and habitats, and wildlife migration will be addressed on a per project basis. The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

D. Energy and Natural Resources

Does the project have the potential to:

- | | | | | |
|--|---|---|---|----------|
| 1. Affect or be affected by land designated as Timber Resources by the General Plan? | — | — | — | <u>X</u> |
|--|---|---|---|----------|

The impact to timber resources land will mainly be from land which may be adjacent to the timber resources land and developed for housing. Any impact to the timber resources land will be addressed during the processing of the application for the development project.

- | | | | | |
|---|---|---|---|----------|
| 2. Affect or be affected by lands currently utilized for agriculture, or designated in the General Plan for agricultural use? | — | — | — | <u>X</u> |
|---|---|---|---|----------|

The impact to agricultural land will mainly be from land which may be adjacent to the agricultural land and developed for housing. Any impact to the agricultural land will be addressed during the processing of the application for the development project.

- | | | | | |
|---|--|--|--|--|
| 3. Encourage activities which result in | | | | |
|---|--|--|--|--|

Significant Or Potentiality Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
--	---	------------------------------------	--------------

the use of large amounts of fuel, water, or energy, or use of these in a wasteful manner?

—	—	—	<u>X</u>
---	---	---	----------

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

4. Have a substantial effect on the potential use, extraction, or depletion of a natural resource (i.e., minerals or energy resources)?

—	—	—	<u>X</u>
---	---	---	----------

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate Independent review of environmental impacts.

E. Visual Resources and Aesthetics

Does the project have the potential to:

1. Have an adverse effect on a scenic resource, including visual obstruction of that resource?
2. Substantially damage scenic resources, within a designated scenic corridor or public viewshed area including, but not limited to, trees, rock outcroppings, and historic buildings?
3. Degrade the existing visual character or quality of the site and its surroundings, including substantial change in topography or ground surface relief features, and/or development on a ridgeline?
4. Create a new source of light or glare which would adversely affect day or nighttime views in the area?
5. Destroy, cover, or modify any unique

—	—	—	<u>X</u>
---	---	---	----------

—	—	—	<u>X</u>
---	---	---	----------

—	—	—	<u>X</u>
---	---	---	----------

—	—	—	<u>X</u>
---	---	---	----------

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
---	---	------------------------------------	--------------

geologic or physical feature? _____

X

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

F. Cultural Resources

Does the project have the potential to:

1. Cause an adverse change in the significance of a historical resource as defined in **CEQA** Guidelines 15064.5?

X

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there ~~is~~ no potential impact. Each development proposal will necessitate independent review of environmental impacts.

2. Cause an adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines 15064.5?

X

No impact to archeological resources is anticipated. Any new development will be required to address specific archeological issues as appropriate.

3. Disturb any human remains, including those interred outside of formal cemeteries?
4. Directly or indirectly destroy a unique paleontological resource or site?

X

X

G. Hazards and Hazardous Materials

Does the project have the potential to:

1. Create a significant hazard to the public or the environment as a result of the routine transport, storage, use, or disposal of hazardous materials, not including gasoline or other motor fuels?

X

The development and maintenance of housing does not create a significant hazard to

Significant or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
---	---	------------------------------------	--------------

the public.

- | | | | | | |
|----|---|---|---|---|----------|
| 2. | Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | — | — | — | <u>X</u> |
| 3. | Create a safety hazard for people residing or working in the project area as a result of dangers from aircraft using a public or private airport located within two miles of the project site? | — | — | — | <u>X</u> |
| 4. | Expose people to electro-magnetic fields associated with electrical transmission lines? | — | — | — | <u>X</u> |
| 5. | Create a potential fire hazard? | — | — | — | <u>X</u> |
| 6. | Release bioengineered organisms or chemicals into the air outside of project buildings? | — | — | — | <u>X</u> |

The Housing Element is a planning document to guide future housing policy. Because *it* does not make specific reference to any given area, there *is* no potential impact. Each development proposal *will* necessitate independent review of environmental impacts.

H. Transportation/Traffic

Does the project have the potential to:

- | | | | | | |
|----|---|---|---|---|----------|
| 1. | Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? | — | — | — | <u>X</u> |
| 2. | Cause an increase in parking demand | | | | |

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
<i>which cannot be accommodated by existing parking facilities?</i>	—	—	—	<u>X</u>
3. <i>Increase hazards to motorists, bicyclists, or pedestrians?</i>	—	—	—	<u>X</u>
4. <i>Exceed, either individually (the project alone) or cumulatively (the project combined with other development), a level of service standard established by the county congestion management agency for designated intersections, roads or highways?</i>	—	—	—	<u>X</u>

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts. It is likely that the cumulative impact to levels of service in certain areas may be impacted by the development anticipated in the Housing Element. However, until projects are specifically proposed, the exact impact to the levels of service cannot be quantified.

I. Noise

Does the project have the potential to:

1. <i>Generate a permanent increase in ambient noise levels in the project vicinity above levels existing without the project?</i>	—	—	—	<u>X</u>
2. <i>Expose people to noise levels in excess of standards established in the General Plan, or applicable standards of other agencies?</i>	—	—	—	<u>X</u>
3. <i>Generate a temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?</i>	—	—	—	<u>X</u>

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
---	---	------------------------------------	--------------

J. Air Quality

Does the project have the potential to:
(Where available, the significance criteria established by the MBUAPCD may be relied upon to make the following determinations).

- | | | | | |
|--|-----|-----|-----|------------|
| 1. Violate any air quality standard or contribute substantially to an existing or projected air quality violation? | ___ | ___ | ___ | <u>X</u> . |
| 2. Conflict with or obstruct implementation of an adopted air quality plan? | ___ | ___ | ___ | <u>X</u> . |
| 3. Expose sensitive receptors to substantial pollutant concentrations? | ___ | ___ | ___ | <u>X</u> . |
| 4. Create objectionable odors affecting a substantial number of people? | ___ | ___ | ___ | <u>X</u> . |

K. Public Services and Utilities

Does the project have the potential to:

- | | | | | |
|---|-----|-----|-----|-------------|
| 1. Result in the need for new or physically altered public facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services: | | | | |
| a. Fire protection? | ___ | ___ | ___ | <u>X</u> . |
| b. Police protection? | ___ | ___ | ___ | <u>X</u> . |
| c. Schools? | ___ | ___ | ___ | <u>X</u> . |
| d. Parks or other recreational facilities? | ___ | ___ | ___ | <u>X</u> . |
| e. Other public facilities; including the maintenance of roads? | ___ | ___ | ___ | <u>X</u> .. |

Upon complete buildout of units anticipated under the Housing Element, more services will be required than currently exist. However, the exact impact to on the services necessary cannot be anticipated at this time.

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
---	---	------------------------------------	--------------

2. Result in the need for construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

—	—	—	<u>X</u>
---	---	---	----------

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

3. Result in the need for construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

—	—	—	<u>X</u>
---	---	---	----------

Development within the parameters of the 1994 General Plan densities would not result in the need for new water or wastewater facilities, or expansion of existing facilities.

4. Cause a violation of wastewater treatment standards of the Regional Water Quality Control Board?

—	—	—	<u>X</u>
---	---	---	----------

No violation is anticipated.

5. Create a situation in which water supplies are inadequate to serve the project or provide fire protection?

—	—	—	<u>X</u>
---	---	---	----------

The Housing Element is a planning document to guide future housing policy. Because it does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

6. Result in inadequate access for fire protection?

—	—	—	<u>X</u>
---	---	---	----------

7. Make a significant contribution to a cumulative reduction of landfill capacity or ability to properly dispose of refuse?

—	—	—	<u>X</u>
---	---	---	----------

The Housing Element is a planning document to guide future housing policy. Because if

Signidcant Or Potentially Significant Impact	Less Than Significant With Mitigation incorporation	Less Than Significant Impact	NO Impact
--	---	------------------------------------	--------------

does not make specific reference to any given area, there is no potential impact. Each development proposal will necessitate independent review of environmental impacts.

8. Result in a breach of federal, state, and local statutes and regulations related to solid waste management? X .

L. Land Use, Population, and Housing

Does the project have the potential to:

- | | | | | |
|---|---------------|---------------|---------------|----------------|
| 1. Conflict with any policy of the County adopted for the purpose of avoiding or mitigating an environmental effect? | <u> </u> | <u> </u> | <u> </u> | <u> X </u> . |
| 2. Conflict with any County Code regulation adopted for the purpose of avoiding or mitigating an environmental effect? | <u> </u> | <u> </u> | <u> </u> | <u> X </u> . |
| 3. Physically divide an established community? | <u> </u> | <u> </u> | <u> </u> | <u> X </u> . |
| 4. Have a potentially significant growth inducing effect, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | <u> </u> | <u> </u> | <u> </u> | <u> X </u> . |

No development or infrastructure extension are part of this project. Developments occurring under the Housing Element would be evaluated specifically upon project proposal.

5. Displace substantial numbers of people, or amount of existing housing, necessitating the construction of replacement housing elsewhere? X .

M. Non-Local Approvals

Does the project require approval of federal, state, or regional agencies?

Yes X No .

Which agencies? California Department of Housing and Community Development .

N. Mandatory Findings of Significance

1. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant, animal, or natural community, or eliminate important examples of the major periods of California history or prehistory?

Yes — No X .

2. Does the project have impacts that are individually limited, but cumulatively considerable (cumulatively considerable means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, and the effects of reasonably foreseeable future projects which have entered the Environmental Review stage)?

Yes — No X .

3. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Yes — No X .

TECHNICAL REVIEW CHECKLIST

REQUIRED COMPLETED* N/A

APAC REVIEW	_____	_____X	
ARCHAEOLOGIC REVIEW	_____	_____X	.
BIOTIC ASSESSMENT	_____	_____X	.
GEOLOGIC HAZARD ASSESSMENT	_____	_____X	.
GEOLOGIC REPORT	_____	_____X	.
RIPARIAN PRE-SITE	_____	_____X	.
SEPTIC LOT CHECK	_____	_____X	.
SOILS REPORT	_____	_____X	.
OTHER:			
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	

*Attach summary and recommendation from completed reviews

List any other technical reports or information sources used in preparation of this initial study:

ENVIRONMENTAL REVIEW ACTION

On the basis of this initial evaluation:

- ☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described below have been added to the project. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

Signature

Date

For: _____
Environmental Coordinator

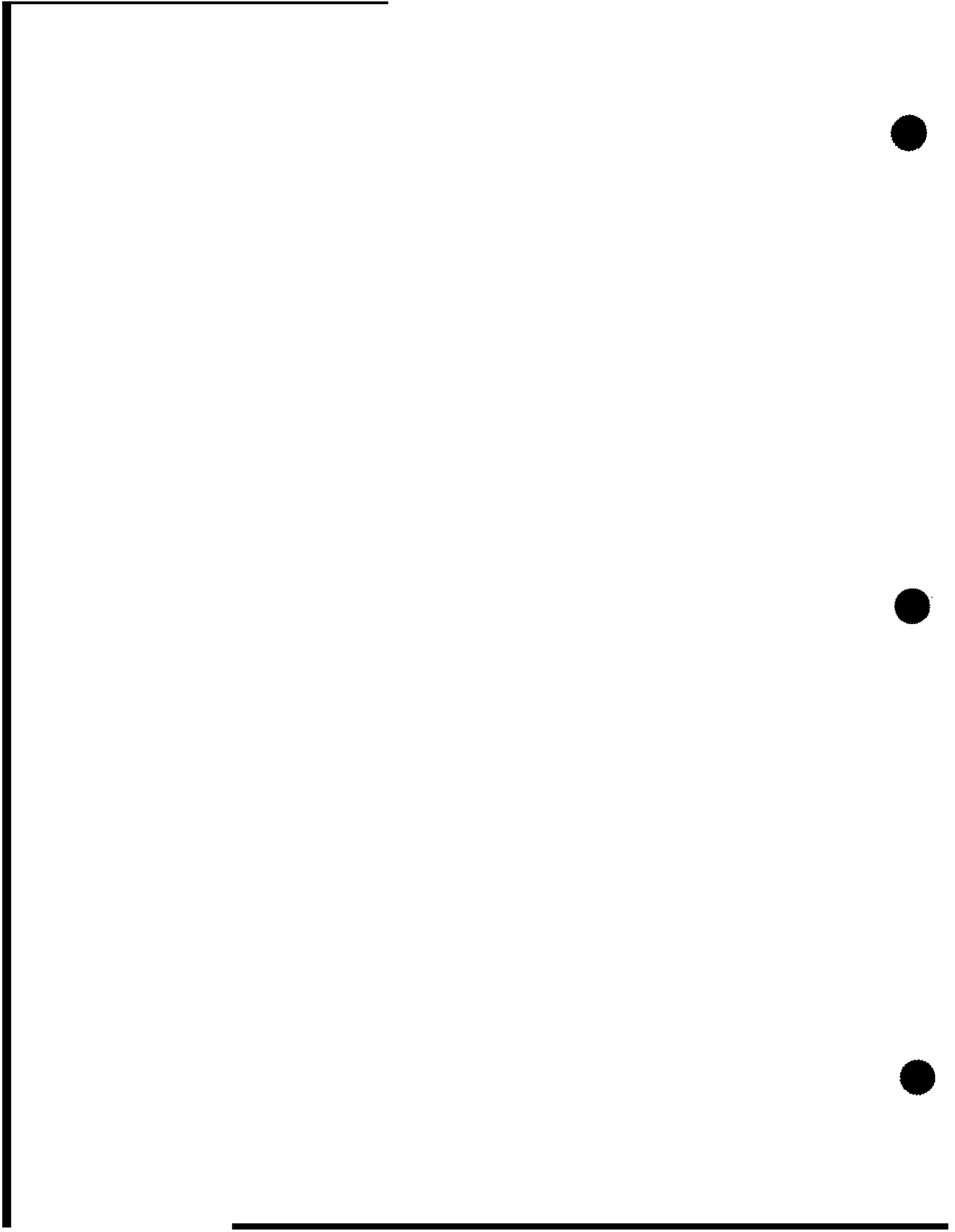
Attachment: Draft Housing Element
(on file with the Planning Department)



e

LETTER FROM CATHY CRESWELL, DEPUTY DIRECTOR,
CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

AUGUST 8, 2003



STATE OF CALIFORNIA-BUSINESS, TRANSPORTATION AND HOUSING AGENCY

GRAY DAVIS Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Division of Housing Policy Development

Third Street, Suite 430
Sacramento, CA 95205
(916) 323-3177 / FAX (916) 327-2643
www.hcd.ca.gov



August 8, 2003

Mr. Alvin D. James
Planning Director
Santa Cruz County
701 Occail Street, Suite 310
Santa Cruz, California 95060

Dear Mr. James:

RE: Review of Santa Cruz County's Draft Housing Element

Thank you for submitting Santa Cruz County's draft housing element received for our review on June 10, 2003. The Department of Housing and Community Development (Department) is required to review draft housing elements and report our findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation, on August 1, 2003 with Mr. Mark Deming and Ms. Juliann Ward., of your staff, facilitated our review.

The County is commended for its Modular Second Unit and Farmworker Housing Programs, both of which use pre-approved housing plans to facilitate the permit and approval processes. However, a number of revisions will be necessary for element to comply with State housing element law (Article 10.6 of the Government Code). Specifically, the County must identify residential sites at appropriate densities to facilitate the development of low- and moderate-income housing, and strengthen a number of programs to demonstrate the County's commitment to address the current and projected housing needs for the unincorporated County. These and other revisions are more fully described in the enclosed Appendix.

We hope our comments are helpful. If you have any questions or would like our assistance, please contact Paul Dirksen, Jr., of our staff, at (916) 545-5307. We would be happy to arrange a meeting in either Santa Cruz or Sacramento to provide any assistance needed to facilitate your efforts to bring the element into compliance.

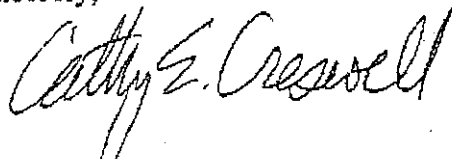
Also, we are pleased to report, as a result of the passage of Proposition 46, a historic increase in funds available, on a competitive basis, through the Department to assist in addressing housing and community development needs. Information on these programs, including Notices of Funding Availability (NOFA), will be posted on the Department's website. For program information and funding availability, please consult our homepage at www.hcd.ca.gov.

Mr. Alvin D. Tames

Page 2

In accordance with requests pursuant to the public Records Act, we are forwarding copies of this letter to the persons and organizations listed below.

Sincerely,



Cathy E. Creswell
Deputy Director

Enclosures

cc: Mark Stivers, Senate Committee on Housing & Community Development
Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Nick Cammarota, California Building Industry Association
Marcia Salkin, California Association of Realtors
Marc Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, Civic Solutions
Deanna Kitamura, Western Center on Law and Poverty
S. Lynn Martinez, Western Center on Law and Poverty
Alexander Abbe, Law Firm of Richards, Watson & Gershon
Michael G. Colantuono, Colantuono, Levin & Rozell, APC
Ilene J. Jacobs, California Rural Legal Assistance, Inc.
Richard Marcantonio, Public Advocates
Jeanell Montero, Citizens/Planning Reform
Bruce Reed, Santa Cruz County Builders Exchange
David Booher, California Housing Council
John Swift, Hamilton-Swift Land Use & Dev. Consultants
Arnie Fischman, Santa Cruz Community Housing Corporation
Patti Bonar, Santa Cruz County Builders Exchange
Ron Zumbrun, Pacific Legal Foundation
Stephanie Dall, Dall & Associates
Daniel Garr, Professor, San Jose State University
Cynthia Mathews, Friends of Downtown

APPENDIX County of Santa Cruz

The following changes would bring Santa Cruz County's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element information is available on our website: www.hcd.ca.gov/hid which may be of assistance. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. The Housing Elements section contains the Department's publication, *Housing Element Questions and Answers (Qs & As)* and the Government Code addressing State housing element law.

A. Review and Revision

Review the previous element to evaluate the appropriateness, effectiveness, and progress in implementation, and reflect the results of this review in the revised element (Section 65588(a) and (b)).

While the element reviews the current schedule and status of the County's housing programs, the element does not: describe the actual results of programs, lacks an analysis of the effectiveness of its measures, and does not describe how the current element has been revised based on an analysis of the County's programs. For example:

9. **Allowance of Residential Uses in Commercial Zones** - While the element states several commercial zones now **allow** residential development and may receive fee aid parking reductions, the element does not describe whether this program resulted in any new mixed-use applications or if further incentives are needed to facilitate mixed-use development. For example, the **County** may find that the floor area ratio limitations may limit the effectiveness of this strategy for new mixed-use development.

20. **Coordination with New Community Housing Program Initiatives** - The County reports that staff participated in this five-year initiative to address housing issues; however, the element fails to evaluate and report on this program's success or failure and on whether changes could be made to further the objectives of this program or a similar program.

35. **Study of Farmworker Housing needs** - While the element reports on results from some of the actions of this program, the results of other program actions were not described or evaluated. For instance, the element does not state whether farmworker housing sites were specified in the General or Coastal Plans; no results are discussed on clustered housing for farmworkers; and, it is unknown whether the County *sought* funds for farmworker housing. The element should include the results of the actions associated with **this** program and *evaluate* the success.

B. Housina Needs, Resources, and Constraints

1. Include *the locality's share of the regional housing need in accordance with Section 65584.*

2 As you know, the County's share of the regional housing need totals 3,441 dwelling units, comprised of 937 very low-income, 502 low-income, 651 moderate-income, and 1,351 above moderate-income housing units. The element includes two tables (Table 4.6.2, pages 108 and 109, and Table 4.6.2 included as Appendix D) to describe how the County will accommodate its share of the regional housing needs. Table 4.6.2, is predicated on the County's preferred housing need alternative, which was not approved by AMBAG, the entity responsible for distribution of the regional housing needs assessment. The element must utilize the appropriate regional housing need determination (RHNA) as established by AMBAG.

- 2 Include an *analysis and documentation of housing characteristics, including overcrowding, and housing stock* conditions (Section 65583(a)(2)).

3 The element includes the total number of overcrowded housing units in Santa Cruz County; however it should include an estimate of overcrowding by tenure for the unincorporated county. For your information, Census 2002 data indicate there were 1,673 owner-occupied and 2,059 renter-occupied overcrowded housing units in the unincorporated area. The element should, incorporate this information into the element and determine if new program measures are needed to reduce overcrowding.

A While the element includes information on the age of the housing stock in aggregate, its fails to provide an estimate of housing rehabilitation and replacement needs. The County should further evaluate census data of unincorporated urban pockets to estimate housing rehabilitation needs. The County should supplement census data with information gained from code enforcement, non-profit and for profit developers, or other sources to estimate the housing rehabilitation and replacement needs in the unincorporated County. Please refer to our Qs and As publication, (page 8), for additional assistance with this requirement.

3. Include an *inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites* (Section 65583(a)(3)).

5 a. The land inventory **must** be expanded to demonstrate sites identified for residential development are appropriately zoned to accommodate Santa Cruz County's share of the regional housing need, and either have or have planned access to infrastructure and public facilities. Appendix D, categorizes housing development by income groups, however, it is unclear how Appendix A-1(a-c), 2 parcel land inventory of vacant and underutilized sites, corresponds to the Appendix D. The County should clearly demonstrate the parcels in Appendix A-1(a-c) can achieve the housing unit development potential in Appendix D.

Appendix A-1(a-c), identifies parcels by zoning categories and anticipated development potential of these sites, however it does not **appear** that any of the parcels would accommodate development at the permitted densities. For example, page 211 identifies large sites zoned RM-4-GH with a combined development potential of 70 units, yet, the calculated densities for these sites is between 8 and 8.5 **units** per acre. Therefore, the element will need to more clearly demonstrate how the capacities of sites for multifamily development could accommodate and facilitate the development of housing for lower-income households.

6 The element should identify the zones that can accommodate the County's regional need for lower-income households. Table 4.6.2 is footnoted to provide explanation of the assumptions supporting the development potential by income group. For example, footnote 3 describes the amount of land zoned RM-2.5, RM-3 and RM-4 in aggregate to accommodate housing for very-low and low-income households. Given the cost of land and construction in Santa Cruz County, the element should demonstrate how RM-2.5 zoned land, which allows 17.4 du/acre; RM-3 zoned land, which allows 14.5 units/acre and RM-4 zoned land, which allows 10.6 units/acre could accommodate housing development for lower-income (very low and low) households. The element appears to indicate with density bonus provisions and use of redevelopment funds and other State and federal funding sources these sites could accommodate three hundred lower-income **units**. Absent strong implementation programs, tying funding to particular *sites*, the development potential for housing for lower-income households at these densities appears unrealistic. We support the County's desire to sustain and conserve its natural beauty and resources; however, it is critical for development policies and standards to balance the County's conservation objectives with requirements to accommodate future growth. Promoting more compact development **patterns** and higher density projects would support and further the County's efforts to preserve natural resources.

7 b. The element includes a number of projects which have been built or approved for low- and moderate-income households. The element will need to include the financing source/type or rental rates or housing costs to demonstrate the affordability of the following projects:

1. The McGregor Project.
2. Vista Verde, Pajaro Lane, and McIntosh.
3. San Andreas, and Marmo's developments.

8 c. Coastal Development Permit - The element indicates coastal zone restrictions and requirements imposed on residential permits may constrain development, therefore, the element should describe and analyze the impacts of these restrictions and requirements on the development of housing in the Coastal Zone. In addition, the element should clarify which **sites** in the parcel inventory are subject to Coastal Permit approvals.

d. Clarify the following strategies identified in the element:

9 The housing site inventory assumes a number of units created through a density bonus ordinance. As we stated in a previous review letter, potential density bonus units cannot be counted as an adequate sites program.

10 **Mixed-Use**-- Appendix B includes an aggregate land inventory of commercial properties in five County urban areas and provides **assumptions** on probable residential development potential on vacant and underutilized commercial properties. The element should clarify the realistic development potential within the planning period based on development trends, market conditions, development standards and incentives to encourage mixed-use.

11 **Institutional Employee Housing** - The County anticipates the development of 85 housing units by local educational facilities for their employees. The element should clarify these will be housing units, in accordance with the Census definition, and the expected sales or rental costs to confirm the affordability of these units.

12 **Visitor Accommodations and Conversion of Transient Occupancy to Permanent Housing** Clarify how the County determined the unit count for additional very-low income units. We understand the Marmot Trailer and Golden Torch RV parks were converted from "temporary" uses to permanent housing, through a land sale and establishment of manufactured housing on permanent foundations. The element should clearly describe how the unit count was derived, what sites or current trailer park units will be converted and explain the County's role in facilitating the conversion.

13 **SRO Development** - The element should also clarify how 30 additional SRO units will be converted from transient occupancy or other commercial uses. The element should include a specific program, listing the current uses expected to convert to single room occupancy units and describe the County's efforts to facilitate this conversion. The county should ensure that conversion of existing transient uses will not result in displacement of lower-income households.

4. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 (Section 65583(a)(4)).*

14 **Land-Use Controls** - Expand the description and analysis of the County's land-use controls for residential development. Currently, the element provides general plan land-use designations but it does not describe or analyze zoning designations, as defined in the County zoning ordinance. For example, page 85 provides general information about the County's multifamily residential district zoning and indicates RM-6 requires a 6000 square foot minimum per dwelling unit. The element should include a listing of the various zoning designations which describes: front, back and side yard setbacks, lot coverage and/or floor area ratios, and density ranges by zoning category. These land-use controls and the County's height limitation of 28 feet should be analyzed for their cumulative effect on the cost and supply of new housing development.

15 Although the element declares parking requirements do not constrain housing development, there is no analysis of the requirement for three off-street spaces for new single-family

of Santa Cruz parking requirements range from one to three spaces, and three parking spaces are only required for four-bedroom units, and Watsonville generally requires two off-street parking spaces **per** unit. The element must analyze its parking requirements **and**, if necessary, include a program to reduce or otherwise mitigate this potential constrain..

16 The element should clarify the distinction in land use controls for urban and rural districts and link this information to the land inventory. Absent a more clear relationship distinguishing

17 Fees and Exactions - while the element provides fee samples for two single family housing units, one urban and one rural, the element does not provide information on fees and exactions on multifamily development, nor does the element include **an** analysis of fees and exactions. The element should be revised and include **an** analysis of fees and exactions on the cost and supply of housing for all economic segments of **Santa Cruz County**.

18 **On and Off-Site Improvements** - Describe and analyze required residential on and off-site improvements such as: curbing, streets, circulation improvements and open space requirements.

19 Permit Processing - The element indicates discretionary permits are required for subdivision of 5 or more lots and subdivisions greater **than** 19 lots require public hearings. In addition, multifamily units **of 5** units or more require **a** public hearing before the planning commission and projects with 19 or more **units** must be approved by the Board of Supervisors. While the element describes how the County makes efforts to process applications in a timely manner, the element lacks **an** analysis of the discretionary approval process on the cost and supply of housing, particularly for multifamily development.

20 **Measure J** - Describe and analyze the effects of the County's growth management system on the cost and supply of housing. The element states that very-low, low- and moderate-income priced housing is exempt from Measure J and in any given year the permit request is less than the allocations allowed under Measure J. The element should be revised to fully describe the annual allocation system, analyze the effects of the unit allocation on the cost and supply of housing, and demonstrate Measure J will not prohibit the County from accommodating its share of the regional housing need. An updated analysis, similar to that included in the previous element could address this requirement.

21 **Constraints on Housing for Persons with Disabilities** - In accordance with recently enacted legislation (Chapter 671, Statutes of 2001), the element should analyze the potential and actual governmental constraints on the development of housing for persons with disabilities and demonstrate the County's efforts to remove governmental constraints on housing for person with disabilities, such as accommodating procedures for the approval of group homes, ADA retrofit efforts, and evaluation of the zoning code for ADA compliance or other measures that

provide flexibility in the development of housing for persons with disabilities. We will send the State statutes, technical assistance information, and examples to assist with this requirement.

5. *Analyze any special housing needs, such as those of elderly and large families, (Section 65583(a)(6)).*

22 While the element includes an analysis of elderly and large family housing needs for the County, the element should also include tenure information and determine if specific program actions are needed to address the needs of elderly and large family renter households. For your information there were 7,519 elderly owner households and 1,525 elderly renter households according to the 2000 census. In addition, there were 3,418 owner households and 1,843 renter households with five or more persons. The element should include this information and determine if additional programmatic responses are warranted.

6. *Include an analysis of existing assisted housing development that are eligible to change to non-low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions (Sections 65583(a)(8) through 65583(a)(8)(A)).*

23 As we discussed on the telephone call, the element should include a comprehensive inventory of assisted units in the unincorporated County, including federally, State and locally assisted housing units with affordability restrictions. The inventory should include a listing of each development by project name, address, type of assistance received, and the earliest possible date assisted units could convert to market-rate housing. The element should conduct an analysis of the assisted units which could pre-pay or apt-out of subsidy contracts within the next ten years. Furthermore, the element should specifically identify funding sources to preserve assisted units from being lost from the affordable housing stock in Santa Cruz County. We are sending you a copy of the Department's Qs & As publication and an inventory of assisted units in Santa Cruz County under a separate cover.

B. Housing Programs

1. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites will? zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

24 Absent a complete land inventory, it is impossible to determine the adequacy (zoning, public services and facilities) of identified sites to accommodate its share of the Regional Housing Need.

- 25. ■ The element does not identify where emergency shelters and transitional housing may be sited. Therefore, the element should be amended to identify sites or zones where such uses are allowed as a permitted or conditional use, and describe how the conditions encourage and facilitate the development of emergency shelters and transitional housing.
- The following programs should be strengthened to assist in addressing the adequate sites requirements:
 - 26. a. **Expand Live/Work Mixed-Use Development** - This program may be able to assist in identifying additional sites to accommodate the low- and moderate-income income portion of the RHNA, however it should specify the amount of land that will be redesignated and estimate the realistic development capacity.
 - 27. b. **Mixed-Use Housing Incentives** - The element indicates the County will "consider" revising the ordinance to adopt incentives, but does not commit to a date when incentives will be adopted. Since the County is relying on mixed-use sites to address so much of the RHNA, strong program actions are critical.
 - 28. c. **Second-Unit Incentives** - The program should specify the fees to be reduced and how the County will encourage utility companies to provide incentives.
 - 29. d. **Reduce Capital Improvement Fees for Second Units** - The program should be revised to clearly articulate revisions to the County Code and Unit Fee Schedule to reduce second-unit construction costs.
 - 30. e. **Review Commercial and Industrial Land for Residential Suitability** - To demonstrate this program could provide sites within the planning period, it must include a specific implementation schedule to make the necessary rezonings to facilitate residential development.
 - 31. f. **Promote Dwelling Groups** - The element should specify how the County Planning Department and Board of Supervisors will promote attached dwelling units and the date the County's ordinance will be amended to encourage duplexes and triplexes.

2. *Provide information on the redevelopment agency's role in the County's effort to encourage the development of a variety of housing types for all income levels (Section 65583(c)).*

32. The element should project the amount of tax increment revenue anticipated to accrue to the County's low and moderate-income housing fund for the planning period and describe the planned use of those funds.

3. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of low- and moderate-income household (Section 65583(c)(2))."*

The following programs will need to be strengthened, demonstrating a commitment by the County to assist in the development of housing for low- and moderate-income households.

37 **Legal Conversion of Transient Occupancy Use Facilities to Permanent Use** - The element includes an objective in the land inventory to facilitate conversion of transient uses to add 120 units to the permanent housing stock; however, this objective is based on the conversion of three RV park conversions since 2000. The element will need to specifically identify current projects and include the number of units the County will assist to convert from transient use to permanent housing. The County should include a program action to implement this objective.

38 **Establish Housing Trust Fund** - This potentially promising program could be strengthened demonstrating the County's commitment to establish a housing trust fund. We understand research may be necessary to determine potential funding sources and management entity; however, the County should commit to complete the research early in the planning period and develop implementation steps to fulfill the program objective to measure the effectiveness of this program on the development new housing.

39 **Leverage Additional Affordable Housing Funds** - This program should specify the funding assistance programs the County will pursue and identify timelines for applying for identified funding assistance.

40 **Self Help Affordable Ownership Housing Program** - Describe how the County will support the efforts of Habitat for Humanity or other non-profit organizations to produce ownership housing opportunities for low- and moderate-income households. For example, the County may identify redevelopment or government surplus sites, reduce development standards or otherwise provide incentives.

41 **Reduce Capital Improvement Fees for Larger Affordable Household Units in Large Projects** - This program could specifically commit the County to fee reductions and include a date for the projects completion.

4. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

42 Absent a complete constraints analysis, it is not possible to determine the adequacy of the County's mitigation programs.

5. *The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin or color (Section 65583(c)(5)).*

39
33. **Fair Housing Information** – The element indicates fair housing resources are available through the county website. This program, if evaluated, should have been revised to provide fair housing information at all County office locations, and through other County supported organizations. It is likely that at least some County residents may not have access to the internet, or require information in their native language. The element should clearly demonstrate the County makes fair housing information available to the public and has a mechanism to address or refer housing discrimination complaints

D. **Public Participation**

Local governments shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort (Section 65583(c)).

40
While the element indicates a number of community workshops will be conducted to educate the public on housing element requirements, the update process and housing element contents, it fails to demonstrate how the County has developed this element with input from all economic segments of the unincorporated County. The County should ensure that its efforts to achieve public input reflects a diligent effort to include lower-income persons and households and special needs populations. Please refer to page 1 of the *Qs and As* publication, provided by our department.



a

Comments Received on Draft Housins Element

6/10/03	Mary Theurwachter, Senior Citizens Legal Services
6/19/03	Andrew Schiffrin, Housing Advisory Commission
8/ 1/03	Progressive Housing Advocates
8/18/03	Sharon Bystran, Habitat for Humanity
8/20/03	Daniel Kriege, Soquel Creek Water District
8/25/03	Kelly Hildner, Sierra Club
9/1/03	Marline Bushey, NAMI
9/2/03	Jane Royer Barr, Mid-Peninsula Housing Coalit n
9/3/03	Johanna Parry Cougar, Community Land Trust of Santa Cruz County
9/3/03	Renee Flower, Sierra Club
9/3/03	Rose Marie McNair, McNair Realty
9/3/03	Earl Pequeen
9/3/03	John Ricker, Environmental Health Service, County of Santa Cruz
9/9/03	Johanna Parry Cougar, Community Land Trust of Santa Cruz County
9/9/03	Judy Williams, Local Mental Health Board
9/10/03	Carol Long, Community Land Trust of Santa Cruz County
9/12/03	Larry Drury, Santa Cruz County Child Care Planning Council
9/24/03	Virginia Johnson, Ecology Action
9/27/03	Gretchen Regenhardt, California Rural Legal Assistance
10/2/03	Myles Corcoran, Community Land Trust of Santa Cruz County
12/23/03	Gretchen Regenhardt, California Rural Legal Assistance



LAW OFFICES OF
SENIOR CITIZENS LEGAL SERVICES

501-F SOQUEL AVENUE, SANTA CRUZ, CALIFORNIA 95062
TELEPHONE: (831) 426-8824 FAX: (831) 426-3345

June 10, 2003

Mark Demming
Senior Planner
Planning Department
Santa Cruz County
701 Ocean Street
Santa Cruz, CA 95060

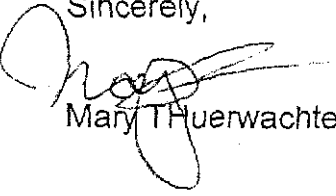
Dear Mark:

I am sending you some information to be shared with the other commissioners. Please include these with your next mailing.

1. The Housing Element - A Progressive Approach by the Progressive Housing Advocates Task Force (PHAT)
2. 2 recent articles from the Santa Cruz Sentinel regarding second units.

Thank you.

Sincerely,


Mary Thuerwachter



The Housing Element: **A** Progressive Approach

The Progressive Housing Advocates

January 13, 2003

Printed and distributed for the Progressive Housing
Advocates Task-force by:
Community Action Board of Santa Cruz County
Inc.
501 Soquel Ave, Suite E
Santa Cruz, Ca 95062
831-457-1741 ext 160
www.cabinc.org

The Housing Element – A Progressive Approach

Executive Summary

Santa Cruz County is experiencing a critical housing crisis.

The report of the Community Assessment Project Year 8, 2002, released in November, 2002 indicates that the percentage of household income spent on housing has increased for all but the wealthiest county residents. Nearly 65% of those households earning less than \$35,000 per year pay more than half their income for housing.

Median home prices continued to climb out of reach for more families. Now, industry reports say fewer than one in twelve families can reasonably buy a house here. Overall one fifth of households say they pay 75% of income for housing. A disturbing 45% of Latinos say they do,

Because of the critical nature of the housing crisis in Santa Cruz County, the following report, "The Housing Element – A Progressive Approach," identifies what significant and dramatic steps are necessary to meet the needs of low, very low, and extremely low income people in the County.

The report's overall goal is to maximize housing opportunities for those populations by removing discriminatory barriers, and by planning for housing development at increased densities, on existing transportation lines, employing green building materials and practices, incorporating child care, supportive services, and access for the mobility impaired in its design. Specifically, report calls for the following:

- re-zoning of all centrally located residentially zoned land to urban high density, allowing residential uses as part of all commercial and industrial development, identifying parking lots as central sites, and permitting second-unit development with regulations identical to those of other home additions.
- removing unreasonable height restrictions and leveling discriminatory fees, currently far higher per square foot for smaller, more affordable units than they are for larger unit development.
- providing incentives to employers to house some portion of their workers or to contribute to a housing trust fund to create housing opportunities for low wage workers.
- adopting governmental incentives for housing development that is environmentally sound, accessible to mobility impaired people, and which provides supportive services including childcare, job development, educational opportunities, mental health support, and financial planning. Incentives to include mandatory density bonuses, relaxed parking requirements, reduced design and setback requirements, waivers of fees, and opportunities to qualify for housing trust funds.
- preserving existing affordable housing through amnesty for illegal units, targeted

code enforcement tied to rehabilitation funding, the provision of emergency rental assistance for up to 60 days, and adoption of just cause eviction, rent stabilization, and rent shock ordinances to prevent existing rental housing from becoming even less affordable.

- developing a housing trust fund to marshal available funds from public and private sources to for use in the rehabilitation and development of housing affordable to, and designed to meet the needs of, low wage workers, disabled persons, homeless households, farmworkers, single and teen-parent households, and constructed employing environmentally sound building practices.
- implementing an anti-NIMBY plan for removal of the public hearing level of review for any proposed housing or mixed use development that is affordable to, and designed to meet the needs of, those portions of the population.
- Designating sites for the development of a minimum of 640 emergency shelter beds for individuals, and 400 units of emergency transitional housing, sites for supportive housing for single and teen parent households, as well as sites for supportive farmworker housing

This report has been prepared by the Progressive Housing Advocates Task Force (PHAT), a broad-based coalition of individuals and community groups dedicated to the development of affordable housing for low, very low income and extremely low income people throughout Santa Cruz County. PHAT includes representatives of environmental groups, as well as advocates for the disabled, for homeless persons, for farmworkers, for children and seniors, and for low-wage workers who live and work in Santa Cruz County.

Additional copies of this document are available from the Community Action Board of Santa Cruz County, Inc. Contact Paul Brindel at 831-457-1741 ext 160 or visit www.cabinc.org and click on "Resources",

The PHAT Housing Element Committee:

Gretchen Regenhardt, Paul Brindel, Don Burke, Linda Lemaster, Scott Beesley, Michael Bradshaw, Paul Wagner, Virginia Johnson, Nora Hochman, Sandy Brown, David Foster

For more information contact:

Scott Beesley, scottbeesley@hotmail.com, or Paul Brindel, px@cabinc.org

INTRODUCTION

Progressive Housing Advocates Task Force (PHAT) is a broad-based coalition of individuals and community groups dedicated to the development of affordable housing for low and very low-income people throughout Santa Cruz County. PHAT includes

representatives of environmental groups, and advocates for the disabled, for homeless persons, for farmworkers, for children and seniors, and for low-wage workers who live and work in Santa Cruz County,

PHAT stands for the proposition that the lack of affordable housing is the most critical issue facing our region and that it can and must be addressed by adoption of aggressive programs to encourage and require development of housing at high densities along existing transportation corridors, with provision for mobility accessible units, Childcare and supportive services, and through the use of energy-efficient and recycled materials. Every person is entitled to live in decent, safe and sanitary conditions in a suitable living environment, regardless of race, ethnicity, age, disability, religion, familial status, income level, gender, sexual orientation, language, or occupation. Preservation and expansion of housing opportunities for all residents of Santa Cruz County, and removal of barriers to fair housing is essential to our future.

It is PHAT's goal to see that existing affordable housing is preserved, that obstacles to fair housing opportunity are removed, and that at least 50% of all future housing development is affordable to low, very low, and extremely low income people. PHAT seeks to remove existing governmental, legislative, programmatic, and political barriers to these ends.

TABLE OF CONTENTS

A. PROGRESSIVE HOUSING ADVOCATES TASK FORCE ISSUES

I. Efficient Use of Land

II. Special Needs Groups:

- a) disabled
- b) seniors
- c) farmworkers
- d) homeless households
- e) single-parent HH, including teen parent HH
- f) low-wage workers
- g) households subject to discriminatory rental/loan or other discriminatory practices

III. Preservation Existing Affordable Housing

IV. Green Building

V. Childcare

VI. Funding Issues

B. PROGRESSIVE HOUSING ADVOCATES TASK FORCE PROGRAMS

I. Programs To Mandate Efficient Land Use

II. Programs to Address the Housing Needs of Special Needs Groups

- a) disabled
- b) farmworkers
- c) homeless households
- d) single-parent and teen parent households
- e) low-wage workers/families
- f) populations subject to discriminatory treatment

III. Preservation existing housing stock

IV. Programs for Green Building

V. Programs To Provide Adequate Childcare

VI. Programs to Develop Funding

PROGRESSIVE HOUSING ADVOCATES TASK FORCE ISSUES

Efficient Land Use

Efficient land use policy requires consideration of two major components: a) zoning and infrastructure; and b) design, planning, permit and fee levels and processes. Given the extremely high cost of land in the region, efficient land use demands development at the highest feasible densities and creative use and reuse of vacant and underutilized parcels to meet the critical need for affordable housing.

Some of the current governmental barriers to efficient land use which interfere with meeting the increasing need for low, very low and extremely low income housing, are:

The Zoning Map:

At present, the County of Santa Cruz land use element of its general plan contains only 17.6 acres of land zoned at urban high densities, in contrast to more than 953 acres zoned urban very low, 539 urban low, and 189.4 urban medium.^[1] Under current zoning guidelines, the "urban high density" designation allows only 17 units per acre, a density so

low that it can only accommodate home ownership housing such as condominiums and townhouses. An affordability^[2] map of the unbuilt portion of the County by percentage shows that the land is divided by these proportions:

- Zoning designations for those above median income: 100%
- Zoning designations for those below median income: 0%

This exclusive assignment of land solely to the highest income households in the population has caused:

- higher rent levels
- gentrification with concurrent loss of affordable units
- increased isolation of racial, ethnic, and other minority groups in discrete neighborhoods
- population aging as younger families leave the area
- worker displacement into outlying areas and distant locations
- traffic congestion as more workers must commute from outside the area
- underutilization of public transit due to distances between residences and routes
- sprawl

Overspecificity:

The zoning map is over specific. Sites are zoned for particular specific uses for which they may not be suited, never engaged in or long since abandoned, rather than for residential or mixed-use development. This has effectively eliminated them from use for low, very low and extremely low-income housing.

The potential for residential development can be greatly increased by rezoning available vacant, underdeveloped, and underutilized land currently zoned commercial or industrial for residential uses alone, or for concurrent commercial, industrial and residential uses where compatible.

The County should conduct an inventory of all such available sites, and include all vacant or underdeveloped infill sites and underutilized sites such as large parking lots which could continue to provide parking services while developed overhead as housing. All sites currently planned as parking lots should be redesigned to permit concurrent residential development.

To summarize, both economic and environmental considerations point toward development at higher densities along transportation corridors within urbanized areas, as opposed to current zoning regulations, which encourage sporadic development of individual units in rural areas while leaving less than 1% of the land in the urban areas zoned for high density under the County's current land use plan.

Height Restrictions:

The current zoning ordinance prohibits residential development at heights greater than three stories in rural zones and two stories in urban. This has two negative effects on providing needed affordable housing in the context of a sustainable community: a)

increased costs as more land is needed to provide the same number of dwelling units; b) increased rent, sale, and equity prices as significantly higher land costs are passed on to renters and homebuyers.

Fee Structure:

Fees as currently assessed and collected by local jurisdictions and service providers reward the construction of large single units, and discourage the construction of smaller ones. The fees for an average size single family home, which is now 2600 square feet (National Association of Homebuilders 2001) total approximately \$22,000, or \$8.46 per square foot; the fees for converting a 400 square foot garage to living space can rise as high as \$17,000 or \$42.50 per square foot -- a fivefold differential.

This significant differential especially affects the production of small second units, which in already-developed areas can make a valuable contribution to meeting the need for affordable housing for smaller households, as well as for senior, disabled, convalescent and other vulnerable populations. A fee structure that results in exorbitant costs per square foot, however, operates as a major disincentive to their construction, and its removal is a critical step in increasing the supply of affordable units.

There are also a number of other governmental barriers to the construction of second units, including a review process which includes public hearings which allow neighborhood opposition to defeat a proposed project,^[3] setback and height rules which limit placement and construction of second units on lots, unreasonably costly requirements such as sprinkler ordinances applied to the main home when a garage is remodeled as an ADU, occupancy restrictions requiring that units be occupied either by their owners, family members, or low-income households, and rent **overviews** which make minimal difference in cost to tenants but cut production dramatically.

To increase their production and the efficient use of land they occupy, ADUs should be permitted as of right, and be free of unreasonable design, occupancy, economic and review requirements which discourage their construction.

Other Barriers:

Rigid requirements for parking spaces, setbacks, and lot coverage ratios further erode even the lower densities allowed in the land use element and result in a diminution of development potential.

Current planning and approval processes operate as barriers to the development of affordable housing, by setting development fees and standards excessively high, and imposing lot coverage, parking and design requirements that are obstructive.

Public hearing requirements which demand a higher level of review than that imposed for single family homes, and which allow multi-family housing developments to be defeated by neighborhood groups because of biases, stated or unstated, against lower income housing.

Summary

Overall, the current zoning ordinance and current planning and permit approval processes operate as barriers to the development of affordable housing in that zoning designations are inadequate to affordable housing production and overly rigid and development fees are both high and discriminatory. Standards for lot coverage, parking requirements, and design criteria are excessive, and review periods are impractically lengthy. The public hearing level of review ultimately creates a bias against lower income housing. These issues need to be reviewed, and the barriers eliminated, if the cities and the County wish to address the needs of lower income residents.

II. Special Needs Populations

The Disabled:

While it is difficult to say how many residents of the county have disabilities, national statistics show that nearly one of every five Americans will become disabled at some point in their lives. Planning for housing development must include sites for supportive and assisted housing close to transportation lines and must expand mobility accessibility features in all types of housing planned and constructed in the county.

Seniors:

There are approximately 45,000 seniors living in Santa Cruz County today. This population is particularly affected by high housing costs because many live on fixed incomes. Future housing plans must include sites for affordable units for the elderly close to amenities and on existing transportation lines.

Farmworkers:

The average household income for farmworkers is dramatically below 30% of the median income for the County of Santa Cruz (approximately \$14,309 per year).^[4] At that wage, virtually all the housing stock, ownership and rental, is out of reach. The failure of the agricultural industry to provide housing for its workforce contributes to severe overcrowding, occupancy of seriously substandard or illegal housing units, and predatory rental practices. Farmworkers face severe housing discrimination and lack access to health, childcare, and education services, and projects designed to meet their needs are subject to strong neighborhood opposition. Housing is needed for migrant workers and their families, migrant unaccompanied workers, and for very low-wage farmworker families who are year-round residents.

Homeless households:

It is estimated that 8,500 people experience homelessness in Santa Cruz County in any given year. Approximately half the homeless people counted in the homeless census were not sheltered: living outdoors or in vehicles.

At the present time, there are 219 emergency shelter beds open year-round, and an additional 122 open during the winter months. Countywide, there are 400 units of transitional housing in which residents can live for up to 24 months with a range of supportive services. Shelter for disabled homeless persons is in extremely short supply. There is a need for an additional 641 beds for individuals and 405 units for families with

children. Transitional, and temporary assistive and supportive housing for the disabled homeless population must be provided.^[5]

Homelessness can be prevented. More than half the households that experience homelessness are homeless for less than five months. Rent or mortgage payment programs, which keep families housed on a temporary basis, can prevent those households from becoming homeless at all.

Single Parent/Teen Parent Households:

Households with single teenage parents require housing, which provides support for continued education, development of life skills, and adequate childcare.

Low-Wage Workers:

There are approximately 5,672 extremely low-income renter families in need of housing in the County. These families earn less than 30% of the area median income and pay as much as 80% of their income for shelter. The County's primary economic industries are tourism and agriculture – industries that rely on low wage workers.

Households Subject To Discrimination:

Members of racial, ethnic and language minorities, disabled persons, farmworkers, those subject to sexual harassment or domestic violence, and families with children are often subject to discriminatory rental, sale, loan, or other discriminatory housing practices, including neighborhood opposition (NIMBY). These groups require programs to ensure equal housing opportunities.

III. Preservation of Existing Affordable Housing

The Santa Cruz/Watsonville metro area is the 2nd least affordable owner housing market of the 190 metro areas in the country^[6]. The Santa Cruz/Watsonville metro area is the 6th least affordable rental housing market in the nation.^[7] The data in both studies suggest that the County is part of a regional housing market that is forcing low and moderate-income households out of not only the County but also the region.

The conclusion that households are moving out of the area because of the loss of affordable rental housing is also suggested in the findings two other sources. First, the County Office of Education reports an over-all loss of families with children in the county schools. Second, the Santa Cruz County Community Assessment Project (CAP), Year 8^[8] report provides a comprehensive view of the quality of life in Santa Cruz County. Each year for 8 years this scientific assessment of significant quality of life indicators has included questions that allow researchers to follow trends, among other indicators, in housing affordability and homelessness. The project report for 2000 indicated that 50% of households in Santa Cruz County paid more than 50% of their income for housing. The 2001 report saw a decrease in that percentage to a little over 40%. While some of this shift may be due to an increase in the wages of people living in Santa Cruz County, it is not inconsistent with the data to conclude that a significant number of lower income households

moved out of the County and were replaced with higher income households. The 2002 CAP report, released in November 2002, found that of those households earning less than \$35,000, nearly 65% still paid more than 50% of their income for housing and of those 30% paid 75% or more of their income for housing.

It is difficult not to conclude that the critical nature of the Santa Cruz County housing crisis has resulted in significant numbers of low-income households moving out of the county because of dramatic rental cost increases in market rate rental units.

This increase in housing prices, while driving the poor out of the area, has also resulted in an underground affordable housing market in which only substandard or illegal housing remains affordable to low and very low-income households.

The very limited amount of publicly subsidized housing is at risk as large projects approach the dates when an opt-out of federal programs guaranteeing low rents is permitted. Rent subsidies in the form of Section 8 vouchers are limited and often unappealing to property owners unwilling to submit to paperwork, inspection, and rent limits by the Housing Authority of the County of Santa Cruz.

IV. Green Building and Transportation for a Sustainable Future

In times of shrinking resources, both financial and natural, sustainable development, through green building practices and transportation is critical to long-term local and regional planning. Incorporating green building practices and sustainable transportation incentives saves money and resources for the residents of the building and the local government entity in charge of maintaining the services used by the residents, (i.e., garbage collection, sewers, power lines, water). The savings to the residents are immediate in the form of lower utility bills, (garbage, electricity, gas, water). The savings to the local government public works department are realized over many years. The savings to the community are permanent and lasting.

Government agencies are responsible by law to ensure the health, safety and well being of the community's environment, which green building and transportation programs help fulfill. Green Building" incorporates sustainable environmental concepts into each segment of a building project. Likewise, "sustainable transportation" refers to any type of transportation that decreases single occupied automobile trips and/or the use of gasoline-powered vehicles toward the goals of mitigating congestion, improving access to community services, and preventing air and watershed pollution. Green programs work because all of the community stakeholders that are affected by the program, businesses, government, residents and non-profits work in partnership. The programs make financial sense to the businesses and residents because these measures save everyone money in the long term.

V. Childcare Facilities Development

Childcare is a major industry in Santa Cruz County contributing over \$35.5 million to the local economy and creating more than 2,469 local jobs. Childcare is every employer's concern and good, reliable Childcare is crucial to the productivity of the business workforce. The Provision of affordable and conveniently located Childcare facilities has been proven to help reduce cross-town commute traffic and help build neighborhood interaction. Childcare

Programs located in residential areas ~~often~~ contribute to building and neighborhood safety by their presence. Above all else, planning for quality Childcare programs is critical to the development and safety of our precious children.

As the population in Santa Cruz County has grown, so has the need for licensed childcare. According to the 1999 Childcare Needs Assessment, about half of all families in Santa Cruz County (or about 24,945 children ages 0-13) need some form of Childcare. However, there are just 5,992 Full Time Equivalent licensed Childcare spaces in the County, enough to accommodate only 24% of all of the children needing care. Significant barriers to Childcare facilities development include the high cost of land, restrictive zoning, complex permitting processes and an extremely limited pool of investment capital. Adding Childcare language to the Housing Element will ensure that Childcare is recognized as being as important as other services when long range planning is done.

V. Funding Issues

There is a shortage of funding for the development and preservation of housing affordable to low, very low, and extremely low-income people. This problem is especially severe because the cost of land and low-density zoning preclude the economy of scale of large multifamily developments. In the County of Santa Cruz, the problem is exacerbated by years of noncompliance with the housing element law, which has resulted in the County's ineligibility for many types of state and federal funding.

Innovative programs are needed to bring about the actual construction of housing throughout the county. These could include development of a housing trust fund, the requirement of actual housing development as part of any commercial and industrial construction, the earmarking of all discretionary funds to support "smart growth" projects (dense housing on transportation corridors, affordable to low and very low income households, following green building practices, and "visitable" by the mobility impaired) both as new construction and as renovation, and aggressive pursuit of all funding available through federal and state government.

PROGRAMS:

I. Efficient Land Use:

Governmental Constraint

Program(s) To Address

Inadequate land zoned for residential and mixed use development;

- the City/County shall rezone all existing commercial and industrially zoned sites to permit multi-family residential development in conjunction with commercial and industrial development unless the commercial or industrial use would pose a health or safety threat to potential residents

- the City/County shall waive or reduce fees for subdivision of parcels to allow commercial or industrial development on part of the lot and

residential development on a separate part of the lot

– the City/County shall require those developing commercial or industrial projects, which will employ more than 50 people, to provide, as part of the project, a sufficient number of housing units on site (or nearby on existing transportation corridors) affordable to 20% of the potential, non-management, labor force to be employed in the commercial or industrial business and shall make public funds (including redevelopment funds, community grants, and housing trust funds) available to assist in such development

– the City/County shall waive or reduce fees, require density bonuses, and waive design, setback, and parking requirements for those voluntarily developing mixed-use projects that will include housing units affordable and sufficient in number to house 20% of the potential labor force to be employed in the commercial or industrial business

– the City/County shall rezone all current residentially zoned sites with appropriate infrastructure to high density and shall permit multifamily development as of right

– the County shall provide incentives for the development of high density, multifamily housing along transportation corridors by waiving permit fees, requiring density bonuses, prohibiting down zoning or lesser use, waiving design, setback, and parking requirements, and by targeting available redevelopment funds and other housing funds to aid in such construction where permitted by state law

– the County/City shall permit development of accessory dwelling units as a matter of right where they meet green construction guidelines. are visitable, and/or are affordable to low, very low, or extremely low income households

– the County/City shall designate specific sites suitable for the development of at least 1,000 units of housing for low, very low, and extremely low income households, shall zone them accordingly, and shall move to acquire and develop any such

sites which are proposed for development other than as high density multifamily housing

– the County/City shall subsidize development or improvement of infrastructure where necessary to aid in the development of housing affordable to very low and extremely low-income people

II. Special Needs Groups:

Governmental Constraint

Program(s) To Address

A. The Disabled:

Inadequate/Nonexistent Incentives

for Visitability: Visitability means that design, in order to truly integrate people with residential disabilities into the community at large, which meets visitability standards in those with mobility impairments must have the means to be able to visit friends

and family, who reside outside of their homes. Often known as "get in and pee laws", visitability seeks to make,

simple, cost-effective changes in

construction planning, which allow people with disabilities to visit friends and family without barriers to navigating available the home or using the restroom

– adoption of incentives including waiving permit fees, promoting density bonuses, waiving

setback, and parking requirements, for construction,

that:

-there should be at least one zero-

step

entrance to the home

-interior passages should allow a 32"

wide

path of travel so as not to

hinder a person

with mobility impairments

-light switch and outlet placement

at heights accessible to people using wheelchairs

-additional blocking placed in the walls of at least one, first-floor bathroom to accommodate grab bars as necessary

Lack of a central directory of accessible – establishment and maintenance of a central list
of
units available accessible housing

No requirement that accessible units be – ordinance requiring accessible units to be listed
rented to those with mobility impairments two weeks prior to making the units
available to the
general public to enable those with mobility
impairments to apply to rent said units

Insufficient funds to ensure construction – the use of funds contained in the housing
trust fund could be used for construction of housing
which is accessible to the mobility impaired, group
homes, and/or other supportive housing

– the County/City shall permit development of
housing which is accessible to the mobility
impaired, group homes, and/or other supportive
housing, as of right

B. Farmworkers

Lack of housing for farmworkers – adoption of an ordinance requiring agricultural
employers to provide migrant farm labor housing
on site, or, in the alternative, to contribute land or
its equivalent dollar value to a housing trust fund
for the development and construction of housing
for farmworkers and their families

– the County/City shall designate one or more
sites, appropriately zoned, for the development of
farm labor housing, both for single workers and for
families as of right and shall waive permit fees and
design, setback and parking requirements

– the County/City shall permit development of
farmworker housing as a matter of right where it is
designed for 12 or less workers and will be
constructed on agriculturally zoned land

Inadequate funds for development of – development of a farmworker housing
trust fund
Housing affordable to farmworkers (of designation of a portion of an affordable
housing
because of extremely low wages trust fund) earmarked for farmworker housing
construction

– adoption of an ordinance requiring agricultural
employers to provide migrant farm labor housing
on site, or, in the alternative, to contribute land or

its equivalent dollar value to a housing trust fund for the development and construction of housing for farmworkers and their families

- imposition of a tax on agricultural employers to develop a fund for farm labor housing development

- designation of construction of housing which is affordable to farmworker individuals and families, and which provides supportive services, including childcare, health care, Headstart and adult education services, as an appropriate use of funds contained in the housing trust fund to be developed in each local jurisdiction

C. Homeless Households

Inadequate year-round emergency shelter

- changes to the zoning ordinance to encourage development of 640 emergency shelter beds for individuals

- the County/City shall permit development of emergency shelters, transitional housing, and group homes with appropriate infrastructure as a matter of right and shall waive permit fees and design, setback and parking requirements

Inadequate temporary and transitional encourage shelter services for families

- changes to the zoning ordinance to development of 400 units of emergency, and transitional family housing

Inadequate homeless prevention services to provide temporary

- continuation and expansion of the emergency rental assistance program

assistance paying the rent for up to 60 days to prevent eviction

D. Single-parent and teen parent households:

Shortage-of-supportive housing

- designation of sites appropriately zoned and with adequate infrastructure for the development of shared housing for single parent households and teen parents with on-site Childcare

- designation of a portion of RDA tax increment

funds from the 80% set-aside or other housing funds to assist in the development of supportive housing for single and teen parent households

E. Low-Wage Workers:

Inadequate Supply Of Housing Affordable To Low-Wage Workers

– the County/City shall rezone all current residentially zoned sites with appropriate infrastructure to high density and shall permit multifamily development as of right

– the County/City shall provide incentives for the development of high density, multifamily housing along transportation corridors by prohibiting down zoning or lesser use, waiving permit fees, requiring density bonuses, waiving design, setback, and parking requirements, and by targeting available redevelopment funds to aid in such construction where permitted by state law

F. Households Subject To Discrimination

Discriminatory Lending, Rental, and Sale Practices and NIMBY

– the County Counsel shall aggressively and prosecute claims of discriminatory lending practices in appropriate cases, in conjunction with the Department of Fair Employment and Housing and the Department of Housing and Urban Development and California Rural Legal Assistance

– the City/County shall adopt an aggressive program of education and outreach to lenders, property owners, property management companies, the Housing Authority, City and County employees, housing providers under Title VI, to inform them of their obligations under fair housing laws. All materials shall be multilingual. The City/County shall staff or contract out a program of training, public education and outreach, counseling and advocacy for victims of discriminatory practices

*III. Preservation of Existing Affordable Housing*Governmental ConstraintProgram(s) To AddressRents At Unaffordable Levels

– the County/City shall adopt a “rent shock ordinance under which Owners/ managers of all residential and commercial properties in the County of Santa Cruz will provide tenants whose rental agreements or leases are of less than one year’s duration with 2-month notice for every 5% intended increase in rental fees. This obligation would not be affected by a change in property ownership

- adoption of a local ordinance requiring the
 - mediation of all eviction actions based on 30-day notices which do not state good cause, with authority of the mediator to grant an extension of time to move, subject to continued payment of rent, where moving within 30 days presents an undue hardship
 - the City/County shall adopt a rent stabilization ordinance to prevent further skyrocketing rents
 - the City/County shall adopt a just cause eviction ordinance prohibiting eviction except for specified causes, including but not limited to, non-payment of rent, material violation of rental agreement, damage to the premises, drug or illegal activity, denial of access to the landlord, to accomplish repairs, for the landlord or a family member to move into the unit, removal of the unit from the rental market

Potential Loss of Subsidized Housing – incentives for owners to re-contract with HUD to operate the complexes as low-income housing

- program for government acquisition of complexes to ensure their continued operation as low-income housing
- The City/County shall provide education and outreach to residents of subsidized housing about their rights in complexes scheduled to convert to market-rate housing

Refusal or Reluctance of Property Owners/Managers To Accept Section 8 Vouchers - the City/County shall adopt an ordinance banning discrimination against tenants on the ground that they receive Section 8 assistance, or on the basis of their occupation or source of income

Proliferation of Substandard and Illegal Housing - legalization of existing substandard and illegal units that can be made safe, sanitary, and decent, without regard to zoning, parking requirements, lot coverage, setback or other design or planning criteria, with funding from RDA and/or other sources targeted to repair, rehabilitation and/or renovation

- the City/County shall require a certificate of occupancy following an annual or biannual inspection to ensure habitability and shall require repair of substandard conditions prior to issuance of the certificate

Displacement of Tenants - the City/County shall adopt a Relocation Ordinance or amend its existing relocation ordinance to prohibit displacement of a tenant without relocation assistance, to require payment of the relocation benefit (three months rent for a unit of similar size) directly to the displaced tenant upon the posting of a notice requiring a tenant to vacate a dangerous, substandard, or illegal dwelling unit (funds to be recovered via placing of a lien on the property)

Code Enforcement - the City/County shall require the replacement of any unit demolished as the result of code enforcement

IV. Green-Building

Governmental Constraint

Program(s) To Address

Inadequate/Nonexistent Reuirements
fees,
For Green Building:
setback,

- the City/County shall waive or reduce
require density bonuses, and waive design,
and parking requirements for those voluntarily

developing projects which contain, at a minimum, the following features:

- design criteria to consider building location on the site, to maximize effectiveness of passive solar systems, appropriate insulation and green belt
- green building materials and amenities should be specified in the project plans, including, but not limited to:
- sustainably harvested lumber
- carpet and tile made of recycled materials such as plastic bottles and porcelain use of recycled or reusable paint
- energy efficient appliances and light fixtures
- toilets, shower heads, faucets and landscape systems that conserve water
- "cool roof" materials
- if available, asphalt and/or concrete made from-recycled materials
- landscaping with native plants that minimize water usage
- secure storage for one bicycle for each occupant
- if there is to be a garage, a charging station to recharge an electric car
- subsidy to cover additional costs to enable compliance for all projects affordable to very low and extremely low income people

Inadequate/Nonexistent Requirements
require, as part
for Recycling of Building Materials:

- changes to the planning process to
of design approval, the recycling and reuse
of construction materials. The use of materials not
appropriate for recycling should be minimized. If
any demolition of an existing structure must occur,

the design and construction team should look at the feasibility of reusing any building materials, fixtures or foundations. Any of these that are not feasible for reuse should be demolished so that a "re-use construction" business may take the materials and/or a demolition contractor can haul away the materials for recycling or reuse. During construction, leftover building materials, both old and new, should be given to a demolition contractor for reuse or recycling

Excessive parking requirements:

- providing a parking space for each anticipated occupant increases the cost of the project and does nothing toward mitigating congestion and preventing air and ground pollution, especially in downtown or densely populated areas. To provide the maximum incentive for occupants to travel sustainably, the following amenities should be provided
- adoption of zoning changes to encourage high density residential development near bus stops or other mass transportation modal and/or within walking distance of services
- incorporation of design requirements for bike lockers or secure bike cage and, if parking is provided, one or more charging stations for electric cars
- issuance of passes for use of mass transportation at rates affordable to very low and extremely low income people

V. Childcare Facilities Development

Governmental Constraint

Program(s) To Address

Failure to Include Childcare Needs
Childcare
In Planning Process:

- include an analysis of the impact on
whenever environmental reviews are required for larger residential, commercial or industrial developments

Inadequate Funding:

- pursue the dedication of a 2% set aside of redevelopment agency funds for Childcare facilities development purposes

- require that direct mitigation or in-lieu fees be paid (as is currently required in the County) by developers to address the increased Childcare needs created by new developments

Planning and Zoning Barriers:

- develop Floor Area Ratio bonuses, traffic mitigation measures and other accommodations that will act as incentives for the inclusion of Childcare in residential and commercial developments
- zoning should be modified to allow and encourage large and small family Childcare homes in all residential zones as a principally permitted use with reasonable compatibility standards
- zoning should be modified to allow and encourage Childcare centers in all residential, commercial and industrial zones with reasonable compatibility and safety standards as a principally permitted use
- encourage the inclusion of Childcare at major transportation hubs, along transportation routes and at major employment and housing sites

V. Funding Issues

Governmental Constraint

Program(s) To Address

- | | |
|--|---|
| <p><u>Insufficient Funds To Produce Affordable Housing</u></p> | <ul style="list-style-type: none"> - adoption of a housing element that complies with state law so as to qualify for federal and state housing benefits - development of a Housing Trust Fund staffed by City/County personnel for the purpose of financing the acquisition, construction, or rehabilitation of a variety of housing units affordable to low and very low income county residents, accessible to the mobility impaired, and/or built in accordance with green building techniques. Appropriate projects could include homeless shelters, transitional and supportive housing, and farm labor housing. Fund to be created from a variety of possible sources including, but not limited to, sales tax, real estate transfer tax, business license tax, redevelopment |
|--|---|

tax increment, settlement fees, an assessment on agricultural lands

– the City/County shall waive or reduce fees, require density bonuses, prohibit downzoning and lesser use, and waive design, setback, and parking requirements for those voluntarily developing mixed use projects which will include housing units affordable and sufficient in number to house 20% of the potential labor force to be employed in the commercial or industrial business or permit payment of an in-lieu fee or land donation to the housing trust fund

– the County shall amend its inclusionary zoning ordinance to eliminate payment of in-lieu fees as an alternative to the construction of housing units, to allow flexibility in housing type, size and configuration, shall target construction to housing affordable to low, very low, and extremely low income households rather than moderate income households, and shall increase the percentage of affordable units from 15% to 20%. The County shall create and maintain a waiting list for those interested in the acquisition of an inclusionary unit developed under the ordinance and shall notify those on the list of units available for resale in the order their names appear on the list

– the City/County shall apply for all available funds for code enforcement and rehabilitation of substandard housing and shall target those funds toward rehabilitation of existing illegal and substandard units

[1] County of Santa Cruz General Plan, 1994, Housing Element, Appendix #21, Inventory of Land Suitable for Residential Development

[2] Housing Opportunities Index (National Association of Homebuilders) 1999-2002 statistics show that the share of homes affordable to those at median area income varies from 6.9-12.2 %.

[3] AB 1866, signed into law this legislative session, prohibits public hearing level of review for accessory dwelling units. Local jurisdictions must act to remove inconsistent local requirements

[4] US 2000 Census

- ^[5] Continuum of Care Working Group, Santa Cruz County Five Year Strategic Plan, September 2002
- ⁶ The National Association of Homebuilders, Housing Opportunity Index, First Quarter 2002.
- ⁷ The National Low-Income Housing Coalition
- ⁸ The Santa Cruz County Community Assessment Project, Year 8

Granny-unit debate spills into homes

It's not just about granny units anymore. Now it's renters in single-family neighborhoods that are raising people's ire.

If you've followed this column for any length of time, you know that I've dedicated a significant amount of space to the question of whether granny units are really the problem, at least in the city of Santa Cruz. I always come back to this paradox: People worry about granny units because they say it's an invasion of renters into family neighborhoods, but the reality is that renters, and dense housing, already exist in single family neighborhoods. Every time a landlord rents out every bedroom in a house to a single, unrelated adult, the density goes up a little.

It's fanciful thinking to believe otherwise.

In a city where the construction of apartments had all but stopped until a few years ago, students and professionals found themselves renting rooms in houses. That in turn drastically increases the density of a neighborhood.

But until now, that line of thinking hasn't gained much traction.

Try Rob Lang's take on the granny unit versus rental house issue. To Lang, a longtime Santa Cruz resident, the issue is absenteeism, not rentals.



HEATHER
BOERNER

Gimme Shelter

See BOERNER on PAGE E2

Impound account: The pros and cons

Homeowners are all too familiar with their obligation to pay the principal and interest on their mortgage as well as the property taxes and hazard insurance on their home.



Although a property tax payment is due twice a year and an insurance premium may only



Juliet Smith and Erin Moses

Alley Backyard

They range from conversion to a garage cottage. They are the Dwelling Unit Development prototypes.

For two months, unveiling the seven designed by some

pros and cons

ers are all too familiar with their o pay the principal and interest on age as well as the property taxes and rance on their home.

Although a property tax payment is due twice a year and an insurance premium may only be due once per year, it is a wise homeowner who divides these obligations up into monthly bites and sets the money aside so that the funds will be available when the due dates arrive.

As a property owner it is impossible to escape property taxes. If you don't pay your property taxes, the state eventually will force the sale of your property to pay the back hazard insurance is different in that it is binders that require hazard insurance. Property has no mortgage, the decision to surance that will pay for the out of the home in case of a fire is up to owner. However, it is a sad day for the er when their home burns down

insurance. Hazard insurance is a good ively inexpensive and will cost only \$30- outh. When purchasing a home, lenders at the first 12 months of insurance be e close of escrow. It must then be kept in ast until the mortgage is paid off. y taxes are substantial, for a median- me of \$550,000, these taxes may be as ,800 per year. Since one half of the axes are due by Dec. 10 and half are due 0, the homeowner would have to come ,400 for each payment. The homeowner aside \$367 per month to prepare for the ar payments. o help a home buyer budget for the ax and insurance payments, lenders vice to collect these payments from the

See **BOUFFE** on **PAGE E2**

BACKYARD HOUSING PROVIDES SPACE, INCUBATOR

They range from a humble garage conversion to a grand 1½-story cottage. They are the city's Accessory Dwelling Unit Development Program prototypes.

For two months, the city has been unveiling the seven prototype units designed by some of the state's top architects. Today we present the designs for alley granny units.

The city funded the program with a \$350,000 grant and has created a construction loan program through the Santa Cruz Community Credit Union.

BY HEATHER BOERNER
SENTINEL STAFF WRITER

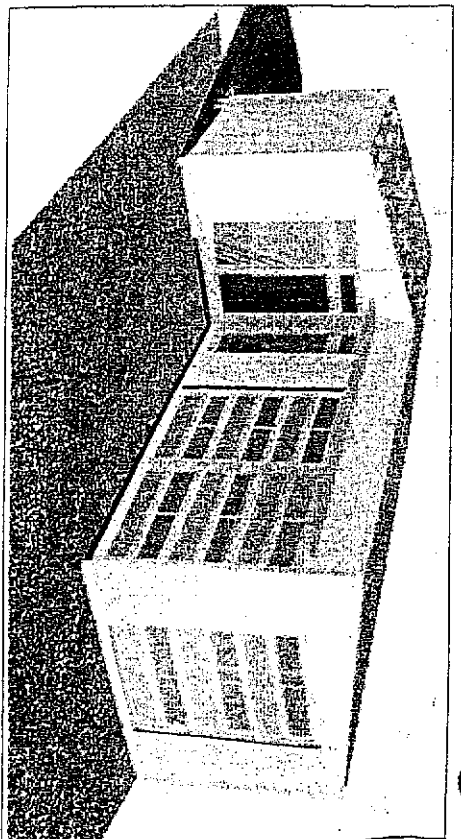
SANTA CRUZ

When Erin Moses bought her house four years ago, it was small on house but big on land, and that suited her just fine.

The two-bedroom, two-bath house is snugged into the front of a long, long lot with an alley in the back. Moses and partner Juliet Smith have fixed up the backyard, laying the grass and the path to a little sitting area under a tree and adding flowers such as jasmine.

But there's something else they would like to add: a granny unit on the alley. Like many houses on the Eastside, Moses and Smith's house has ample room for a granny unit. The proposed 450-square-foot granny unit would take up about a quarter of the lawn space in the back.

Moses, who lives on north Pacheco Avenue, and Todd Cotter, who lives on Seabright Avenue, volunteered to have



A sod roof, garage door windows and a water garden to collect runoff highlight this 500-square-foot granny unit designed by John Peterson of Peterson Architects.

their houses used as the basis for the new designs.

"Juliet keeps saying to me, 'If someone wanted to pay us to keep their stuff on this spot, I'd say yes,'" Moses said. But it's about more than just accommodating another person on their property.

Like many young couples in Santa Cruz, Moses bought the house at the beginning of the rapid escalation of house prices. At the time, she paid \$321,500 for the house, and felt she was crazy for doing it. As it is, the couple rents out a bedroom to help pay their mortgage.

But they would like more privacy and more flexibility in how they live and that's where the granny unit comes in. "Having a granny unit would add flexibility to our future life," said Smith.

"We could cut costs, we could rent the house and live in the granny unit. We could afford to travel."

Two years ago, the couple looked into building a granny unit but found that, with the permits and fees, it would cost them about \$150,000. They were flabbergasted and retreated.

Since then, the city has reduced some fees, such as the sewer hookup fee, and changed requirements for granny units to make them easier to build.

When Moses's mother informed them that the Santa Cruz Planning Department was doing a granny unit prototype program, they volunteered. They were chosen.

The results were amazing, the couple said.

See **ALLEY** on **PAGE E2**

for 2002 in Santa Cruz County

of Residential Listings Sold # of Residential Sales
of Condominium Listings Sold # of Condominium Sales



Alley: Both designs orient unit toward the alley, making it secondary address

Continued from Page E1

Two architects, John Peterson of Peterson Architects of San Francisco and Claire Beasley of CCS Architecture of San Francisco, created granny unit designs on alleys that protected the main house's privacy as well as the neighbors' and created a place they might like to live.

Peterson created his design with Moses and Smith's house in mind. The house is a living thing with a sod roof of California poppies, a water garden to collect runoff and garage doors for light and ventilation.

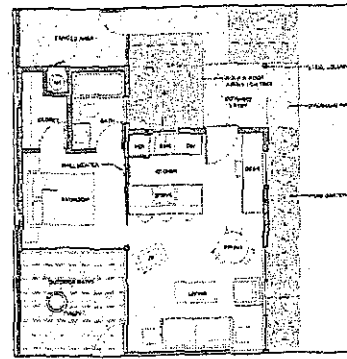
Both designs orient the granny unit toward the alley, making it a secondary address. Moses and Smith liked both plans, calling the

living granny unit "exciting." But they are worried about facing another \$130,000 price tag.

So rather than going with Peterson's design, the couple said they'll probably use Beasley's design. That design includes a fenced-in courtyard for the tenant, plantings to integrate it into the backyard, and high windows that can capture winter sun without having windows that peer into Moses's back yard or the neighbors' houses.

"The idea of both the units, I think, is to show that it can be petite but still have a lot of amenities," said Beasley.

To view all of the ADU designs, visit <http://www.ci.santa-cruz.ca.us/pl/hcd/adu/adu.html>.



This floor plan for a 500-square foot granny unit was designed by Claire Beasley of CCS Architects of San Francisco

Contact Heather Boerner at hboerner@santa-cruz.com.

Boerner

Continued from Page E1

"I have always felt that the rules that are being applied to granny units vs. absentee residences in so called single-family neighborhoods are backward," he wrote in an e-mail.

"That is to say, the absentee landlord who rents out a three- or four-bedroom 'single-family' house to six or eight unrelated adults (each of whom parks a junk car on the street) has a much greater chance of degrading the neighborhood than someone who lives next to his or her granny unit. Yet there are no special requirements that regulate the former, while the city spends hours on refining the rules for the latter."

He has a point. There are cases every year of property owners being taken to court by the city or county for letting their rentals become slums. And each time it happens, it means an entire neighborhood affected.

The county District Attorney's office took the owners of the apartments at 350-354 Ocean St. to court under a law designed to prosecute crack houses last year.

The Year before that, the city forced Someone who owns property in Beach Flats to pay back rent to tenants because he tripled rents while also allowing the heat,

plumbing and mold in the apartments to go out of control.

This year, we have the case of the house at 125 Reno Way. The difference between this case and the previous cases is that this is a single-family home in a single-family neighborhood located a block from West Cliff Drive.

It's not where you expect a slum housing situation to happen, but that's exactly what occurred, according to neighbors and the county's Consumer Affairs Department.

"We have been getting letters from neighbors of a rental house in town. They petitioned the landlord to get rid of a group of tenants who were loud, parked broken cars all over the neighborhood and had drug and drinking parties," said Robin Gysin, the consumer affairs coordinator for the county.

"A property management company was hired by the landlord and the agent discovered that the original tenants had moved out and new people there were not paying rent. It took him three months to evict them; when they left they trashed and vandalized the home and left the cars, etc. all over."

Monica Tomlinson lives near the house at 125 Reno Way. She helped circulate the petition to get the property owner to get rid of the tenants.

Tomlinson has seen the worst of it: She's been afraid to let her kids play in the front yard because of the beer bottles and cans littering

the street. She's seen tenants move out after only two months, seen people burning trash in the backyard in the middle of the day.

And she'll say one thing: As someone who's been a renter and a homeowner and neighbor, the property owner near her "deserved what he got."

"This is a classic example of an absentee landlord," she said. "Water seeks its own level. If you're not going to care about who lives in your house, and you are going to charge tons of rent, this is what happens."

But Tomlinson doesn't want you to get confused. Just because the house near her own had every problem a rental house could have doesn't mean rentals shouldn't be allowed in single-family neighborhoods.

She doesn't agree with Lang that rentals need to be more regulated. The laws just need to be enforced and, landlords must have it impressed upon them that they have a responsibility.

"I've lived in houses as a student, and I've been an owner renting out rooms in my house before I had a family," she said. "And now I have a legal granny unit. I've never had a problem provided the landlord is decent. Ultimately, they are the ones who are responsible for what happens in their houses."

Contact Heather Boerner at

Same o Mortgage

9th reduction

By JEANNINE AVERSA
THE ASSOCIATED PRESS

WASHINGTON — Mortgage rates around the country tumbled to new lows last week, good news for people looking to buy homes or refinance.

The average rate on a 30-year fixed-rate mortgage dropped a record low of 5.28 percent for the week ending June 5, Freddie Mac, the mortgage giant, reported in its weekly nationwide survey.

It marked the fourth straight week and the ninth time this year that rates on this benchmark mortgage fell to an all-time weekly low.

The previous low rate of 5 percent was set the previous week. The new rate marks the lowest since Freddie Mac began tracking 30-year mortgages in 1971. Records that reach back earlier indicate that the rate was the lowest in more than a few decades, economists said.

"Anticipation that the Federal Reserve may well cut rates at its next meeting, combined with further weakness in certain sectors of the economy, caused interest rates to fall once again."

Boutell

Continued from Page E1

homeowner on a monthly basis and then automatically pay property tax and insurance when they come due. The account that the lender sets up on behalf of the homeowner is called "impound account", which is sometimes referred to as "escrow account."

The benefits of an impound account are obvious. The lender provides the mechanism to collect the money and then takes care of the payments when they come due. The biggest drawback is that the lender requires that the borrower



MEMORANDUM

DATE: June 19, 2003

TO: MARK DEMING, PLANNING DEPARTMENT

FROM: ANDREW SCHIFFRIN, MEMBER, HOUSING ADVISORY COMMISSION

RE: INITIAL COMMENTS ON DRAFT HOUSING ELEMENT

Thank you for all your work on the Draft Housing Element. I found it extremely informative. Most of my initial questions and comments are relatively minor but I did have one serious concern. Table 4.6.2 on page 108 contains the potential new units by affordability level for the County's Preferred Alternative. A Table 4.6.2 on page 246 contains the potential new units by affordability level for the AMBAG Alternative. I would think the only numbers that would be different in these tables would be those in the last row where the AMBAG construction goals for the different income levels are listed. Why are the potential units in a number of categories different as well? The increases in the second table seem to imply that the County is exaggerating the numbers on page 246 to show that the construction goals can be met. Please explain the logic here.

Following are my specific questions and comments:

- PAGE 2 - LAST X - The paragraph following the last "x" doesn't follow grammatically from the earlier ones. I think the "x" should be dropped and the language should become a new paragraph beginning with "In addition."
- PAGE 8 - TABLE 4.2.6 - I think the Housing Element should explain why there are more housing units than households.
- PAGE 10 - HOUSING STOCK - The first sentence is not complete.
- PAGE 12 - TABLE 4.2.11 - Why isn't this a Figure, like Figure 4.2.10, rather than a Table? In a number of places charts that look like figures are

called tables. There should be consistency here.

- PAGE 13 - TABLE 4.2.12 - I think it would be helpful to have a comparison of the number of persons per room with 1990 numbers.

- PAGE 15 - INCOME CHARACTERISTICS - The evidence used in the paragraph to suggest that Santa Cruz is attracting higher income households seems weaker than what could be used. The paragraph refers to Table 4.2.17 and the fact that more households in Santa Cruz earned over \$75,000 per year than in the State as a whole. This is true but much more dramatic evidence of this trend is a comparison of the higher income levels between 1990 and 2000. In 1990, 15.3% of the households earned over \$75,000. By 2000 this had jumped to 34.6%. This seems pretty amazing even with inflation.

- PAGE 17 - TABLE 4.2.18 - MEDIAN INCOME - This table should include the median for the County as a whole as well as the unincorporated area. Also, the paragraph below the table should state whether the various income figures in Table 4.2.19 reflect inflation.

- PAGE 20 - EMPLOYMENT - I think there should be a section discussing the jobs/housing balance in the County.

- PAGE 23 - RENTS - I think Fair Market Rents should be defined, perhaps in a footnote.

- PAGE 26 - HOUSING PRICES - The first paragraph states that the median housing price in the County rose to \$499,933 in 2002. Table 4.2.29 on page 26 indicates that the median price in 2000 was \$359,000. Does this mean that the median sales price increased by almost 40% on two years? Also, the paragraph states that home prices increased 84.5% over the twelve year time period. What was the comparable increase in rents?

- PAGE 26 - TABLE 4.2.28 - First, again the Table should be a Figure. Also, graphs that start at a number greater than zero tend to be misleading. Rather than "250", the x axis should start at zero.

- PAGE 26 - OVERPAYMENT - A couple of typos. In the sixth line, "are" should be "as." The Table referenced should be 4.2.30, not 4.2.29.

- PAGE 27 - HOUSING TENURE - The table should be 4.2.31, not 4.2.30.
- PAGE 30 - REGIONAL HOUSING NEEDS DETERMINATION - The discussion here seems to miss the point. The problem with the AMBAG model is in the distribution of the regional housing need between Santa Cruz and Monterey counties, not the numbers allocated to the different income levels as implied in the Draft.
- PAGE 33 - READABILITY - The first sentence on the page needs to be rewritten to be clearer. This is also true for the second to the last sentence in the last paragraph.
- PAGE 38 - TYPO - A parenthesis is needed at the end of the second sentence of the first paragraph.
- PAGE 39 - SECTION 8 VOUCHERS - The Housing Element states that "approximately one-half of new voucher recipients" forfeit their vouchers because they can't find a unit within the time period. Is this still the case? I thought this had changed in recent months.
- PAGE 40 - READABILITY - The second sentence of the first paragraph needs to be rewritten for clarity.
- PAGE 50FF - TABLE 4.3.9 - HOUSING FOR THE ELDERLY - I'm aware of three senior projects that didn't make the table - Arbor Cove, Dakota Street, and Garfield Park apartments, all in the City of Santa Cruz. In addition, I think Elizabeth Oaks has a number of units set aside for seniors.
- PAGE 57 - FEMALE HEADED HOUSEHOLDS - I think it is appropriate to state, as the Housing Element does in the next to the last paragraph, that single parent households with children have consistently had the highest poverty rates since 1960 but I also think it would be helpful to mention that there has been a higher percentage of improvement in Single Female With Children households since that time than in any other category.

Also, the last paragraph states the number of female headed households in the unincorporated area. What is the percentage?

- PAGE 58 - FUTURE NEEDS OF FEMALE HEADED HOUSEHOLDS - Is it really necessary to state that single parent households earn less than married couple households? Seems pretty obvious.

Also, why are there recommendations at the end of some of the special housing needs sections but not others? For example, homeless and elderly have recommendations but not large households, students, or female headed households.

- PAGE 59 - READABILITY - The first sentence on the page needs to be rewritten for clarity. Also, Figure 4.3.15 is unreadable because it is in black and white.

- PAGE 68 - Please be more specific regarding the source for the statistic on the 34% increase in the amount of land used for agriculture.

- PAGE 75 - CHILD CARE RECOMMENDATIONS - What does the first recommendation, regarding loan programs for employer assisted housing, have to do with child care programs?

- PAGE 85 - RM DISTRICTS - I think the paragraph should indicate the density ranges in RM districts in terms of the number of dwelling units per acre.

- PAGE 89 - GROWTH CONTROLS - I think it would be more accurate to replace "Growth Management System" with "adoption of an annual growth goal and allocation of building permits." That seems to be what the Housing Element is really talking about.

- PAGE 95 - HIGH COST ~~OF~~ AFFORDABLE HOUSING SUBSIDIES - AS was done in the last Housing Element, I think it is important to be specific regarding the subsidies required to meet the affordable housing goals in the Element. Total subsidies and average local subsidies should be specified to indicate how much money the County would have to spend in order to finance the units required.

- PAGE 96 - CALIFORNIA COASTAL COMMISSION - What percentage of the County is in the Coastal Zone?

- PAGE 96 -ADDITIONAL GOVERNMENTAL CONSTRAINT - I think an additional category should be added for the Silicon Valley governments. There should be a discussion of the impacts of the 12 to 1 jobs/housing imbalance on the Santa Cruz housing market.
- PAGE 102 - MORTGAGE INTEREST RATES - The information in the third paragraph on this page seems out of date. Mortgage interest rates appear to be at all time lows. In fact, one of the major reasons that housing prices are so high is that interest rates are so low. The Housing Element should be revised to reflect these factors.
- PAGE 104 - ENVIRONMENTAL FACTORS - The Housing Element should mention the importance of sensitive habitats, and rare and endangered species. The role of the State and federal environmental regulatory agencies has increased significantly and probably will keep growing. The Housing Element should recognize this.
- PAGE 108 - TABLE 4.6.2 - POTENTIAL NEW UNITS - This is the table discussed in my initial comment. Why aren't the potential units here the same as those in the table on page 246?
- PAGE 113 - VERY LOW INCOME - Where is the parcel with the stated APN located? Is it the Felton Faire parcel?
- PAGE 115 - HOUSING SITES - From the first paragraph, what is the proposed program in which private developers will develop 50 "moderate income" units in partnership with the Redevelopment Agency?
- PAGE 115 - DENSITY BONUSES - On the last line. shouldn't the "5%" be "25%"?
- PAGE 118 - MIXED USE DEVELOPMENT - The numbers shown in the first paragraph seem different from those in both tables 4.6.2. This should be clarified.
- PAGE 118 - INSTITUTIONAL HOUSING - Since a portion of UCSC is not in the City and it is in this area that future college growth and housing beds

is likely to occur, it may make sense to identify the University as a potential provider of housing in the unincorporated area.

- PAGE 119 - FARMWORKER HOUSING - The third paragraph says that 58 farmworker units will be produced, but table 4.6.2 only shows 60. What is it?

- PAGE 123 - OBJECTIVE 1.6 - The Housing Element here and elsewhere implies that the County allows in-lieu fees as an alternative to providing affordable units. I thought the in-lieu fee option had been terminated except for partial units. This should be clarified.

- PAGE 123 - POLICY 1.1 - I think "sensitive habitats" should be added to the list of environmental constraints.

- PAGE 124 - POLICY 1.4 - Is there an estimate of the number of units that could be produced as a result of the implementation of this SRO policy?

- PAGE 124 - POLICY 1.6 - Here and elsewhere, the Housing Element indicates that the RV Park Conversion regulations might be revised to apply to more parks. I thought there had been an agreement with park owners when the ordinance on this was passed that an expansion would not occur. What is the situation?

- PAGE 125 - OBJECTIVE 2.3 - Since the Housing Authority is a separate legal agency, how could it be part of a County administrative structure? What is really being proposed here?

- PAGE 126 - OBJECTIVE 2.6 - Rather than the proposed offices of housing and economic development that may not be realistic, why not substitute the Mayors' Select Committee? This group already exists and could serve the coordination function proposed in this objective.

- PAGE 126 - NEW OBJECTIVE - I think the Housing Element should include an objective along the lines of the following: "In cooperation with the county's cities, oppose policies in adjacent counties that cause significant jobs/housing imbalances."

- PAGE 127 - POLICY 2.9 - I think the following language should be added after "cities": "and jurisdictions in adjacent counties."

- PAGE 129 - OBJECTIVE 4.3 - What does "as a high priority use" mean? Also, is this a meaningful objective at this point? As I remember it, the list of county owned property is reviewed regularly without success. I don't oppose the objective but worry about setting up unrealistic expectations with the public.

- PAGE 130 - POLICY 4.3 - Is the proposal to rezone property for visitor serving uses with the notion of using the increased TOT for housing a serious one? It seems extremely unrealistic as well as an administrative nightmare. Finally, wouldn't it be more efficacious to rezone to multi-family housing for any sites where this policy could apply? Are there specific parcels identified to implement this policy?

- PAGE 130 - POLICY 4.5 - This policy should be rewritten, I think, to improve the grammar.

- PAGE 135 - ABOVE MODERATE INCOME OBJECTIVES - How will it be possible to provide 94 above moderate income second units when the ordinance requires that the units be affordable? Are these assumed to be for family members?

- PAGE 138 - TABLE 4.7.1 - This table seems to repeat the numbers in table 4.6.2 on page 108. Does it? Why is it necessary? Again, why are the numbers different from those in table 4.6.2 on page 246?

- PAGE 140 - INCLUSIONARY HOUSING PROGRAM - Again, I don't think in-lieu fees are still allowed for full units.

- PAGE 141 - CHANGES TO THE AFFORDABLE HOUSING ORDINANCE
- I'd suggest adding, for clarification purposes, at the end of the sentence in 5): "for inclusionary housing purchasers."

- PAGE 142 - RESTRICT DEVELOPMENT OF LOWER THAN MINIMUM DENSITY - Since the Board of Supervisors has already adopted the policy here, I think the words "adopt and" should be deleted.

- PAGE 149 - PRESERVATION OF AFFORDABLE UNITS - The table that is the source for the unit numbers in parenthesis should be identified.
- PAGE 152 - RELOCATION ASSISTANCE - Doesn't the County already have programs requiring relocation assistance and providing rental deposit subsidies in certain circumstances? If so, this needs to be clarified.
- PAGE 154 - FIRST TIME HOMEBUYER PROGRAM - The Housing Element refers to a report to the Board of Supervisors from 4/22/03. The Board action and current status of the policy should be updated.
- PAGE 154 - MAXIMIZE USE OF SECTION 8 - The content of the report to the Board of Supervisors on 2/12/02 should be described.
- PAGE 155 - PILOT SUBSIDY PROGRAM FOR SECOND UNITS - Since this program has been effect for over a year, the description here should be updated.
- PAGE 155 - TENANT NOTIFICATION - The content of the report should be briefly described.
- PAGE 156 - TENANT EVICTION PROGRAM - Since the County has a program, albeit limited, for short term eviction assistance, I think the words "and continue" should be added after "Support."
- PAGE 157 - HOMELESS SHELTER - Given the likely timeline for this project, I would suggest adding "- 2004 after "2003."
- PAGE 158 - REDUCE CAPITAL IMPROVEMENT FEES FOR SECOND UNITS - This program makes no sense to me. Why are ~~we~~ looking to second units as a housing resource for large households? Second units are accessory to the main unit and are supposed to be smaller. Encouraging a large number of bedrooms in such housing seems contrary to the basic policy. What is the logic here?
- PAGE 159 - EXPAND ACCESS FOR DISABLED PERSONS - Is there a definition of "visitability" in the Housing Element? If so, I missed it. If not,

there needs to be one added

- PAGE 159 - FARM FAMILY SECOND UNITS - Since the Board of Supervisors has already adopted an ordinance allowing second units on agricultural land, shouldn't the wording here be revised to reflect this?

- PAGE 167FF -ASSESSMENT ~~OF~~ THE 1994 HOUSING ELEMENT - The ordering here is very confusing. There doesn't seem to be any relationship between the goals enumerated in Section 4.9.2 and the objectives that start on page 16%. Are the objectives related to the goals? Further, it isn't clear how the boxed areas labeled "Implementation" relate. Are they the programs to carry out the objectives, which carry out the goals? If possible, I think this section should be re-ordered so that under each goal, the related objectives are listed, with the programs related to each objective listed under them.

- PAGE 168 - TYPO - Under Current Schedule for 1., "very" is misspelled.

- PAGE 171 - #8: MIXED USES - How does the second unit fee subsidy program relate to this?

- PAGE 173 - E) SUBSIDY FOR AFFORDABLE UNITS - This is the calculation that is needed for the proposed Housing Element.

- PAGE 179 - REHABILITATION OBJECTIVE -What was accomplished here?

- PAGE 182 - SPECIAL NEEDS - There is no Section e) in the second column to correspond to the Section e) in the first column. Shouldn't there be?

- PAGE 186 - GOALS FOR DISABLED (44.) - How many units were provided in these two projects?

- PAGE 187 - 48. SPECIAL NEEDS - How does the RV Conversion ordinance discussed in the second column relate to the program in the first column?

- PAGE 187 - NUMBER OF UNITS - I think the draft Housing Element should include the number of housing units permitted under the 1994 Housing Element in the various income categories as well as the overall number.

- PAGE 188 - QUANTIFIED OBJECTIVES - I think the following should be added to the list of reasons why the County didn't meet the quantified objectives in the 1994 Housing Element: "The quantified objectives mandated by the State and AMBAG were totally unrealistic given the County's growth patterns, applications for development, and infrastructure constraints."

- PAGE 203FF - DEVELOPMENT POTENTIAL - I didn't add up the numbers in Table A-1a, Table A-1b, Table A-1C. I assume that they support the numbers in the previous charts.

- PAGE 239-240 -ASSUMPTIONS - #4. at the bottom of page 239 should be deleted as it is almost the same as #4. on the top of page 240, which is clearer. It may be misleading to say that it is assumed that 100% of the commercial development could have a residential component when the rest of the paragraph explains how this assumption isn't being made. Maybe the sentence should start: "While an assumption could be made that 100% of the commercial redevelopment could have a residential component, the listing does not..."

- PAGE 246FF -TABLE 4.6.2 AND EXPLANATIONS -Again, the reasons for the differences in the assumptions used here and in the earlier Table 4.6.2 need to be explained.

- PAGE 259 -APPENDIX E - HOUSING GOALS, ETC. - It appears that all the material here was presented earlier. Are there any differences? Assuming that the language is the same, I won't repeat my earlier concerns, although they still apply.

I hope these questions and comments are helpful and look forward to your responses.

PROGRESSIVE HOUSING ADVOCATES

The Community Action Board, Inc.
501 Soquel Drive, Suite E, Santa Cruz, Ca. 95062

August 1, 2003

Dear Commissioners,

Progressive Housing Advocates is a grassroots coalition of a broadbase of organizations and individuals concerned about and dedicated to the development and preservation of low, very low and extremely low income housing in Santa Cruz County. Since 2001, PHA has been meeting to assess effective strategies to address the shortage of such housing and plan for the future.

One of PHA's areas of interest is to influence public policies that affect the provision of low income housing. We are actively participating in the drafting of the County's Housing Element. Attached you will find our proposals for inclusion in that document.

In general, our proposals concentrate on the following goals:

- Make more land available, zoned at higher densities and with increased height allowances, for the development of housing that's affordable to low, very low and extremely low income households.
- Provide incentives for developments that allow for the inclusion of childcare centers, supportive services for disabled, homeless, low wage and farmworker households.
- Encourage the use of green building practices.
- Continue to protect against sprawl into rural and agricultural areas.
- Preserve the current affordable housing stock.

We look forward to working with you toward these goals.

Gretchen Regenhardt
California Rural Legal Assistance

Scott Beesley
Housing Choices Coalition

Michael Bradshaw
Central Coast Center for Independent Living

Sandy Brown
Coalition for a Living Wage

Paul Brindel
Community Action Board, Inc

Paul Wagner
Affordable Housing Advocates

Nora Hochman
Santa Cruz Action Network

For more information, please call 831.335.5461

PROGRESSIVE HOUSING ADVOCATES
PROPOSALS and COMMENTS
to the
COUNTY OF SANTA CRUZ GENERAL PLAN
DRAFT HOUSING ELEMENT
2003

The following proposed language changes represent initial proposals.
Deletions are indicated by ~~strikeout~~ and additions are highlighted in **bold**.

P 26

ADD PRIOR TO TABLE 4.2.29

The Santa Cruz/Watsonville metro area is the 2nd least affordable owner housing market of the 190 metro areas in the country. The Santa ~~Cruz/Watsonville~~ metro area is the 6th least affordable rental housing market in the nation.

P 60

ADD LAST PARAGRAPH TO 4.3.10

In order to truly integrate people with disabilities into the community at large, those with mobility impairments must have the structural accommodations to be able to visit friends and family wherever they reside. Programs for visitability will make simple, cost-effective changes in construction planning, which allow people with disabilities to visit friends and family without barriers to navigating the home or using the restroom.

P 63

PEOPLE WITH PHYSICAL, MENTAL andor DEVELOPMENTAL DISABILITIES
ADD NEW PARAGRAPH

San Andreas Regional Center, in conjunction with Housing Choices Coalition, has determined that group home attrition, the progression of children with developmental disabilities into adulthood, and the inability of aging parents to continue providing care to family members with developmental disabilities will result in the need for at least 250 units of community housing throughout the County over the next five years. Though these figures represent need for the cities of Santa Cruz and Watsonville (not fully listed in table 4.3.17), the need for additional housing is prevalent in the county jurisdictions.

P 64

RECOMMENDATIONS *for* PERSONS WITH DISABILITIES

- **Establish a program where county planning staff and residents with developmental disabilities and their advocates will work to provide housing solutions to meet the needs for people with developmental disabilities identified by San Andreas Regional Center. Ensure that a minimum of 50 units per year are constructed or developed.**

P 75

ADDITIONS TO 4.3.13

Recommendations for Child Care

2. Encourage the inclusion of childcare programs within new housing developments, and mixed-use or commercial projects, or at large employment centers and major transportation hubs by modifying the zoning ordinance to make childcare a principally permitted use of those sites and in all residential zones.
3. Include an analysis of the impact on childcare wherever environmental reviews are required and require direct mitigation or childcare specific in-lieu fees be paid to address increased childcare needs created by new developments.

P 83

ADDITIONS TO 4.5.1

Recommendations for Land Use Controls and Mitigations

Add to end of second paragraph, p 84 top

The pervasive zoning for low-density, single family dwellings has led to an extreme shortage of multi-family, mixed use housing affordable to residents employed in the three major industries of agriculture, tourism and social services. Zoning policies and accompanying programs must be revised so as to permit the significant increase in housing developments that accommodate more family units per acre than previously. The County will grant projects with a prescribed minimum percentage of low, very low, and/or extremely low income units, a 25% increase in density and at least one incentive. Incentives can include a reduction in development, parking or design standards, modification of zoning requirements, or direct financial aid.

P 86

RESIDENTIAL DISTRICT ZONING REGULATIONS (from p 84)

The range of density categories and the type of housing associated with these categories does not adequately respond to housing demand and community development. ~~Planning staff believes that the land in the County's jurisdiction is appropriately zoned.~~ Recently, the Board of Supervisors adopted an ordinance requiring that all proposals for residential development of property within the Urban Services Line meet the minimum density of the General Plan. Residential projects, except second units and residential remodels, at less than the lowest end of the designated density range of the County General Plan-LCP land use designation where there is the potential that three or more new units subject to review by the Development Review Group (see County Code section 18.10.210 (c) (1) and review by the Board of Supervisors for a General Plan consistency finding for the proposed density prior to application processing. The County must now insure that the greatest number of developable parcels be zoned for high density. Further, the zoning ordinance must be revised so ~~as~~ to substantially increase the number of units permitted per acre in the urban high and urban medium density categories allowing the maximum possible number of units to be built.

P 86

SITE DEVELOPMENT STANDARDS

The height limit in the residential zone is 28 feet (with the exception of the RB district which has a height limit of 25 feet and 17 feet), however, higher structures are allowed with the approval of a Level 3 discretionary permit with increased setbacks or through "incentives" authorized by the County's Density Bonus ordinance. Two projects, Volunteers of America Elderly Housing and Paloma del Mar were approved with 3 story elements as a density bonus incentive. ~~These height limits do not appear to constrain production of affordable housing, though additional height would likely produce significant public controversy as well as impeding solar access on adjoining lots.~~ Since the development of those projects, however, there have been no significant additional units added. The height limitation should be raised to three stories, with four and five stories permitted with the approval of a Level 3 discretionary permit, for those projects built for low, very low and extremely low income households, located on or near public transportation.

P 91

DISCRETIONARY PERMIT PROCESSING and DESIGN REVIEW
Second Paragraph

Multi-Family Residential Development must be approved by the Zoning Administrator for projects of 2-4 units, the Planning Commission for projects 5-19 units or the Board of Supervisors if more than 20 units through public hearings. Very few Multi-Family Residential applications have been submitted to the Planning Department, due primarily to the liability issues and that (sic) the local housing market. In 2000 through October 2002, there have been only 6 applications for multi-family residential development submitted. Consequently, the County should adopt a policy prioritizing approval of multi-family residential developments that include-high density, access to a major transportation corridor, affordability to low, very low and/or extremely low income people, and inclusion of childcare. Such a policy is included as PHAT Attachment 1.

P 99

LAND COSTS

Second full paragraph

In spite of these ~~Given these~~ extremely high land costs, it is possible ~~unlikely~~ that increases in density (including such as 25% bonus) could ~~would~~ significantly reduce the unit cost of ~~stimulate~~ the building of a multi-family dwelling units to the level of affordability for affordable to low, or very low, or moderate income households.

P 104

ENVIRONMENTAL and INFRASTRUCTURE FACTORS
ADD NEW SECOND PARAGRAPH

Limited land, water, and other natural resources, together with increased highway congestion and inadequate transportation systems, require planning for development that promotes conservation. Innovations in reuse of construction materials and increased availability of recycled materials make it financially feasible to incorporate green building practices into planning and design decisions. Increased densities, along existing major transportation corridors and near employment centers will promote the use of mass transit and/or bicycles as transportation instead of cars.

P 114

DEVELOPMENT POTENTIAL of VACANT and UNDERUTILIZED PARCELS

RURAL HOUSING

ADD last sentence

The potential extension of infrastructure to areas close to the Urban Services Line or near or on major transportation corridors could increase developments on vacant, underutilized land ~~in~~ rural areas. Four hundred eight **units**, reliant on individual septic disposal systems, in the unincorporated areas outside the USL, particularly at or above moderate household income, will only add to the current shortage of available parcels for low, very **low** and extremely low income housing developments and contribute to the denigration of the environment.

P 122

4.7.1 GOALS and POLICIES

Goal 2: Promote and add to the stock of ~~the use of~~ available sites for affordable housing construction and provide adequate infrastructure by removal of constraints.

Goal 1: PROMOTE PRODUCTION OF AFFORDABLE HOUSING UNITS

In order to increase the number of available sites and/or opportunities for housing production, the County must actively promote affordable housing production. Such promotion will be achieved primarily through development of programs to facilitate the production of low, very low and extremely low income housing under current policies and ordinances, and new regulations, as required.

P 123

Objective 1.5: Eliminate existing unneeded regulatory constraints on affordable housing production. The County will revise the existing Zoning Ordinance, and Planning, Development and Permitting ordinances and policies to eliminate unneeded low density, low height limitations to encourage greater housing production. To the extent necessary, the County will revise the land use element of the General Plan consistent with this goal.

Objective 1.6: ~~Continue the requirement that all new market rate housing developments include an affordable housing component of either affordable units within the development or payment of in-lieu fees to an affordable housing fund. In-lieu fees will continue to be used to assist a variety of affordable housing activities, including moderate income units.~~ Require that all new market rate housing developments include affordable housing units, set at **low**, very low, and/or extremely **low** affordability rates, rather than moderate income units.

P 124

Policy 1.3: Consider additional incentives that will expand the opportunities for increased residential use within mixed use developments in the County, such as rental flats above retail uses, **and adding childcare facilities to the definition of mixed use,** provided that public service capacities are addressed. These regulations and incentives would be accomplished as part of the update to the zoning ordinance.

Policy 1.12: **Develop and implement an amnesty program to allow for the** ~~Encourage~~ the legalization of illegal housing units.

ADD NEW POLICY

Policy 1.17: Provide incentives for the development of childcare facilities as part of residential development including: a) pursue the dedication of a 2% set-aside of redevelopment agency funds for childcare facilities; b) modify the zoning ordinance to allow and encourage childcare facilities in all residential uses as a principally permitted use and to allow and encourage childcare centers in all residential commercial and industrial zones; c) develop floor area ratios bonuses, traffic mitigation measures and other accommodations that will act as incentives for inclusion of childcare in residential and commercial developments and at major transportation hubs and major employment and housing sites.

Goal 2: PROMOTE THE USE OF AVAILABLE SITES FOR AFFORDABLE HOUSING CONSTRUCTION AND PROVIDE ADEQUATE INFRASTRUCTURE BY REMOVAL OF CONSTRAINTS

The Housing Site Inventory identified an adequate number of sites to meet the Regional Housing Needs Determination housing requirements. However, there are a number of constraints that may make it more difficult for these sites to be developed with affordable units. Policies are needed which would enhance the opportunities for affordable housing production on these sites. These policies focus on the need to educate the public about the need for housing and to provide adequate infrastructure to serve this type of development as well as ways to design and site units in a way that is sensitive to the community environment. The County will aggressively pursue identification of new sites available for low, very low and extremely low income multi-family-housing development that is currently outside the Urban Services Line but in close proximity to infrastructure improvements and suitable for extension of water and sewage services. Where a proposed project may be in close proximity to water and sewage lines, the County could consider extending such services on an individual project basis.

Objective 2.7: Support the development of affordable units by ~~continuing to provide a good faith effort to~~ meeting the new construction goals for very low, lower and moderate income households as identified in the County's housing goals.

Objective 2.8: Grant approval to develop or improve infrastructure in cases where there is a proposal to build new and/or rehabilitate existing housing and where the following conditions are met:

1. The proposed project is for multi-family housing, affordable to low, very low, and/or extremely low income people, and
2. The proposed project is on or near a major transportation corridor, ~~and has no environmental impacts on agricultural lands,~~ and
3. The proposed project is in close proximity to an existing urban service line.

Policy 2.1: Publish a summary identifying available housing opportunity sites in the unincorporated County by February 2004. Identify housing opportunity sites (“H” sites) suitable for development as higher density affordable multifamily residential. These sites may require rezoning from commercial to residential. In the event that the owner does not wish to develop the site as dense, affordable, multifamily housing, the County shall have right of first refusal to acquire the site to develop for that purpose, either alone, or in partnership or by sale or transfer to another party.

P 128

GOAL 3: PRESERVATION OF EXISTING AFFORDABLE HOUSING PROGRAMS
AND AFFORDABLE (sic)

Objective 3.3: ~~Strive to~~ Ensure that 15 percent of the affordable housing units produced pursuant to the County’s quantified objectives are available to persons with special housing needs.

P 129

PRESERVATION OF EXISTING AFFORDABLE HOUSING PROGRAMS.. .
ADD NEW POLICIES

Policy 3.9: Adopt a just cause eviction ordinance prohibiting eviction except for specified causes, including but not limited to: non-payment of rent, material violation of the rental agreement, damage to the premises, drug or illegal activity, denial of access to the landlord to accomplish repairs, to permit the landlord or a family member to move into the unit, or removal ~~of~~ the unit from the rental market.

Policy 3.10: Adopt a “Rent Shock” ordinance requiring an additional notice period of 60 days for every 5% proposed rent increase.

P 130

MAINTAIN AND INCREASE FUNDING FOR AFFORDABLE HOUSING UNITS

Policy 4.1: ~~Cooperate with private sector, nonprofits, and local jurisdictions in the establishment of~~ Establish a Housing Trust Fund that would be managed as an ongoing source of funding to carry out Housing Element programs. Coordinate the involvement and leadership of representatives of the commercial private sector, nonprofits, local jurisdictions and labor in establishing such a Fund.

P 131

GOAL 5: PROMOTE PRODUCTION OF SPECIAL NEEDS HOUSING UNITS

Policy 5.13: Continue to implement the provisions in the County Code which provide for reasonable accommodation for persons with disabilities seeking fair access to housing in the application of the County's zoning regulations. Adopt incentives for residential construction/rehabilitation which meets visitability standards that allow for a) at least one zero-step entrance; b) interior passages that have at least a 32" wide path of travel; c) light switch and outlet placement at heights suitable for people in wheelchairs; d) additional blocking in walls of at least one, first-floor bathroom to accommodate grab bars as necessary. Include additional models of visitability as outlined in California State Law subsequent to January 2005.

Policy 5.13.1: Establish and maintain a list of accessible units, available to the public in English and Spanish. Require that accessible units be advertised for rent at agencies serving those with mobility impairments for two weeks prior to their offering to the general public.

P 134

IMPROVE CONSERVATION of ENERGY and NATURAL RESOURCES ADD NEW POLICY

Policy 6.3: The County shall adopt incentives, including waiver or reduction of fees, density bonuses, waiver of design, setback, and parking requirements, and the granting of subsidies for projects which contain the following features: siting the project so as to maximize effectiveness of passive solar systems, appropriate insulation, and greenbelt; use of green building materials including sustainably harvested lumber, carpet and tile made of recycled materials, energy efficient appliances and light fixtures, toilets, shower heads, faucets and landscaping that conserve water, cool roof materials, bicycle storage and charging stations for electric cars.

P 140

GOAL 1: PROMOTE PRODUCTION OF AFFORDABLE UNITS Inclusionary Housing Program

Program Description: ~~Encourage~~ Require for-profit developers to fulfill their requirement by constructing affordable units affordable to low, very low and extremely low income households. ~~rather than paying in-lieu fee~~. Further provide incentives and encourage for-profit developers to partner with non-profits in developing affordable housing that meets inclusionary requirements.

Time Frame: 2000 - ~~2007~~ 2003

P 146

**RETENTION OF DESIGNATIONS for PROPERTIES DESIGNATED URBAN HIGH
or URBAN MEDIUM RESIDENTIAL and ZONED RM**

Program Description: Adopt a policy retaining the current General Plan designations and zoning for all property currently designated Urban High or Urban Medium Residential and zoned Multi Family Residential (RM) so as to prohibit a change of those designations or zoning to a lower density absent a finding by the Board of Supervisors after public hearing that development of the property as multifamily housing would result in a threat to public health and safety, or a significant injurious threat to the environment ———
~~nuisance. This policy would not preclude the Board of Supervisors from changing these designations to a higher density, if appropriate. In addition, adopt an ordinance amendment limiting development on land zoned RM (Multifamily residential) to multifamily dwellings, unless specific findings are made regarding family development. height, off-street parking, size of parcels, etc. to allow single family development.~~
Study and adopt a policy changing the zoning for property currently designated as

**Urban Low and Urban Medium Residential and zoned Multi Family Residential
(RM) so as to permit the rezoning of such properties to Urban High.**

Time Frame: 2003 – 2004

**Proposed amendment to zoning ordinance before the Board of
Supervisors by March 2004**

ATTACHMENT A

PROPOSED POLICY FOR-EXISTING PLANNING, DEVELOPMENT and PERMITTING REGARDING LEVELS of REVIEW

The Planning Department, upon direction from the County Board of Supervisors that meet the following criteria:

1. That the proposed project will be high density, constructed on or near a major transportation corridor, affordable to low, very low, and/or extremely low income people and will include childcare facilities and/or other supportive services as appropriate, or
2. That the proposed project will be high density, constructed on or near a major transportation comdor and will be accessible to or visitable by persons with mobility impairments and will include childcare facilities and/or other supportive services as appropriate, or
3. That the proposed project will be high density, constructed on or near a major transportation comdor and will house homeless persons on a permanent or transitional bases with appropriate supportive services, or
4. That the proposed project will be high density, constructed on or near a major transportation corridor, affordable to low, very low, and/or extremely low income people and will employ green building practices, or
5. That the proposed project will be high density, constructed on or near a major transportation comdor, affordable to farmworkers and will include childcare facilities and/or other supportive services as appropriate.

would get: priority processing





August 18, 2003

Planning Commission
ATTN: Mark Deming
county of Santa Cruz
701 Ocean Street
Santa Cruz, California 95060

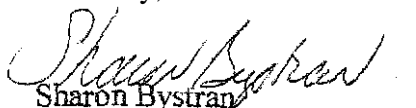
Subject: Draft Housing Element Public Hearing (812712003)

Please include this letter in written comments to the Planning Commission regarding the above August 27, 2003 agenda item.

Habitat for Humanity Santa Cruz County appreciates the County's efforts to support non-profit housing development in the County's draft Housing Element. Specifically, we appreciate the inclusion of Policy 1.5 and the two specific programs ("Self Help Affordable Ownership Program" and "Incentives for Non-Profit Development") included in the draft Housing Element. We hope that the Commission and Board of Supervisors will retain this policy and the two programs in the Housing Element during its adoption process.

Habitat for Humanity has enjoyed its past relationship with the County in building affordable housing units and looks forward to continuing that relationship in the future. We are encouraged by the inclusion of language supporting non-profit housing development in the draft Housing Element.

Sincerely,


Sharon Bystran

President, Board of Directors



SOQUEL CREEK
WATER DISTRICT

Board of Directors
Daniel F. Kriege, *President*
Gary E. Hazelton, *Vice President*
John W. Beebe
Bruce Daniels
Nancy Wells

August 20, 2003

Laura D. Brown, General *Manager*

Board of Supervisors
C/o Housing Element
County Planning
County of Santa Cruz
701 Ocean St.
Santa Cruz, CA 95060

rec'd 9/3/03
mm

Subject: Comments on the Draft Housing Element, Section 4.5 Constraints Water Supply

Dear Members of the Board:

The Board of Directors of the Soquel Creek Water District has reviewed the draft language for the Water Supply Constraints section of the Draft Housing Element. We are generally in agreement with the statement; however, the last sentence should be updated to reflect the District's Integrated Resources Planning studies.

Technical studies prepared by Soquel Creek Water District indicate that existing groundwater sources in mid-County cannot support projected demand at build-out of the current General Plan. In fact these studies state that the sustainable yield of the Soquel-Aptos area groundwater basins has already been exceeded and that lowered groundwater levels along the coast create conditions that are conducive to seawater intrusion. The District is diligently pursuing development of a supplemental source of water supply to meet projected demand. Our most recent information indicates that a supplemental supply of 2,000 acre-feet per year is needed to meet built-out of the General Plan, after accounting for a substantial conservation reduction. Currently the District produces approximately 5,600 acre-feet per year to meet existing demand.

In addition to pursuing development of a supplemental water supply, the District is strong! encouraging conservation to minimize increased demand and stress on the aquifers. Our Board recently adopted a policy requiring all new development to offset the expected water demand by retrofitting existing structures with low-water use fixtures. This policy is intended to minimize exacerbation of the existing overdraft until a new source of supply is developed.

We respectfully request that Section 4.5 of the Draft Housing Element be revised to correctly reflect the inability of groundwater sources in mid-County to meet projected demand at build-out of the General Plan.

Sincerely,

SOQUEL CREEK WATER DISTRICT


Daniel F. Kriege, *President*
Board of Directors

326



SIERRA
CLUB
FOUNDED 1892

Santa Cruz County Group of the Ventana Chapter

P.O. Box 604, Santa Cruz, California 95061 phone: (831) 426-4453

FAX (831) 426-5323 web: www.ventana.org e-mail: scscrg@cruzio.com

August 25, 2003

Housing Advisory Commission
Santa Cruz County Planning Commission
Santa Cruz County Board of Supervisors

Re: Draft Housing Element

Dear Commissioners and Supervisors:

The Sierra Club, Santa Cruz Group of the Ventana Chapter, is concerned with protecting the integrity of natural systems and sensitive habitats in Santa Cruz County and maintaining a vital, livable, and healthy community for all residents. Policies that protect sensitive habitats, open spaces, and air and water quality are necessary for protecting the vitality of Santa Cruz County both as a home to its residents and as a popular tourist destination.

Issues of open space protection are addressed in the Conservation and Open space Element of the County General Plan. However, because housing development provides a significant source of pressure for conversion of open space and causes increases in natural resource consumption, we suggest that these issues should also be addressed in the Housing Element. Below we suggest some specific changes and additions to the Housing Element to address these issues.

We request that you consider making the following changes to the Housing Element. Additions are in *italics* and deletions are in ~~strike through~~.

1. Alter Goal 6 under section 4.7.1, Goals and Policies (page 133) to read: "Improve Conservation of Energy and Natural Resources *and Maintain the Beauty and Integrity of the Natural and Cultural Environment.*"
2. Under Goal 6 (page 133) alter the text to read:

"Santa Cruz County benefits from a range of natural features and open space amenities that enhance quality of life for residents and make Santa Cruz a popular tourist destination; these include forestland, undeveloped hillsides, rivers and streams, and ~~the~~ coastline. Housing places considerable demand on these and other natural resources, particularly energy and water, ~~Housing is a considerable~~

~~source of demand for energy, water, and other natural resources.~~ While existing regulations (e.g. Title 24) impose rigorous energy and water conservation measures on new housing, additional effort will yield additional energy savings particularly in the remodeling of existing **older** homes. *The County remains committed to energy and water conservation and to protecting the beauty and integrity of its natural environment, particularly in light of anticipated population growth, consumption levels, tourism, and other pressures."*

3. Under Goal 6 (page 134) add Policy 6.3: *"Policy 6.3: Ensure that natural and cultural resources are protected from the impacts of new residential development in accordance with the goals and objectives outlined in the Conservation and Open Space Element of the Santa Cruz County General Plan."*
4. In section 4.7.3 (page 162) alter the text of Goal 6 to match that in section 4.7.1 (see suggestion 1).

Thank you for considering our suggestions. We are sending a separate letter specifically addressing issues relating to water supply. We look forward to your response.

Sincerely,



Kelly Hildner
Chair, Growth Management Committee
Sierra Club, Santa Cruz Group

Julianne Ward

From: marline bushey [mbushey1@yahoo.com]
Sent: Monday, September 01, 2003 9:11 AM
To: Housing Element
Subject: Respiate housing

Suggestions were asked for at the Mental Health Advisory Board Meeting. I am on the Board.

I am the founder of NAM!.

We have a mentally ill family member in this county.

To save money. I suggest the following:

A respite house to use instead of Dominican Psychiatric facility for temporary flare ups and upsets.

Also, to be used for giving a break to family members, when the patient lives at home.

Marline Bushey

Marline R. Bushey

Do you Yahoo!?
[Yahoo! SiteBuilder](#) - Free, easy-to-use web site design software

3 a 9

9/4/2003





rec'd
9/2/03
mm

Mid-Peninsula Housing Coalition
Monterey Bay Office

77 Aspen Way Suite 103
Watsonville, California 95076
Tel: (831) 761-7215
Fax: (831) 762-7210
Rental Information: (650) 299-8066
Email: midpen@midpen-housing.org
<http://www.midpen-housing.org>

September 2, 2003

Mr. Mark Deming
Santa Cruz County Planning Dept.
701 Ocean Street
Santa Cruz, CA 95060

Dear Mr. Deming,

Mid-Peninsula Housing Coalition ("Mid-Peninsula") appreciates the opportunity to provide comments to the Santa Cruz County Planning Department regarding the Draft Housing Element for 2000-2007,

The Draft Housing Element does a good job of describing the scarcity of housing in the County. It includes some policies and programs that have the potential to improve the situation. However, we believe it does not fully address the extent of disincentives for the preservation and development of affordable housing. The following comments outline some key issues and suggestions for the Housing Element that we believe will ultimately result in a more accessible housing market for all Santa Cruz County residents.

Preservation of Affordable "At-Risk" Units

Given the limited amount of developable land available and the high cost of building new housing, preserving existing affordable units should be emphasized in the Housing Element as a top priority for the County. It is also important to include the actual cost of replacing a lost unit, which is far higher than the cost to the County cited in the Housing Element (\$40,000 per unit, page 81). We suggest that the Housing Element, in section 4.4.6 (page 82), "Quantified Objectives for Preservation of Affordable 'At-Risk' Units," include specific programs such as financial support for acquisition of at-risk units at a minimum of \$40,000 per unit or more. This will allow the County to successfully meet the goal of preserving the 343 units of at-risk housing described in the document. We also believe money is better spent in the long term on acquisition versus rent subsidies.

Enforce Density Minimums

While the Housing Element cites density minimums to promote affordable housing, the Board of Supervisors routinely approves housing at densities below what zoning laws permit. Unfortunately, allowing development at less than the minimum density has become the rule rather, than the exception. While this may reflect the Board of Supervisors' attempts to balance community concerns with housing development, it is clear that this is hurting the County's ability to meet the need for affordable housing. Although Table 4.6.1 on page 107 indicates a build-out potential for 27,615 total units, that potential is unlikely to be realized given the County's historical disregard for the

allowable densities and developers' lack of interest in density bonuses, which form the basis of the projected *figure*.

Further, ~~we~~ respectfully disagree with the statement that "the County has an adequate number of sites zoned for projected residential development" (page 86). From an affordable housing viewpoint, it is rarely financially feasible to develop projects of fewer than 40 units because there are certain fixed costs regardless of project size. Yet the Draft Housing Element, in Appendix A-I, a-c, identifies only two sites that would accommodate 40 or more units and only three additional sites that could accommodate 30 units or more. However, without knowledge of specific sites and based upon square footage **only**, if density were increased to allow a modest density of 10 dwelling units per acre, there would be 14 parcels which could accommodate at least 40 units. This would result in an increase of 660 units more than is currently shown in Appendix A-1. Further, **if** this same density were considered for parcels zoned R-1-1AC, an additional 438 units could be developed on eight parcels. With at least 14 parcels of sufficient size to attract non-profit and/or for-profit housing developers, the County would be more likely to meet its demonstrated housing needs.

Increases in density, contrary to what the Draft Housing Element states on page 99, do in fact have a significant impact on the unit cost of building a dwelling **unit**. The more units per acre, the lower the cost of the **land** on a per-unit basis. Lower unit costs brought about by higher density development in turn result in a reduced need for subsidies from government entities. One method for ensuring development at minimum densities is to impose financial penalties based upon the difference between the number of units in a project compared to the **minimum** for that Site.

To encourage high-density development and meet affordable housing needs, **we** strongly support Policy 1.10 on page 124, "Maintain the regulations requiring development at or above the minimum density for the General Plan designation," and suggest that the Planning Department, among its actions, disallow, rather **than** restrict, development of lower **than** minimum density as determined by the general plan designation (page 142). **We** also urge the County to adopt a policy to retain current General Plan designations and zoning for all property currently designated Urban High or Urban medium Residential and zoned Multi-Family Residential (page 146).

Growth Constraints: Infrastructure Factors

Infrastructure costs, particularly when the project **is** located outside urban and rural services lines, can be quite significant for affordable housing development. Currently; the General Plan allows the Urban Services Line to be expanded only when all urban services, (roads, sewer, water, etc.) are at adequate levels of service.

- To facilitate the development of affordable housing, we suggest that the General Plan be amended to allow properties to get access to **some** urban services, even if **not** all services are at adequate levels. Policy 2.12 (page 127) is of key importance in enabling affordable housing development as is Policy 2.10 (encourage service providers to retain adequate sewer and water capabilities for

affordable housing) although it is not clear **how** the latter policy could be accomplished.

- **Housing costs** could be greatly reduced if on-site package treatment plants could be reduced in size and allowed to use reduced lines that connect to existing sewer lines, thus preventing additional hookups. As a result, affordable housing could be produced with less need for public funds.
- As an alternative to annexation, we support Policy 2.5 (page 127) regarding expansion of the county's support for package sewage treatment.

Other Constraints

The following are additional constraints to the development of affordable housing in Santa Cruz County and suggestions for addressing them in the Housing Element.

- **Parking:** On page 87, the Housing Element states that "Neither the County's parking or on-site open space requirements can be considered onerous or a constraint to housing." This has not been our experience in developing affordable housing. In citing the parking requirements (2 spaces per 1-bedroom, 2.5 per 2- and 3-bedroom, 3 per 4-bedroom), the Element omits any mention of visitor parking requirements, which increase the number of parking spaces. The Element should include mention of both resident and visitor parking requirements. We urge the County to consider relaxing parking requirements for new development, which are more restrictive than many other cities and counties. This is especially important for projects located on or near transit corridors. As an alternative, we support the continued use of "reserve parking" to be developed on an as-needed basis.
- **Child care:** While we support expansion of child care facilities to meet a need which is currently underserved, developing a "legal basis" for requiring that child care needs be considered before building permits are issued (page 74) will most likely have the unintended effect of creating a disincentive for both for- and non-profit developers.
- **Construction Defect Litigation:** As stated on page 105, "the threat of lawsuits over claimed construction defects deters the building of condominiums and townhouses" which reduces the number of "badly needed, owner-occupied, affordable, high-density and in-fill housing." To address this issue, we strongly urge the Board of Supervisors to formally recommend that the state enact legislation to deter frivolous lawsuits by imposing appropriate penalties.

Tax Increment Set-Aside

In light of the scarcity of affordable housing for the county's very-low, low- and moderate-income residents, we suggest that the Board of Supervisors consider dedicating more than 25 percent of tax increments to affordable housing development, maintenance and preservation.

Incentives for Development of Affordable Housing

The Housing Element has outlined certain objectives and policies that would provide incentives for the development of affordable housing. Overall, the goals listed in Section

4.7.1 are laudable. However, **we** would suggest that objectives listed under Goal 1 (page 122) be reordered with top priority given those objectives designed to promote development of very-low, low, and moderate income units (in that order) with above-moderate income **units** a lower priority. Additionally, ~~with~~ regard to Policy 1.4 (page 124), we recommend that the County's inclusionary zoning ordinance be amended to include specific goals for development of very-low, low, and moderate income units within the 15 percent minimum.

Additionally, Objective 2.3 on page 125 cites the need to consider **an** alternative administrative structure that would "enhance the coordination of housing activities county-wide." While we support the County's efforts to improve coordination among the **various** agencies that deal with housing, it is unclear whether this will be effective in increasing the mount of affordable housing or **if** it would become another administrative hurdle which **uses** precious housing resources. The Housing Element language **should** be more specific in describing how this would help to achieve housing goals.

We would like to highlight those **goals**, objectives, policies, and actions **that** from our perspective present the greatest potential for helping to meet the housing needs of very-low income, low income, and moderate income residents in Santa **Cruz** County.

- Transfer agreements with cities (Objective 2.5, page 126): Working with cities in the county to investigate the possibility of accommodating higher density affordable housing projects within city limits is a great idea.
- Subsidy or reduction of development impact fees for affordable housing units where necessary services and infrastructure costs can be offset from other sources [Objective 4.2, page 129]: This objective makes good sense and would encourage more affordable housing development, but should not be tied to necessary services and other sources of finding for offset. Also, there is no policy linked to this objective within this section. Policy 4.7 on page 130 regarding **waiving** of impact fees for affordable second units is a positive step, although the "affordable" designation should be **made permanent** for such units.
- Reduced capital improvement fees: We strongly support the Housing Element's suggestion that the County consider waiving capital improvement fees for larger affordable housing units in large projects (page 144).
- Surplus county lands: Considering options to make surplus **County lands** available (Objective 4.3, page 129) could make a huge difference in a county where so few **sites** are available **and** feasible for affordable housing development. The County **should** move quickly to identify County-owned or **other** publicly owned lands **that** would be **suitable** for housing **and** consider **conveying** such lands to nonprofit or other developers for affordable housing (Policy 4.8, **psge** 130).
- Secure existing mobile home parks (Objective 4.4, page 129; Policy 4.9, page 130): Mobile home parks are a major source of affordable housing in Santa **Cruz** County. Mid-Peninsula **and** other non-profit housing organizations have demonstrated their commitment to preserving these units as affordable and

upgrading existing facilities to provide permanent affordable housing. We hope to continue to work with the County to ensure that these goals are achieved.

- Reduced development standards (Incentives for Non-Profit Housing Development, page 141): See comments above regarding parking requirements.

Special Housing Needs

In Objective I.7 (page 123), the Housing Element states that the County should "strive to ensure that 15 percent of the affordable housing units produced are available to persons with special housing needs." This is an extremely important objective, but *the Housing Element* does not include specific policies, actions or incentives it will undertake to *make* this happen. We look forward to seeing further development of actions to address this need.

Certification of the Housing Element

While the Housing Element suggests that Measure J does not constrain affordable housing development in Santa Cruz County, there does appear to be a correlation between the existence of Measure J and the County's noncompliance with the state's housing element law. The lack of a certified housing element has resulted in millions of dollars of lost state and federal funding every year for the development of affordable housing. The lost funding could have helped compensate for the County's inability to meet the need for affordable housing subsidies, as cited on page 95. Therefore, it is recommended that amendments to Measure J be considered that would pave the way to a state-certified housing element. The risk of actual growth equal to that identified in a state-approved housing element is minimal when compared to the benefit of receiving state and federal funding to meet the critical need for affordable housing in the county. This is further supported by the fact that there have been excess building permits not issued in 22 of the 25 years since Measure J was enacted (page 89).

While the Housing Element lists various sources of funding to address gap financing needs for affordable housing development on page 100 (CDBG, HOME, RDA set-asides, tax credits, etc.), CDBG and HOME are only available directly to counties with certified housing elements. Thus, gap financing for projects in Santa Cruz County isn't available because of the lack of a certified housing element. To bring additional funds in, we urge the County to make every effort to achieve certification of its Housing Element.

Corrections

Finally, we would like to correct the following factual errors and omissions in the document:

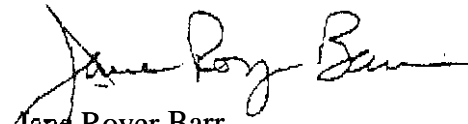
- In Table 4.3.7 on page 42, the Jessie Street facility includes 10 apartments, not seven as listed, and three SROs (all are permanent housing). This does not include a studio unit used for an on-site representative.
- In Table 4.3.18 on page 68, under "Housing Managed by Mid-Peninsula Housing Coalition," it would be helpful to use unit figures rather than individual figures for the Jardines del Valle and San Andreas properties to maintain consistency. Jardines contains 18 units and San Andreas has 43 (both figures include

management units). **Also**, Mid-Peninsula Housing Coalition should be cited as the ~~source~~ of the information in that section of ~~the~~ table.

- **South County** Housing should be listed **among the** non-profit organizations in Policy 1.15, page **125**.

We appreciate the opportunity to comment and look forward to **working** with the County to develop a housing element **that** will **ensure** decent, affordable housing is **available** to all residents.

Sincerely,



Jane Royer Barr
Project Manager

Julianne Ward

From: Johanna Parry Cougar [light-rain@msn.com]
Sent: Wednesday, September 03, 2003 3:30 PM
To: Housing Element
Cc: Barbara Lewis; Carol Long; Tim McKenzie; Myles F. Corcoran; Richard Pool; maggie camp; Maggie Camp; Richard Snow; maureen smith
Subject: Housing Element comments from the Community Housing Land Trust of Santa Cruz Co

Date: September 3, 2003
 FROM: The Community Housing Land Trust of Santa Cruz County
 PO Box 5275 Santa Cruz, CA 95063
 PHONE: 427-5570
 Executive Director: Johanna Parry Cougar
 Office Phone: 335-7194
 email: light-rain@msn.com.

(Please provide hard copies of this email to the County Board of Supervisors)

To: Santa Cruz County Housing Advisory Committee

RE: Input for the County Draft Housing Element

In addition to our general desire for the new Santa Cruz County Housing Element to actively promote the creation of more affordable (in perpetuity) housing in our community in ways already included in the existing Element, we of the Community Housing Land Trust of Santa Cruz County (CHLTSCC) would like to see the Housing Element contain the following changes:

1. Change Goal one Policy 1.15 to read as follows:

Policy 1.15: Encourage and support the efforts of non-profit organizations, such as Habitat for Humanity, Mid-Peninsula Housing Coalition, Community Housing Land Trust of Santa Cruz County and others, (please name each one) that develop housing affordable to very low, low and moderate income households.

2. Wording that may support or make use of the Housing Trust Fund initiative now going forward in the community.

3. Give Affordable Housing Developers first opportunity to bid on land repossessed for lack of tax payments.

4. Lowering, as reasonably possible, of Planning & Building Fees for affordable housing developers. Treat affordable housing similar to standard vis a vis environmental regulations.

5. Allow for 25% Equity Appraisal Formula Affordable housing resale guidelines (please request a copy of this standardized formulae from CHLTSCC).

Under Goal 1 on objective 1.3 reading: "increase opportunities for construction" please add: "giving priority to the most viable, sustainable and practical of the alternative building approaches".

In addition:

We recognize that issues such as relaxing of parking restrictions and zoning allowances are already strong components of the existing Element and we desire that those "standards" be promoted and strengthened where possible.

The following comments on the element are directed to the Board Of Supervisors, and pertain to actions that the CHLTSCC would view as supportive for the Community Housing and Land Trust to better meet our goals in collaboration with the County element.

RE: Comments on the **Draft** Housing Element for the Board of Supervisors to consider.

In addition to our general desire for the new Santa Cruz County Housing Element to actively promote the creation of more affordable (in perpetuity) housing in our community in ways already included in the existing element we of the Community Housing Land Trust of Santa Cruz County (CHLTSCC) would like to see the Housing Advisory Commission and the Board of Supervisors also consider the following related comments:

1. Pg 178, 4.9 assessments section: # 21) On the establishment of a Housing Trust Fund. The Community Housing Land Trust organizations, founded by the Institute of Community Economics in the 1980's, are nation wide. Our local Community Land Trust is working to establish itself in our area as trained representatives of this national coordinated effort. We would like to offer our services to this community in the capacity for which we were established, and ask that the County consider giving this organization the support and referrals, management intercommunication and project support required to do this. We would like to be considered as beneficiaries of any Housing Trust Fund that may be established, so we can continue to move forward with our training and community service mandate to provide authentically affordable housing to low and moderate income earners in perpetuity.

2. Pg 178, 4.9 #20 "On coordination with new community housing program initiatives". We would like this advisory council to recommend to the Community Foundation of Santa Cruz, that they provide us with the support required to bring our solutions to this community. Establishing an affordable housing solution in this area is obviously challenging. Our success requires intercommunication and monetary support. This is a "catch 22" reality when citizens found a Community Land Trust with no operating funds, no project history, varying levels of skills and abilities and must rely on a 100% volunteer pool in an economy where folks are often working overtime. County and community support will greatly enhance the effectiveness of this organization!

3. Pg 179, 4.9 assessments section: # 24. The Community Housing and Land Trust

supports the development of co housing communities, and would like the opportunity to present a community participation model and building method we have been reviewing.

4. Pg 299, 4.7 appendix E: Study of Farmworker Housing needs g) Evaluation of the "Rural Village Cluster Housing" concept. The CHLTSCC would like to present a model and method that directly addresses the culture and self empowerment of farm workers to participate in the creation of their own extremely low cost/low impact housing.

5 Pg. 301, 4.7 appendix E: "Financial resources for affordable housing" The CHLTSCC has been established in this county by local volunteer citizens in cooperation with the Institute of Community Economics to provide:

- (a) Development and ongoing continuity and availability of affordable housing for low income residents
- (b) To assure the property remains available to this income group in perpetuity.
- (c) To promote resident ownership and control of housing.
- (d) To build new homes and acquire existing buildings.
- (e) To promote alternative financing and community ownership models.
- (f) To provide stable, affordable rental units.
- (g) To retain the value of public investment in perpetuity.
- (h) To focus on environmentally safe, sustainable and clean housing; encouraging gardens, playgrounds and open space.

To this end we would **like** to be considered a beneficiary of these allotted funds. We would like our project, building method, community participation model and strategic plan reviewed by the Housing Authority, or a more appropriate body of decision makers. We request cooperation and support to determine the fastest path to stabilization of our non profit, tax exempt, nationally recognized organization so we can better provide our greater public with these essential and critical services.

Very truly yours,

The members of The Community Housing and Land Trust of Santa Cruz County

Myles F. Corcoran
Board Chair

Johanna Parry Cougar
Executive Director

Board List: Richard Pool, Richard Snow, Carol Long, Maggie Camp, Barbara Lewis, Maureen Smith.

Mountain Community Resources (MCR) is a family resource center that typically serves low-income and homeless residents of the San Lorenzo Valley (SLV). We have two staff members providing connections to resources in our Information & Referral Program. Five Healthy Start Advocates work with families with children of all ages.

The following is a summary of comments on housing problems in the SLV from the staff of MCR:

- Not enough affordable housing. The SLV was once known to have lower cost housing than many areas of the County, this is no longer true.
- The SLV has no subsidized housing that we are aware of.
- Disabled people living on SSI (\$757 mo., \$9084 yr. total income & not eligible for Food Stamps) can't even afford a room in a house.
- Most housing in SLV is not accessible to those with impaired mobility.
- While the SLV is perceived as a high income area, we also have many people who have extremely low incomes. Our population of recent immigrants is growing. They are often very poorly paid.
- Much of the housing is substandard and unsafe. (built as summer vacation cabins... the SLV is known for its copious rain and damp cold) Tenants are often too fearful of rent increases or eviction notices to request repairs.
- Housing is often remote and/or far from bus service. People with low incomes often have unreliable transportation or none at all.
- The SLV has a large homeless population. Homeless single people as well as homeless families and homeless teens. Single people often have a campsite in the woods or sleep under bridges. Many people "couch-surf" a few nights here, a few there. Others rent backyard or porch space or live in a camper in the driveway. Many families live in old travel trailers, cars, garages and sheds. A family of six is currently renting a room in a workshop.
- People with children attending SLV schools, who find themselves suddenly homeless and struggling to provide some stability for their children by keeping them in school. have a very hard time utilizing the Satellite Shelter in Santa Cruz. Many may choose to spend their entire income to sleep in a motel. Some camp out. One single father slept in the car with his son.
- Landlords frequently refuse to rent to people with children.
- ◆ There is no emergency shelter in the SLV. The only shelter in Santa Cruz is over an hours bus ride from Ben Lomond and costs \$3.00 one way.



Santa Cruz County Group of the Ventana Chapter

P.O. Box 604, Santa Cruz, California 95060

Phone: (831) 426-4453 FAX (831) 426-5323

www.ventana.org — e-mail: scscrg@cruzio.com

September 3, 2003

Mark Deming
Planning Department
County of Santa Cruz
701 Ocean Street
Santa Cruz, California 95060

.....
Subject: Comments— County of Santa Cruz General Plan, 2000–2007 Draft Housing Element
.....

Dear Mr. Deming,

The Santa Cruz County Group of the Ventana Chapter of the Sierra Club submits this letter to comment on the County's draft 2000-2007 General Plan Housing Element. Our comments are addressed primarily to the issue of water as a natural resource integral to urban planning, and specifically, the constraints of water supply on housing development. We emphasize the finite nature of water supply and the serious water supply deficits in Santa **CNZ** County.

Approximately 99% of Earth's total water is located in the oceans and glaciers. Only about 1% is found in groundwater, lakes, soils, rivers, streams and creeks, and the atmosphere. The total amount of water on Earth is finite and constant. However, water often seems to be perceived as a substance that might increase at the same rate as human population growth, and this misperception seems to hover between the lines of the County's Draft Housing Element.

The County's 1994 Housing Element includes a discussion of water supply issues (pages 4-85 through 4-87). We assume that the 2000-2007 Housing Element will include a revision of this summary to present complete and candid current information about the County's constrained water supply.

"...to explore, enjoy and protect the wildplaces of the earth. .."

The 2000–2007 Draft General Plan Housing Element, Section 4.7.1, appears to address the issue of water supply only as an energy conservation measure related to CCR Title 24 (also known as the California Building Standards Code). However, serious water supply deficiencies in the County make it clear that conservation alone is not the final solution to this problem. Because of the importance of conservation, we recommend the inclusion of a stronger statement in the Housing Element explaining the necessity for water conservation. This is particularly critical because none of the new water sources or facilities contemplated by County water suppliers *will* begin to deliver water during the 2000-2007 plan implementation period currently under discussion.

State law requires the Housing Element to identify adequate sites for housing with services and public facilities including water supply, and to consider environmental constraints (California GC §§ 65580 and 65583). We question whether any of the sites identified in the Draft Housing Element can be considered adequate in light of the County's serious water supply deficiencies.

Housing Element Section 4.7.1, Goal 2 (*Goals and Policies: Promote the Use of Available Sites for Affordable Housing Construction and Provide Adequate Infrastructure by Removal of Constraints*) includes the following Objectives (policies 2.10 and 2.12):

Policy 2.1 0: Encourage service providers to retain adequate sewer and water service capacities for housing units affordable to moderate and lower income households

Please clarify how service providers can retain (hold secure) water service capacity for affordable housing units in a county that is already facing water shortages from existing demand. Please identify the water service capacity that is available to be retained for the development of housing. Water is finite. Does the county contemplate an ever-increasing supply of housing units to be supplied with a non-increasing resource? There is no stated limit to the number of housing units that the County's water resources can support. If County water agencies do not have the capacity to provide adequate water service to existing development, how can the County plan for any new moderate or lower income housing projects?

Policy 2.1 2: Support sewer and water district annexations or out-of-service-area agreements on properties adjoining urban service boundaries for moderate or lower income housing projects.

Policy 2.12 could be interpreted as a measure that promotes incremental sprawl. Annexations that occur during the 2000-2007 planning period could extend the Urban Service Line and the Urban/Rural Boundary for the next planning period. Furthermore, this policy might be inconsistent with Santa Cruz County Code Title 17, Growth Management, Chapters 17.01, and Chapter 17.02, which address the establishment of the Urban Services Line and the Urban/Rural Boundary (growth management policies required by Measure J). The term "support" is vague. Please provide an explanation as to why these boundaries, which have been established to preserve the distinction between the County's urban and rural areas, and to protect agricultural land and natural resources, should be amended for the development of moderate or lower income housing projects. Does the term "support" indicate that the County intends to provide special

consideration, or growth management policy (Measure J) exemptions, for *all* housing projects on properties adjoining urban services boundaries that include moderate or lower income units? Is this policy consistent with County Code Section 17.02.080 "Amendment of the Urban Services Line and Coincident Portions of the Urban/Rural Boundary"?

Section 4.1, Introduction, states that the Draft Housing Element presents "policies and actions in the context of the Land Use Element of the County's General Plan." The County's 1994 General Plan Land Use Element includes a discussion of the implementation of Measure J, approved by voters in 1978 (General Plan, p. 2-3). Chapter 17.01 of the County Code includes this language under 17.01.020 (d) 7. Water Supplies: "*The safe yield capacity of natural surface and groundwater sources is being exceeded in many areas of the County, causing water supply and water quality problems which will be irreversible or extremely expensive to correct.*"

Both the City of Santa Cruz Water Department, and the Soquel Creek Water District supply water to the unincorporated areas of the County. These suppliers do not appear to have the capacity to serve additional customers without a new source of water, and/or strict conservation measures. It is not clear, however, that conservation alone will be enough.

The City of Santa Cruz has been studying ways to address water supply deficits for at least 17 years. Its *Integrated Water Plan—Draft Final Report* (IWP) (2003) discusses water curtailments that may be required in years of low rainfall. The IWP states that "*the highest level of worst peak-season shortage that is tolerable for Santa Cruz water customers is 25%.*" The IWP also admits that "*larger curtailments were judged to have unacceptable impacts on the community.*" Many City residents remember 25% water supply curtailments during previous droughts: 1976-77, and 1987-92. However, if another drought affects the City's water supply, the shortage will be 45% (IWP). Consequently, the City must develop a new water supply as soon as possible.

The *City of Santa Cruz Draft 2002-2007 Housing Element* includes this language (p. 3-22):

According to the City's "Water Supply Alternatives Study" (Carollo Engineers, 1999), the water system cannot meet full water demand 25% of the time, with the magnitude of shortage as high as 48% during a severe drought. By 2020, the water system will experience some degree of shortage in 75% of all years and the peak season shortage in a two year critical year drought will increase to 58%.

It seems obvious that the increase in water supply curtailment from 25% to 45% (or greater) is the result of increased water demand occurring over nearly two decades—caused by population growth in the City and County, and approvals of new water permits. If water supply curtailment over 25% is not considered acceptable (IWP, 2003), why was cumulative development—responsible for the impending increased drought-induced water supply curtailment to an unacceptable 45% level—approved by the City and County? It seems unreasonable to plan for, or build, additional houses in the area served by the City of Santa Cruz when this problem has not been alleviated. Is it possible that the severity of droughts is increasingly determined by urban water demand, and not by measured rainfall?

The City's IWP provides a description of how this situation might become increasingly serious (page II-13): "By the end of the planning period, if no action is taken, the nature of the City's problem is substantially different. In addition to the very large worst-year shortages, the City will have difficulty meeting average year demands. In fact, in 2030, there will be a 90% likelihood of some level of curtailment." Growth in the County has exceeded the natural limits of the environment to provide sufficient water for existing uses; technological solutions are now required to provide adequate water supply to serve the County's needs.

According to its IWP, the City of Santa Cruz appears to prefer desalination of seawater as the technological solution to its water supply deficit, and expects that a "*facility should be on-line in late 2009 or early 2010.*" The County's draft 2000-2007 Housing Element presents planning for housing development dependent, in part, upon water from this source; however, water from the City's proposed desalination facility will not be available between 2000 and 2007.

The Soquel Creek Water District (SCWD) is currently overpumping its groundwater supply by approximately 600 acre-feet per year, according to an information sheet dated July 2003 available on the SCWD website (http://www.soquelcreekwater.org/Water_Supply_Planning.htm) SCWD has adopted a "water demand offset program" that requires new development to "offset expected water use by a 1.2 to 1 ratio by retrofitting existing property" (SCWD). New development served by the SCWD must have a "zero impact" on existing water supply. This program will help to protect riparian habitat, and prevent sea-water intrusion. We feel that the County's Draft Housing Element has not adequately considered SCWD water supply deficits as a major constraint to the development of housing in the County.

The Pajaro Valley Water Management Agency (PVWMA), which includes the City of Watsonville and parts of Santa Cruz County in its service area, was formed in 1984 in response to groundwater overdraft and seawater intrusion problems (Federal Register, 8/3/01, Vol. 66, No. 150, pp. 40719-40720). "Numerous studies conducted over the past *fifty years* [italics added] have documented that the Pajaro Valley groundwater basin is in an overdraft condition, i.e., the amount of water withdrawn exceeds the amount of water replenishing the basin" (PVWMA Revised Basin Management Plan, p. ES-5). The PVWMA is currently pumping out approximately 18,000 acre feet/year more water than is replaced by groundwater recharge (1997 Regional Population and Employment Forecast, AMBAG). The 1997 AMBAG report also states that the groundwater basin cannot supply existing demands from residential, agricultural, commercial, and industrial uses, and that "any additional population growth will cause the sustainable pumping rate to be exceeded even further."

The PVWMA Basin Management Plan is complex. It includes several elements: the construction of a pipeline to the Santa Clara Conduit to deliver water to the Pajaro Valley, a recycled water facility, and other facilities that are necessary to supply existing and future water needs in the Pajaro Valley. The EIS for the connection of a pipeline to the Santa Clara Conduit was expected to be completed in August of this year, with the Final EIS due in December. Increased water supply can be obtained in the short term by mining groundwater in Southern Santa Cruz County, but that would remove it at rates greater than natural recharge (EIR, Santa Cruz County 1993 General Plan). It is obvious that development in this area of the County exceeded environmental

constraints long ago, yet the County's draft 2000-2007 Housing Element does not indicate clearly how additional housing development can be accommodated in an area that is already in an overdraft situation.

Although the comments in this letter are directed to the County's draft 2000-2007 Housing Element, it is important also to note some claims made in the *City of Watsonville 2002-2007 Draft Housing Element* (revised, 2003). Section 3: Housing Constraints, page 3-19, of that report, under the heading "Water Supply," contains what appears to be inconsistent information. Although Watsonville's City Public Works staff have indicated that their water system will be able to serve over 2500 new households, the plan also states that "*The [Pajaro Valley] Basin has been in an overdraft condition for 40 years and groundwater levels have fallen below sea levels over a 50 square mile area,*" and additionally, that "*seawater intrusion has affected numerous coastal wells in the Santa Cruz and Monterey County portions of the Basin.*" Then, in Chart 5-2, under "Housing Program A.3." (page 5-8), is the following language: "*Expand the Sphere of Influence to accommodate 3,500 additional housing units through the year 2005.*" Is Watsonville planning for 2500, 3500, or 6000 new housing units? It isn't clear. In any case, natural resources present very real constraints, and it does not appear that the City of Watsonville is prepared to recognize those constraints. Water supply is a serious concern for most areas of the County, and arbitrary jurisdictional boundaries often have little, if any, relationship to watersheds and hydrology. Because the County and the City of Watsonville depend on water from the same sources, how might Watsonville's growth plans, and future water demand, affect the selection of adequate housing sites for the County's Housing Element?

It also might be important to note that the City of Scotts Valley, in its *2002-2007 Housing Element Administrative Draft*, states that it is experiencing water shortages caused by development and stressed groundwater supplies, and that "water provision continues to be a critical issue in Scotts Valley." According to Sheryl Ainsworth (City Councilmember, City of Scotts Valley), data indicate that the total amount of water available for pumping from the aquifer has been declining, the Scotts Valley Water District has placed a limit on the total number of available new water meters they will issue, and the City's planning staff is very worried that the required units of housing cannot be built with projected water supplies (email to author, 8/31/2003).

A letter dated August 8, 2003, from Cathy Creswell, Executive Director of the California Department of Housing and Community Development, Division of Housing Policy Development, to Santa Cruz County Planning Director Alvin James, includes an appendix describing required changes to the County's housing element to bring it into compliance with Article 10.6 of the Government Code. Nothing in this appendix speaks to the critical relationship of water supply to housing development. We suggest that regardless of the number of housing units allocated under the "fair share" Regional Housing Needs Plan, without an adequate and sustainable source of water, no additional housing should be built in the County—affordable, or otherwise.

The relationship of water supply to housing development in California has been addressed through laws passed by the Legislature. In 1995, the Legislature passed Senate Bill 901, which

required planning agencies to consider information provided by water suppliers in their decision to approve *or* deny commercial, industrial, or residential development. Senate Bill 610 (2001) tightened loopholes in SB 901 to ensure that all projects have an identified source of water. Senate Bill 221 (2001) requires a city or county to deny approval of a tentative or parcel map for a subdivision of more than 500 units if the project does not have a sufficient, reliable water supply (the County's Housing Element is a plan for more than 500 housing units). Water supply must be addressed at the General Plan level, and the County should identify the existing or planned water supply sources that will be adequate for the growth projected in the draft housing element (pending legislation AB 1015 (Laird)). At this time, it is not clear that there will be adequate water supply during 2000-2007 for existing demand, let alone any new housing units.

Legislation to date addressing the relationship of water to housing is clear in its intent: adequate water supply is an integral part of planning for housing need. Although a General Plan Housing Element might be seen as "only" a plan, a General Plan is considered a project under CEQA. Also, developers will act upon the information presented in the County's General Plan. Because of the close relationship between planning for housing development and approval of permits for actual development, the County's Housing Element could be seen as somewhat equivalent to the kinds of development projects addressed by the legislation mentioned above (SB 901 (1995), SB 610 (2001), and SB 221 (2001)). The County's draft 2000-2007 Housing Element does not appear to adequately identify real water supply sources for planned housing development in the County.

Measure C, an ordinance approved by County voters in 1990, "seeks to ensure that future growth and development in Santa Cruz County adheres to the natural limits and carrying capacity of the environment" (Santa Cruz County 1994 General Plan, p. 2-3). The 1994 General Plan also states that Measure J, adopted by County voters in 1978, provides for the protection of natural resources, and requires population growth in the County to be limited by environmental constraints through the Annual Population Growth Goal (Santa Cruz County General Plan, p. 2-3).

We ask that the County's Housing Element more strongly emphasize water conservation. We also recommend that the County's Housing Element include an explicit link to the policies included in 1994 General Plan, Chapter 7, Parks, Recreation, and Public Facilities: Water Supply, Objective 7.18b, Water Supply Limitations, which states:

"To ensure that the level of development permitted is supportable within the limits of the County's available water supplies and within the constraints of community-wide goals for environmental quality."

And, Policy 7.18.1, Linking Growth to Water Supplies," which requires the County to:

"Coordinate with all water purveyors and water management agencies to ensure that land use and growth management decisions are linked directly to the availability of adequate, sustainable public and private water supplies."

Thank you for considering our comments to the County's draft 2000-2007 General Plan Housing Element. We support the County's efforts to encourage development of affordable housing for

current and future residents of this beautiful coastal area, but **ask** that the County first identify adequate water supply sources for such growth in its General Plan.

Sincerely

A handwritten signature in black ink, appearing to read "Renée Flower". The signature is stylized with a large, sweeping "R" and a long horizontal line extending to the right.

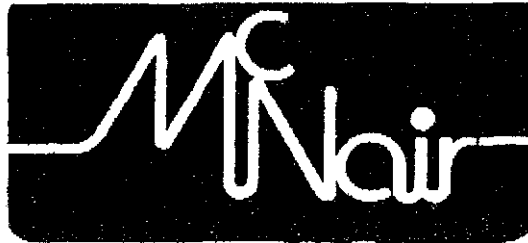
Renée Flower

Member, Growth Management Committee
Santa Cruz County Group of the Ventana Chapter of the Sierra Club

Attachment: References

Selected References

- (2003). City of Capitola et al vs. Nicolas Papadakis, Executive Director of AMBAG et al, California Supreme Court. Amended Petition for Writ of Mandate Pursuant to Code of Civil Procedure Section 1094.5; Petition for Writ of Mandate Pursuant to Code of Civil Procedure Section 1085; Complaint for Injunctive Relief. CV818073. Superior Court of California, County of Santa Clara.
- Ainsworth, Sheryl (2003). Email to author. From: "Sheryl Ainsworth" sla@cmzio.com
Subject: RE: Scotts Valley Water. Date: Sun, 31 Aug 2003 11:00:38.
- Association of Monterey Bay Area Governments (AMBAG) (1997). Regional Population and Employment Forecast for Monterey, San Benito, and Santa Cruz Counties. Pages 58-59, 63-66, 88, 90.
- City of Santa Cruz (2003). Draft 2002-2007 Housing Element. Santa Cruz, California. Pages 3-1, 3-18, 3-21, 3-22.
- City of Santa Cruz (2003). Integrated Water Plan—Draft Final Report Santa Cruz, California.
- City of Scotts Valley (2002). City of Scotts Valley. 2002 State of the City Report. Scotts Valley, California.
- City of Scotts Valley (2003). 2002-2007 Housing Element Administrative Draft. Scotts Valley, California. pp. 3-17.
- City of Watsonville (2003). 2002-2007 Housing Element Draft. Watsonville, California.
Pages 3-19, 3-20, 5-8.
- County of Santa Cruz (1994). 1994 General Plan and Local Coastal Program for the County of Santa Cruz, California.
- County of Santa Cruz (1994). Board of Supervisors Packet: General Plan Update—Adoption of the 1994 Revised County General Plan and Local Coastal Program and Implementing Ordinances. Santa Cruz County, California, Pages 13-16.
- County of Santa Cruz (2003). 2000-2007 Draft Housing Element. Santa Cruz County, California. Pages 104, 133, 134, 162, 164, 166.
- Creswell, C. E (2003). Letter. From: State of California Department of Housing and Community Development RE: Review of Santa Cruz County's Draft Housing Element. To: Mr. Alvin D. James, Santa Cruz County.
- EPA, U. S. (2001). Federal Register, Volume 66, Number 150. Pages 40719-40720. Notice of Intent to prepare an EIS: Pajaro Valley Water Management Agency Basin Management Plan Update Project, Santa Cruz and Monterey Counties, CA. United States Environmental Protection Agency.
- Nichols and Berman (1993). Draft Environmental Impact Report: Santa Cruz County 1993 General Plan and Local Coastal Program. Santa Cruz County Planning Department. Pages 4.7-1 through 4.7-21.
- Pirie, E., B. Bobeda, et al. (2002). Letter dated August 2, 2002. RE: Appeal of July 8, 2002 Regional Housing Needs Plan Allocation. To: Association of Monterey Bay Area Governments (AMBAG). From: County of Santa Cruz.
- Sanchez, R. (2001). New California Law Seeks to Curb Runaway Sprawl. Washington Post. Washington D.C.: A3.
- Soquel Creek Water District (1999). Soquel Creek Water District Draft Integrated Resources Plan. Soquel, California Soquel Creek Water District. Pages 1-4 through 1-6.
- Soquel Creek Water District (2003). <http://www.soquelcreekwater.org>,
http://www.soquelcreekwater.org/Water_Supply_Planning.htm
-



ROSE MARIE McNAIR • BROKER

September 3, 2003

Mr. Mark Ceming
Santa Cruz Crafr Housing Element
Santa Cruz County Planning Dept.
701 Ocean Street
Santa Cruz, CA 95060

VIA FAX: 454-2131

Dear Mr. Deming,

In reviewing the Draft Housing Element for 2000-2007, I am submitting this letter to express my comments for review by the Board of Supervisors for final adoption. Given the fact that the County has not had a Housing Element certified by State Housing and Community Development (HCD) for more than a decade, I sincerely trust that the County will proceed with all due diligence to have a meaningful Housing Element certified. For the good of our community and the extreme need for housing availability, with certain revisions and additions, this document should serve as the catalyst for actual construction of housing, and not just a "wish list".

Reference Pages 86-88 Regarding Density Ranges:

On page 86, in the first paragraph, the document states that "the County has an adequate number of sites zoned for projected residential development". Further, the Draft says that the Board has adopted an ordinance that states that all proposals for residential development with the USL are required to meet minimum density standards. (However, that ordinance has language that allows for possible reduced densities.) In the past, some projects have had a reduction in the number of units actually built, by nearly a third of what the zoning would allow. Increasing density leads to lower costs—ergo more affordability and increased supply can help to mitigate this housing crisis.

Page 89: Growth Controls and Infrastructure Factors

Measure "j" constraints should be more specifically indicated by "real" statistics. The following statement: "...the demand for building permit applications has been less than the number of permits available for issuance." This statement enforces the fact that builders/developers have gone elsewhere (out of Santa Cruz County) rather than deal with the extensive, complicated, process now in place. The County's viewpoint seems to be that because applications are low that the public is at its limit. Again, I believe that various constraints act as disincentives to apply.

348

RM
Pg. 1 of 2

Page 124: Density Bonuses

Support Density Bonuses! Another survey is not needed.

Page 125: Objective 2.3 Creation of Another Agency for Housing

No need for another layer of duplication in the permit process. Make things simple--not complicated.

Page 146: Increased Densities for Affordable Housing

Good idea!

Page 152: Anti-Retaliatory Eviction Ordinance

no one Supports bad landlords, but there should be balance and fairness toward good landlords when there is bad behavior by tenants, as well. It is important to keep that premise in mind. Sometimes, these ordinances act as disincentives to ownership of multi-residential units or apartnrenrs--which, by the way, I do not see indicated in the draft Housing Element.

Page 204-236 List of Vacant Urban Parcels.

It is important to note that only higher density projects of at least 10 or more units are considered viable by builders. Some larger parcels outside the USL may be possible sites for development and, upon careful evaluation, should be given consideration.

Letter from HCD Dated August 8, 2003

In referring to the letter from HCD dated August 8, 2003, the State refers to rewiring more details on implementation and actual statistics regarding--to name a few: 1) the allowance of residential uses in commercial zones; 2) Coordination with New Community Housing Program Initiatives; 3) study of Farmworker Housing Needs. I would agree that the "devil is in the details", and that the County needs to provide more detail. Statistics must be made available in the Draft Element and, by mere omission, this creates an incorrect impression of the actual situation.

The Draft Housing Element is the road map to creating housing in our community--but the implementing ordinances need to be considered at the same time we review the Housing Element so that procedures truly match goals and procedures.

Thank you for your diligence in preparing the Draft Housing Element. With community input and a new clear vision, we should be able to achieve better housing availability.

Sincerely,


 Rose Marie McNair, REALTOR®/Owner
 McNair Real Properties

Cc: Board of Supervisors 454-3262

FAX COVER SHEET

TO: ALVIN JAMES, PLANNING DIRECTOR

FROM: EARL PEQUEEN

FAX TO: 454-2131

**For inclusion in the Public Comments regarding the proposed Draft of the Santa Cruz
County General Plan Housing Element**

HOUSING ELEMENT COMMENTS

1. The Housing Plan is supposed to address the needs of all of the people of Santa Cruz County.
2. It does not address the condition of current housing.
3. It favors the wealthy over the middle class and poor.
4. It is supposed to address the lack of ease in complying with building permits.

P1-- Comments on the County's strategic goals #4—"Preserving the current stock of affordable housing in the County." Very little of this plan is directed towards the current homeowner. The plan says little that is substantial about reducing the cost of permits or the tight building codes currently in effect in this county.

P2-- Regarding Government Code Section 65580's requirement that local governments have a responsibility to use their vested powers to facilitate housing development and to make "adequate provision for the housing needs of all economic segments of the community". The current County building code is designed to hinder growth, not facilitate it.

Santa Cruz County, the 2nd smallest county in the State, has the largest Planning Dept. It is even larger than the Planning Dept. of the City & County of Los Angeles. Why does this County need such a large Dept., if not to hinder and restrict growth and change in Santa Cruz County? Please refer to P. 83, Section 4.5.1, Potential Governmental Constraints...

P87-- Requirements for 2nd units. There is no provision made for an owner to add a second unit for an individual of moderate income who is not a relative or a senior. What about the single individuals of moderate means who need housing? Where do they turn to? What about those who want to convert a garage to a comfortable (e.g. heated, insulated, toilet & shower) place to open a small business that does not impact the neighborhood? No, you cannot do that! Not here in Santa Cruz! You might at some future time decide to rent it out for living quarters. The potential is there. Never mind that you have no desire to do that. It is still possible, because the County deems it "HABITABLE!" Following that same reasoning, all men should be considered potential rapists, because they are equipped for it!

P93-- Fees—The fees charged by the County are excessive. The County says that it really isn't all that much, but urban fees for a sample house average approximately \$24,409, and \$19,016 for a rural house. This adds \$60-75,000 to the final price over the length of a 30-year loan. This places a

heavy **burden** on homebuyers and homebuildden in the middle income area. Those who are fortunate enough **to be** wealthy will **have** no difficulty with **this**. Those who are **In** the low-income range will be either **have** lots of **government assistance**, or be totally priced out of **the** housing market and **opt** for renting. Instead. Those of us who are **in the** moderate-income area are also priced out of the market, as we earn too much for assistance & not enough to be able to **easily** afford to build or buy.

P84-- On page 94, It mentions that: "While It **is true** that **these fees** add **costs** to development projects, they do not necessarily Increase home prices for market rats homes. Markets, not costs set prices." I **disagree** with this statement. This is **the same as wanting** gun control because guns kill people. Guns don't kill people, people kill people. Profit margins set prices and the **sellers** of new housing would not have to "justify" the high prices **without** the high costs, one of which is the high fee charged for permits.

P187-- In the County's assessment of the 1984 Housing element projection, 28,973 new units were projected. Only 1221 housing units were permitted. Why so few units? The County lists several possible causes on p 188, but does not list the most glaring cause—namely the County's own Building code. It is one of the most complex, restrictive, and contradictory documents known. there are many inconsistencies and non-communication within the Dept., between planning and zoning, for example. This county does not want any growth, end is doing all that it can to hinder growth, Including charging high fees and using draconian building codes.

Comments on Draft Housing Element – Submitted by John Ricker, Environmental Health Service

rec'd 9/3/03

Following are comments on the Constraints section of the draft housing element relative to wastewater treatment and water supply:

Wastewater Treatment:

Sewage disposal poses a significant constraint to new development in rural areas of the county and some additional language should be added to reflect that:

- The one-acre minimum for existing parcels of record is in place in the San Lorenzo River Watershed and the Water Supply Watersheds in the Bonny Doon and North Coast Planning Areas. In the latter areas a 2.5 acre minimum applies with one mile of a water intake.
- In addition to the minimum parcel sizes, onsite sewage disposal standards for slope, high groundwater and clay soil also limit development of many vacant parcels in rural areas.

Water Supply

The statement that Santa Cruz County receives no imported water is not correct and requires elaboration:

- Approximately 200-300 parcels located in the Summit area are served by small water systems that receive water from the San Jose Water Company through the Montevina pipeline. Some of this is surface water from Santa Clara County, but the San Jose Water Company also receives 51% of its water from state and federal water projects.
- The Pajaro Valley Water Resources Agency has purchased water project water in the Central Valley and in the future intends to import the water to serve agricultural uses. This will help alleviate the groundwater overdraft situation in the Pajaro Valley.

The discussion suggests that water supplies are limited only during drought conditions. Groundwater and surface water sources *are* oversubscribed throughout most of the county in all years, resulting in substantially depressed groundwater levels and diminished stream baseflow. [The primary impact of reduced baseflow on fish production is reduced rearing habitat, not just spawning area.] Demand has already substantially outstripped sustainable supply in all urban areas of the county and there is not water for new development or buildout unless new water supplies are developed. A number of efforts are underway to develop those supplies, but they are only in the planning phase, and could be delayed.

Julianne Ward

From: Johanna Parry Cougar [light-rain@msn.com]
Sent: Tuesday, September 09, 2003 3:34 PM
To: Housing Element
Subject: Re: Housing Element comments from the Community Housing Land Trust of Santa Cruz

Thank you for your kind assistance, Julianne.

Here are my revised comments for section 4.7 page 127-8

Objective 2.8: Give focused support to the alternative building methods proposed to the county that focus on sustainable and natural materials and recycled material reuse.

Policy 2.13: Adopt design guidelines in collaboration with alternative building experts that include natural, sustainable and recycled materials for development of truly low cost, non toxic and sustainable housing.

Objective 2.9: Support the development of sustainable co housing neighborhood designs to strengthen our social service networks,

~~~~~By the way,

Are you able to tell me the most appropriate forum to present my model and method social service/co housing project? Where would I focus my search for site and funding?

I am submitting applications to the Local Opportunities Fund for the mental health aspect of the program and the Corporation for Supportive housing, are there other places you are aware of that I could perhaps approach?

Also, please let me know if you have not received the resale formulae and information on the Housing Trust Fund, I can contact my board chair, and discover how to get them to you.

Again, Thank you for all your help.

Johanna Parry Cougar  
CHLTSCC

----- Original Message -----

**From:** Housing Element  
**Sent:** Tuesday, September 09, 2003 9:41 AM  
**To:** Johanna Parry Cougar  
**Subject:** RE: Housing Element comments from the Community Housing Land Trust of Santa Cruz

Hi Johanna-

Thanks for the info, I did receive your other email as well regarding the Peace Zone project.

Regarding your letter, the appropriate place for your organization to be included in activities is in Chapter 4.7 which begins on page 121. The first part of that chapter includes objectives and policies- these are broader than the specific programs listed in the latter part of that chapter. Any specific programs that the county can participate in or support with regard to providing housing should be included in this chapter. So, if there are some programs your organization is running which could benefit from county support, that would be the appropriate place to include them. If

9/9/2003

354

# County of Santa Cruz



**LOCAL MENTAL HEALTH BOARD** PO BOX 982 SANTA CRUZ CALIFORNIA 95061

September 9, 2003

Mark Deming  
County of Santa Cruz Planning Department  
701 Ocean Street, 4<sup>th</sup> Floor  
Santa Cruz, CA 95060

RE: Housing Element Comments from the Local Mental Health Board

Dear Mr. Deming,

Thank you for including the concerns of the Local Mental Health Board in the Housing Element. The Local Mental Health Board acts in an advisory capacity to the Board of Supervisors and County Mental Health on mental health needs and services.

There is a serious shortage of housing for people with psychiatric disabilities in Santa Cruz County. There are approximately 1,000 seriously mentally ill adults being served by the County's Department of Mental Health at any given time. County Mental Health and its contract agency sponsored programs provide 200 units of housing ranging from supervised Board and Care facilities, social rehab programs and supported housing in the community. The other 80% of clients being served by the County must compete for a limited supply of affordable rental housing and are disproportionately homeless, incarcerated or hospitalized.

The Local Mental Health Board therefore recommends the following actions to increase the supply of affordable housing for extremely low-income people with psychiatric disabilities:

1. Encourage the production of additional housing affordable to people living at or below 30% of the Area Median Income,
2. Affirmatively support the development of 500 additional supportive housing units in Santa Cruz County, and in particular enable the following projects:
  - Subsidized housing in the San Lorenzo Valley, particularly studio and single room occupancy buildings,
  - Multi-unit affordable housing in the urbanized areas of the County with proximity to necessary public transportation and services,
3. Enable the development of a respite housing project, short term housing for people with disabilities that enables them to stay out of hospitals and retain permanent housing,
4. Recognize that people with disabilities successfully live in our community and could do so more easily with creative projects that meet their needs for independent housing.

Thank you for your consideration.

On Behalf of the Local Mental Health Board,

Judy Williams, Chair

355



**Julianne Ward**

---

**From:** Carol Long [cjl@juno.com]  
**Sent:** Wednesday, September 10, 2003 9:01 PM  
**To:** light-rain@msn.com  
**Cc:** Housing Element; paula@spirare.net; myles@mfcbuild.com; pool\_richard@hotmail.com; parrys@ideastudios.com; tentcitypdx@yahoo.com; maggiecamp@hotmail.com; bobbi@felton.felton.ca.us; mmsmith@cruzio.com; snowrich2002@yahoo.com; markroest@cruzers.com  
**Subject:** Re: low income housing model and method executive summary from CHLTSCC

The last sentence in the second to last paragraph should be deleted, since it sounds like an excuse: we know that the cost of housing is high, and we would be at fault for lack of community organization. We don't need to say we don't have projects or property; when we say we have a board, an executive director, membership and nonprofit status and that we are in the process of applying for further funding for projects, that should be the right note, to my mind.

Mon, 8 Sep 2003 15:26:13 -0700 "Johanna Parry Cougar" <light-rain@msn.com> writes:

**Also, if you could provide me with more information on your model and method toward addressing the culture and self empowerment of farm workers, that would be helpful.**

**Dear Julianne, please find the requested information pasted below.**

**Project Title: The Peace Zone Project**

A building method combined with a therapeutic community participation model for the solution of our homelessness and low income housing issue. Pilot project initial cost (not including land purchase) \$35,695. Our intention is to seek land purchase funds from the California Endowment in collaboration with the city and county of Santa Cruz and other natural partner groups capable of providing funding alternatives. We intend to staff this project with volunteers and in collaboration with mental health professionals currently employed by our counties social service day programs.

**Executive Summary:**

Santa Cruz County is home to over 3,000 people living outside. 500 of them are children under 18. 1,200 are using our homeless resource shelter. In the last year, 12,000 people have spent on average 6-8 months cycling in or out of a homeless state.

We will provide a viable, safe and affordable option to help solve the housing crisis in our state and nation. Most Americans are unaware of this practical and aesthetic housing option that is tremendously low impact and shockingly affordable to the average person. Lack of information and the nonexistence of earthquake testing reports have been the primary block to its timely arrival. Removing obstacles to the development of a model for reorganization of our traditional home neighborhoods is essential to the strengthening and stabilizing of our local social networks.

This project will be enacted in two stages. The first stage will address the needs of our homeless and disenfranchised populations by providing meaningful activity, a support community of volunteers and a safe, easily taught building construction training while also

providing two meals a day, supplies for living outside, and alternative income generation councils for the area's homeless and for the underserved day program communities. On three acres the members of our underserved communities will construct a community building that includes a service kitchen, public showers and bathrooms. The landscape will support edible gardens and food production projects. The building site will be supervised by mental health professionals supporting a therapeutic approach to focus and concentration while building. The community building will be called a Temple, to support the therapeutic approach, and any denomination of spirituality will be broadly accepted. The inherent fun and opportunities provided by this site project, like with all earth building projects, has already proven its ability to generate a magnetic response for community participation.

The second stage of this project will be the construction of a 100% natural co housing style neighborhood on 10 acres of land constructed around the 3 acre community building. Builders will have been trained while constructing the community temple building. This will provide low cost housing options at a dramatically reduced cost compared to "more typically" used methods. High density housing units will be incorporated into this neighborhood to provide housing for those local homeless still needing shelter by the completion of the neighborhood. The project will provide 30 new building sites for 2, 3 and 4 bedroom houses constructed at a cost of approximately \$5,000 each, made available for construction or purchase by low or moderate income families. A circular uniform design for housing units lends an increased resistance to earthquake activity. The project will show the low impact and extremely low cost approach of earth construction to the greater community, without compromising safety or aesthetics. This method provides homes that are beautiful and desirable. The 13 acres of land will be purchased by the Community Housing and Land Trust of Santa Cruz County, to ensure that these structures and land remain available and protected in perpetuity for low and moderate income families of Santa Cruz County. Small 7 and 800 sq. ft. houses have been built by single mothers and older women with limited help over a one year period. To verify this go to <http://www.cpros/~sequoia/pictures.html>

The outcome of our project is designed to raise the awareness necessary to transition our neighborhood communities into a form that directly addresses the critical need for local (and global) sustainable residential growth while respecting the social service needs and inherent dignity of our local citizens,

**Organizational background:** The Community Housing and Land Trust of Santa Cruz County was established in 1999 by a group of citizen activists in response to the housing crisis in our county. As the highest cost of housing area in our state, we were established to provide access to land and housing for county residents who would otherwise be priced out of the housing markets. Our purpose is to buy land and build new homes or renovate existing buildings to create housing and multiple use facilities that meet the housing needs of the low and moderate income community members. ~~To date the high cost of housing and lack of community organization has prevented our group from establishing renovation or home purchasing projects.~~

We are dedicated to the responsible use of resources and sustainable living practices such as edible landscaping and renewable energy systems. Our mission is to hold land and housing in perpetuity to serve the future generations of this county. Our 501 c 3 status was established in 1999 and we have a very active 7 member board of directors.

Thank you for your time and attention.  
Johanna Parry Cougar  
Executive Director

CHLTSCC  
 335-7194  
[light-rain@msn.com](mailto:light-rain@msn.com)

----- Original Message -----

**From:** Housing Element  
**Sent:** Friday, September 05, 2003 4:06 PM  
**To:** Johanna Parry Cougar  
**Subject:** RE: Housing Element comments from the Community Housing Land Trust of Santa Cruz Co

Hi Johanna-

Thank you for your comments on the Draft Housing Element. They are much appreciated. I would like more information on the Housing Trust Fund initiative mentioned in #2.

Also, please send me more information on the 25% Equity Appraisal Formula Affordable Housing Resale Guidelines,

Additionally, your comments directed to the Board of Supervisors seem to be a little out of context. Chapter 4.9 is an analysis of the 1994 Housing Element, therefore, additions or changes to this section should address whether or not the Programs from the 1994 Element were implemented. Perhaps the comments you included that are directed to this section would be more appropriate elsewhere.

Also, if you could provide me with more information on your model and method toward addressing the culture and self empowerment of Farm workers, that would be helpful.

Thank you for your assistance.

Sincerely,  
 Julianne

*Julianne Ward*  
 ADVANCE PLANNING  
 COUNTY OF SANTA CRUZ  
 831.454.3226

-----Original Message-----

**From:** Johanna Parry Cougar [<mailto:light-rain@msn.com>]  
**Sent:** Wednesday, September 03, 2003 3:30 PM  
**To:** Housing Element  
**Cc:** Barbara Lewis; Carol Long; Tim McKenzie; Myles F. Corcoran; Richard Pool; maggie camp; Maggie Camp; Richard Snow; maureen smith  
**Subject:** Housing Element comments from the Community Housing Land Trust of Santa Cruz co

Date: September 3, 2003  
 FROM: The Community Housing Land Trust of Santa Cruz County  
 PO Box 5275 Santa Cruz, CA 95063  
 PHONE: 427-5570  
 Executive Director: Johanna Parry Cougar  
 Office Phone: 335-7194

email: [light-rain@msn.com](mailto:light-rain@msn.com)

(Please provide hard copies of this email to the County Board of Supervisors)

To: Santa Cruz County Housing **Advisory** Committee

RE: **Input** for the County Draft Housing Element

In addition to our general desire for the new Santa Cruz County Housing Element to actively promote the creation of more affordable (in perpetuity) housing in our community in ways already included in the existing Element, we of the Community Housing Land Trust of Santa Cruz County (CHLTSCC) would like to see the Housing Element contain the following changes:

1. Change Goal one Policy 1.15 to read as follows:

Policy 1.15: Encourage and support the efforts of non-profit organizations, such as Habitat for Humanity, Mid-Peninsula Housing Coalition, Community Housing Land Trust of Santa Cruz County and others, (please name each one) that develop housing affordable to very low, low and moderate income households.

2. Wording that may support or make use of the Housing Trust Fund initiative now going forward in the community.

3. Give Affordable Housing Developers first opportunity to bid on land repossessed for lack of tax payments.

4. Lowering, as reasonably possible, of Planning & Building Fees for affordable housing developers. Treat affordable housing similar to standard vis a vis environmental regulations.

5. Allow for 25% Equity Appraisal Formula Affordable housing resale guidelines (please request a copy of this standardized formulae from CHLTSCC).

Under Goal 1 on objective 1.3 reading: "increase opportunities for construction" please add: "giving priority to the most viable, sustainable and practical of the alternative building approaches".

In addition:

We recognize that issues such as relaxing of parking restrictions and zoning allowances are already strong components of the existing Element and we desire that those "standards" be promoted and strengthened where possible.

The following comments on the element are directed to the Board Of

Supervisors, and pertain to actions that the CHLTSCC would view as supportive for the Community Housing and Land Trust to better meet our goals in collaboration with the County element.

**RE: Comments on the Draft Housing Element for the Board of Supervisors to consider.**

In addition to our general desire for the new Santa Cruz County Housing Element to actively promote the creation of more affordable (in perpetuity) housing in our community in ways already included in the existing element we of the Community Housing Land Trust of Santa Cruz County (CHLTSCC) would like to see the Housing Advisory Commission and the Board of Supervisors also consider the following related comments:

1. Pg 178, 4.9 assessments section: # 21) On the establishment of a Housing Trust Fund. The Community Housing Land Trust organizations, founded by the Institute of Community Economics in the 1980's, are nation wide. Our local Community Land Trust is working to establish itself in our area as trained representatives of this national coordinated effort. We would like to offer our services to this community in the capacity for which we were established, and ask that the County consider giving this organization the support and referrals, management intercommunication and project support required to do this. We would like to be considered as beneficiaries of any Housing Trust Fund that may be established, so we can continue to move forward with our training and community service mandate to provide authentically affordable housing to low and moderate income earners in perpetuity.

2. Pg 178, 4.9 #20 "On coordination with new community housing program initiatives". We would like this advisory council to recommend to the Community Foundation of Santa Cruz, that they provide us with the support required to bring our solutions to this community. Establishing an affordable housing solution in this area is obviously challenging. Our success requires intercommunication and monetary support. This is a "catch 22" reality when citizens found a Community Land Trust with no operating funds, no project history, varying levels of skills and abilities and must rely on a 100% volunteer pool in an economy where folks are often working overtime. County and community support will greatly enhance the effectiveness of this organization!

3. Pg 179, 4.9 assessments section: # 24. The Community Housing and Land Trust supports the development of co housing communities, and would like the opportunity to present a community participation model and building method we have been reviewing.

4. Pg 299, 4.7 appendix E: Study of Farmworker Housing needs g) Evaluation of the "Rural Village Cluster Housing" concept. The CHLTSCC

would like to present a model and method that directly addresses the culture and self empowerment of farm workers to participate in the creation of their own extremely low cost/low impact housing.

5 Pg. 301, 4.7 appendix E: "Financial resources for affordable housing" The CHLTSCC has been established in this county by local volunteer citizens in cooperation with the Institute of Community Economics to provide:

- (a) Development and ongoing continuity and availability of affordable housing for low income residents
- (b) To assure the property remains available to this income group in perpetuity.
- (c) To promote resident ownership and control of housing.
- (d) To build new homes and acquire existing buildings.
- (e) To promote alternative financing and community ownership models,
- (f) To provide stable, affordable rental units.
- (g) To retain the value of public investment in perpetuity.
- (h) To **focus on** environmentally safe, sustainable and clean housing; encouraging gardens, playgrounds and open space.

To this end we would like to be considered a beneficiary of these allotted funds. **We** would like our project, building method, community participation model and strategic plan reviewed by the Housing Authority, or a more appropriate body of decision makers. **We** request cooperation and support to determine the fastest path to stabilization of our non profit, tax exempt, nationally recognized organization so we can better provide our greater public with these essential and critical services.

Very truly yours,

The members of The Community Housing and Land Trust of Santa Cruz County

Myles F. Corcoran  
Cougar  
Board Chair  
Director

Johanna Parry  
Executive

Board List: Richard Pool, Richard Snow, Carol Long, Maggie Camp, Barbara Lewis, Maureen Smith.



**The Santa Cruz County  
Child Care Planning Council**  
El Consejo de Planeación de Cuidado  
Infantil del Condado de Santa Cruz  
[www.childcareplanning.org](http://www.childcareplanning.org)

0561

Board of Supervisors  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz, CA 95060

September 12, 2003

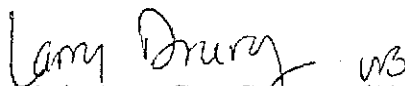
Dear County Board of Supervisors

The Santa Cruz County Child Care Planning Council held a public hearing on the draft Housing Element at its meeting of August 7, 2003 and continued the hearing at its meeting of September 11, 2003. It was the unanimous agreement of all 13 members and 6 attendees at the September 11<sup>th</sup> meeting that the development and preservation of child care facilities is a critical issue and that it is appropriate that it be addressed as a part of the County's Housing Element. We would like to propose that the following language be added to the Housing Element:

1. **Child Care Developer Fees Loan Program** - The County shall continue the operation of the Child Care Fees and Exactions Ordinance Number 4124 (Title 15.04 of the Santa Cruz County Code, also known as the Human Resource Agency's Child Care Developer Fees Loan Program)
2. **Environmental Review** - Whenever an environmental review for a development project is required, the analysis shall also review the project's impact on child care in the county. Any development beyond 10 units in size shall be referred to the Santa Cruz County Child Care Planning Council for review and input.
3. **Family Child Care Homes**. Family day care homes operated under the standards of state law constitute accessory uses of residentially zoned and occupied properties and do not fundamentally alter the nature of the underlying residential uses. As provided for under the California Child Care Act Section 1597.46. Subsection (a) (1) large family day care homes shall be classified as a permitted use of residential property for zoning purposes.
4. **Traffic Mitigation** - Explore the creation of an ordinance that would allow for the inclusion of child care facilities within a development to serve as a traffic mitigation measure. Under this program, residential, commercial and industrial developments can help reduce their traffic impacts by reducing employee or resident trips through the provision of on-, or near-site child care.
5. **Existing wording** - Maintain the existing child care language proposed in the draft housing element under sections 4.3.13 and 4.7

The Santa Cruz County Child Care Planning Council thanks you for recognizing the importance of including child care needs in the county housing element.

Regards,

  
Larry Drury, Chair, Santa Cruz County Child Care Planning Council  
cc: Mark Demming



**a**

**a**



**Mark Deming**

**From:** Virginia Johnson [gjohnson@ecoact.org]  
**Sent:** Wednesday, September 24, 2003 9:19 AM  
**To:** Mark Deming  
**Cc:** paulwagner@charter.net; Gregenhardt@crla.org; scottbeesley@hotmail.com; sandy@cruzio.com; paul@cabinc.org; mbradshaw@cccil.org; Lindashearth2@hotmail.com  
**Subject:** County Planning Commission-- HAC-- Public Hearing to consider the Draft Housing Element for the County of Santa Cruz

To the County Planning Commission/HAC:

The purpose of this email is to encourage the County Planning Commission to review and revise the Housing Element Plan using key elements proposed by the Progressive Housing Advocates Task Force, (PHAT). Essential and critical to meeting the current housing needs of Santa Cruz County residents is increasing the amount of high density affordable housing. The notion put forth by some in our community that high density housing is at odds with protecting the environment is simply incorrect. In fact, the reverse is true. High density housing close to public transportation is essential to meeting the needs of lower income residents without compromising the need to protect our community's environment.

Ecology Action has been working with members of the City of Santa Cruz Green Working Group to form a consensus-based standard for developing high-performance sustainable "green" buildings. This group is working with the national standards set forth by the United States Green Building Council's "Leadership and Energy in Environmental Design" certification process to assist Santa Cruz in developing local green building standards.

Based on well-founded scientific standards, LEED emphasizes state of the art strategies for sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality. LEED recognizes achievements and promotes expertise in green building through a comprehensive system offering project certification, professional accreditation, training and practical resources. **One of the most basic tenets of the such sustainable standards is that building high density housing close to transportation services is much more protective of the environment than urban sprawl.**

The City of Santa Cruz Green Building Working Group will soon complete their first draft of proposed green building standards and forward their recommendations to the City Council. As a member of PHAT, Ecology Action will be promoting these standards throughout our region and to the County Planning Commission.

Ecology Action encourages the County Planning Commission to strongly consider the current PHAT recommendations as part of a much needed revision of the County Housing Element.

Thank you for your time and consideration.

--

***Ecology Action***  
***Achieving Community and Environmental Excellence Through***  
***Partnership and Innovation***  
***www.ecoact.org***

Virginia Johnson  
Executive Director  
Ecology Action, Inc.  
333 Front Street Suite 103  
P.O. Box 1188  
Santa Cruz, California 95061-1188  
(831) 426-5925 Extension 15  
(831) 425-1404 Fax



# CALIFORNIA RURAL LEGAL ASSISTANCE, Inc.

## WATSONVILLE

Watsonville  
Watsonville. CA 95076  
Telephone: (831) 724-2253  
Fax: (831) 724-7530  
Watsonville@CRLA.org

### Basic Unit

Claire A. Schwartz  
*Directing Attorney*  
Gretchen Regenhardt  
*Staff Attorney*  
Matt Bakker  
*Community Worker*  
Shirley Conner  
*Directing Legal Secretary*  
Lidia Rodriguez  
*Receptionist*

### Member Advocate Program

Diana R. Avila  
*Community Worker*

José R. Padilla  
*Executive Director*

Luis C. Jaramillo  
*Deputy Director*

Ralph Santiago Abascal  
*General Counsel*  
(1934-1997)

### Regional Offices

Coachella  
Delano  
El Centro  
Fresno  
Gilroy  
Madera  
Marysville  
Modesto  
Monterey  
Oceanside  
Oxnard  
Paso Robles  
Salinas  
San Luis Obispo  
Santa Barbara  
Santa Cruz  
Santa Maria  
Santa Rosa  
Stockton  
Watsonville

September 27, 2001

County of Santa Cruz  
Planning Department  
701 Ocean Street  
Santa Cruz, California 95060  
**Attn: Mark Demming**

Re: Request for Public Records Housing Element

Dear Mr. Demming:

Pursuant to the telephone conversation of this afternoon with Ms. Vasquez, I apologize for the inconsistency in our letter dated September 24, 2001. As Ms. Vasquez, stated on the telephone, the error does not mean that the original request in June of this year or the second request sent on July 9, 2001 was in any way flawed. While I can appreciate your turn over in staff this in no way excuses your failure to provide the records requested.

On June 7, 2001, I submitted in writing a Request for Public Records pursuant to California Government Code Section 6250 et. seq., concerning the Housing Element for the County of Santa Cruz General Plan, more specifically:

- 4 Current Housing Element;
- 4 Draft received housing element when available
- 4 Notices of meetings and hearings on draft housing element;
- 4 Comments received on draft housing element;
- ◆ Notes, memos, or other material prepared in development of draft housing element

Thereafter on July 9, 2001 I sent a second letter requesting the information set out above. As of today's date I have yet to receive a response from your office or the requested records.

Furthermore, in addition to the information originally requested, I am expanding my initial request to include the following:

- ◆ Any Population and/or Housing Projections that have been



completed or are currently being processed or adopted;

- ◆ Any Housing Studies and/or Housing Needs Analysis that have been completed or are currently being processed or adopted;
- ◆ Redevelopment Plan.

I appreciate that no new draft has yet been produced and ask you to consider the Request for Public Records open ended so as to include copies of any future correspondence, notices, drafts, memos, meeting or commission agendas or other written material pertaining to the housing element revision once the process is underway.

May I remind you that pursuant to California Government Code Section 6258 et. seq., our office is entitled to these records and information. Further, pursuant to Government Code Section 6259(d) the Court may award attorney's *fees* and costs for non-compliance.

Thanking you in advance for your courtesy and cooperation

Very truly,

  
GRETCHEN REGENHART  
Attorney at Law

cc: Alvin James  
Planning Director  
701 Ocean Street, Fourth Floor  
Santa Cruz, California 95060

Susan Mauriello  
County Administrative Officer  
701 Ocean Street, Room 520  
Santa Cruz, California 95060



# CALIFORNIA RURAL LEGAL ASSISTANCE, Inc.

## WATSONVILLE

21 Carr Street  
Watsonville, CA 95076  
Telephone: (831) 724-2253  
Fax: (831) 721-7530  
Watsonville@CRLA.org

### Basic Unit

**Claire A. Schwartz**  
Directing Attorney  
**Gretchen Regenhardt**  
Staff Attorney  
**Matt Bakker**  
Community Worker  
**Shirley Conner**  
Directing Legal Secretary  
**Lidia Rodríguez**  
Receptionist

### Member Advocate Program

**Diana R. Avila**  
Community Worker

**José R. Padilla**  
Executive Director

**Luis Jaramillo**  
Deputy Director

**Ralph Santiago Abascal**  
General Counsel  
1934-1997)

### Regional Offices

Coachella  
Delano  
El Centro  
Fresno  
Gilroy  
Ladera  
Marysville  
Modesto  
Monterey  
Oceanside  
Pomona  
San Joaquin  
San Luis Obispo  
Santa Barbara  
Santa Cruz  
Santa Maria  
Santa Rosa  
Stockton  
Watsonville

September 23, 2001

County of Santa Cruz  
Planning Department  
701 Ocean Street  
Santa Cruz, California 95060  
**Attn: Mark Demming**

Re: Housing Element

Dear Sir/Madam:

On June 7, 2001, I submitted in writing a Request for Public Records pursuant to California Government Code Section 6250 et. seq., concerning the Housing Element for the City of Watsonville's General Plan, more specifically:

- ◆ Current Housing Element;
- ◆ Draft received housing element when available
- ◆ Notices of meetings and hearings on draft housing element;
- ◆ Comments received on draft housing element;
- ◆ Notes, memos, or other material prepared in development of draft housing element

Thereafter on July 9, 2001 I sent a second letter requesting the information set out above. As of today's date I have yet to receive a response from your office or the requested records.

Furthermore, in addition to the information originally requested, I am expanding my initial request to include the following:

- ◆ Any Population and/or Housing Projections that have been completed or are currently being processed or adopted;
- ◆ Any Housing Studies and/or Housing Needs Analysis that have been completed or are currently being processed or adopted;
- ◆ Redevelopment Plan.

May I remind you that pursuant to California Government Code Section 6258 et. seq., our office is entitled to these records and information. Further,

LS

367

pursuant to Government Code Section 6259(d) the Court may award costs and attorney's fees for non-compliance.

Thanking you in advance for your courtesy and cooperation.

Very truly,

A handwritten signature in cursive script, appearing to read 'Gretchen Regenhart', written over the printed name.

GRETCHEN REGENHART  
Attorney at Law

3

369





**Julianne Ward**

---

**From:** Myies F. Corcoran [mylesc@mfcbuild.com]  
**Sent:** Thursday, October 02, 2003 6:06 PM  
**To:** Housing Element  
**Cc:** Maggie Camp; Richard Pool; Michael & Maureen Smith  
**Subject:** Community Housing Land Trust of Santa Cruz County Resale

**RE: Housing Element**

Dear Julianne;

I was given your email and told you where Santa Cruz County person asking for the Community Housing Land Trust of Santa Cruz County Resale Formula. I am the chairman of the CHLTSCC.

The CHLTSCC resale formula is Article 10 (pasted in below) of our Ground Lease (I have attached a full copy of for your review in context).

I am not sure what you will be looking for but thought I should point out, especially:

A. Article 10.2 ensures that: In no case can a CHLT property be sold **or resold** to anyone but a "...Income-Qualified Person" shall mean a person or group **of** persons whose household income does not exceed **eighty** percent (80%) **of** the median household income for the applicable Standard Metropolitan Statistical Area or County **as calculated** and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or **any** successor."

We service Very Low, Low, and Moderate income people.

B. Article 10.10 which sets forth the **calculation** for resale. Of importance, I believe, is that the 25% value increase is **related** to the Initial Appraised Value as compared to the at sale time Appraised Value. In **most** cases the original sale price will be less than the Initial Appraised Value because of the various means of funding the buyers may have received and the CHLT efforts to sell at the lowest price - regardless **of** Appraisal.

This formula has been modeled from the Ground Lease crafted by the Institute for Community Economics - the Housing Land Trust educator and organizer. It is the intent of the CHLTSCC to meet the requirements of the County Measure J in all respects. We shall remain ready to discuss any modifications that do not Lessen our ability to **provide/develop** housing that will be and remain, in perpetuity, affordable as described by the same means as the County does so.

Please call or write with any questions at all.

The people in the copy list to this email are our Program Manager and the other members of our Executive Board.

10/3/2003

370

Very truly yours,

Myles F. Corcoran, Chair  
Community Housing Land Trust of Santa Cruz County

Work contact:

Myles F. Corcoran Construction Consulting, Inc.  
200 Seventh Avenue, Suite 230,  
Santa Cruz, California 95062  
(831) 476-4502  
(831) 476-2732 fax  
[mylesc@mfcbuild.com](mailto:mylesc@mfcbuild.com)

This email communication may be privileged or confidential. If you are not one of the intended recipients listed at the top of this message, you may have inadvertently been sent a copy of this message. In that case, please erase or destroy all copies of this message, and inform the office of Myles F. Corcoran Construction Consulting, Inc. by return email or by calling (831) 476-4502

Thank you for your cooperation

-----paste-----

**From the CHLTSCC model Ground Lease:**

**ARTICLE 10: Transfer, Sale or Disposition of Improvements**

10.1 INTENT: It is the understanding of the parties that the terms of this Lease, and in particular of this Article 10, are intended to preserve in perpetuity the affordability of the Improvements for lower income households and expand access to home ownership opportunities for such households.

10.2 TRANSFERS TO INCOME-QUALIFIED PERSONS: Lessee may transfer its interest in the Leased Premises or the Improvements only to an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers shall be subject to Lessor's review and purchase option rights set forth in this Article 10. Any purported transfer done without following the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

"Income-Qualified Person" shall mean a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by *the* U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 TRANSFER TO LESSEE'S HEIRS: Upon receipt of notice from the executor of the decedent's estate given within ninety (90) days of the death of Lessee (or *the* last surviving co-owner of *the* Improvements) Lessor shall, unless for good cause shown, consent to a transfer of the Improvements and an assumption of this Lease to and by one or more of the possible heirs of Lessee listed below as "a," "b," or "c," provided that a Letter of Stipulation and a Letter of Acknowledgment of legal counsel (similar to those described in Article 1 of this Lease), setting forth the heirs' review, understanding and acceptance of the terms of the Lease, are submitted to Lessor to be attached to the Lease when it is transferred to the heirs.

a) the spouse of the Lessee; or

10/3/2003

371

- b) the child or children of the Lessee; or
- c) member(s) of the Lessee's household who have resided upon the Premises for at least one year immediately prior to Lessee's death.

Any other heirs, legatees or devisees of Lessee must, in addition to submitting Letters of Stipulation and Acknowledgement as provided above, demonstrate to Lessor's reasonable satisfaction that they are Income-Qualified Persons as defined above, or, if unable to do so, shall not be entitled to possession of the Leased Premises but must transfer the Leased Premises in accordance with the provisions of this Article 10.

**10.4 LESSEE'S NOTICE OF INTENT TO SELL:** In the event that Lessee wishes to assign its interest in the leased premises and sell the Improvements, Lessee shall notify Lessor, in writing, of such wish (the Intent-to-Sell Notice). Such Notice shall include a statement as to whether Lessee wishes to recommend a prospective buyer as of the date of the Notice.

**10.5 APPRAISAL:** No later than ten (10) days after receipt of Lessee's notice of intent to sell by Lessor, a market valuation of the Leased Premises and the Improvements (The Appraisal) shall be commissioned to be performed by a mutually acceptable and duly licensed appraiser. Lessor shall commission and pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Land and Improvements were held in fee simple absolute, disregarding the restrictions of this Lease on the use of the Land and the transfer of the Improvements. The Appraisal shall state the values contributed by the Land and by the Improvements as separate amounts. Copies of the Appraisal are to be provided to both Lessor and Lessee.

**10.6 LESSOR'S PURCHASE OPTION.** Upon receipt of an Intent to Sell Notice from Lessee, Lessor shall have the option to purchase the Improvements (the Purchase Option) at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Improvements for succeeding Income-Qualified Persons while taking fair account of the investment by the Lessee.

If Lessor elects to exercise the Purchase Option, Lessor shall notify Lessee, in writing, of such election (the Notice of Election to Exercise) within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, Lessor may either proceed to exercise the Purchase Option directly by purchasing the Improvements, or may assign the Purchase Option to an income-qualified person.

The purchase (by Lessor or Lessor's assignee) must be completed within sixty (60) days of Lessor's Notice of Election to Exercise, or the Option shall expire. The time permitted for the exercise of the Purchase Option may be extended by mutual agreement of Lessor and Lessee.

Lessee may recommend to Lessor a prospective buyer who is an Income-Qualified Person and is prepared to submit Letters of Stipulation and Acknowledgment indicating informed acceptance of the terms of this Lease. Lessor shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless Lessor determines that its charitable mission is better served by retention of the Improvements for another purpose or transfer of the Improvements to another party.

**10.7 IF PURCHASE OPTION EXPIRES:** If the Purchase Option has expired, Lessee may sell the Improvements and assign the Lease to any Income-Qualified Person, for not more than the then applicable Purchase Option Price. If, six months after the expiration of the Purchase Option, the Improvements still have not been sold, Lessee may sell the Improvements and assign the Lease, for not more than the then applicable Purchase Option Price, to any party regardless of whether that party is an

Income-Qualified Person.

**10.8 LESSOR'S POWER OF ATTORNEY TO CONDUCT SALE:** In the event Lessor does not exercise its option to purchase as set forth above, and Lessee (a) is not then residing in the Improvements and (b) continues to hold the Improvements out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one (1) year of the giving of the Intent to Sell Notice, Lessee does hereby appoint Lessor its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the goals set forth in this Lease, sell the property, and distribute proceeds of sale, minus Lessor's costs of sale and reletting and any other sums owed Lessor by Lessee.

**10.9 PURCHASE OPTION PRICE:** In no event may the Improvements be sold for a price that exceeds the Purchase Option Price.

The Purchase Option Price shall be the lesser of (i) the value of the Improvements as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (ii) the price calculated in accordance with the formula described below (the Formula Price).

**10.10 CALCULATION OF THE FORMULA PRICE:** The Formula Price shall be equal to Lessee's Purchase Price, as stated below, plus 25% of the increase in market value of the Improvements, if any, calculated in the way described below.

**Lessee's Purchase Price:** The parties agree that the Lessee's Purchase Price for the Improvements existing on the leased premises as of the commencement of the term of this Lease is \$ \_\_\_\_\_.  
**Initial Appraised Value:** The parties agree that the appraised value of the Improvements at the time of Lessee's purchase (the Initial Appraised Value) is \$ \_\_\_\_\_, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL, **Increase in Market Value:** The increase in market value of the Improvements equals the appraised value of the Improvements at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

**Lessee's share of Increase in Market Value:** Lessee's share of the increase in the market value of the Improvements equals twenty-five percent (25%) of the increase in market value as calculated above.  
**Summary of Formula Price:** The Formula Price equals Lessee's Purchase Price plus Lessee's Share of Increase in Market Value.

**10.11 QUALIFIED PURCHASER'S CHOICE OF NEW LEASE OR ASSIGNMENT OF EXISTING LEASE:** An income qualified person who purchases the Improvements in accordance with the provisions of this Article 10 shall have the option of receiving either an assignment of this Lease from the seller, with the approval of Lessor, or a new Lease from Lessor, which new Lease shall be substantially the same as this Lease in the rights, benefits and obligations assigned to Lessee and Lessor.

-----end of paste-----



# CALIFORNIA RURAL LEGAL ASSISTANCE, Inc.

## **WATSONVILLE**

21 Carr Street  
Watsonville, CA 95076  
Tel: (831) 724-2253  
Fax: (531) 724-7530  
watsonville@crla.org

Darryel Nacua  
*Directing Attorney*  
Gretchen Regenhart  
*Staff Attorney*  
Luis Angel Alejo  
*Staff Attorney*  
Shirley Conner  
*Directing Legal Secretary*

*Member Advocate Prog.*  
**Lidia Rodriguez**  
*Community Worker*

José R. Padilla  
*Executive Director*

Luis C. Jaramillo  
*Deputy Director*

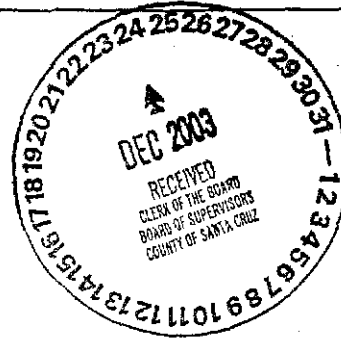
Ralph Santiago Abascal  
*General Counsel*  
1934-1997)

## Regional Offices

Coachella  
Delano  
El Centro  
Fresno  
Gilroy  
Ladera  
Marysville  
Modesto  
Monterey  
Oceanside  
Pomona  
Riverside  
San Luis Obispo  
Santa Barbara  
Santa Cruz  
Santa Maria  
Santa Rosa  
Stockton  
Watsonville

December 23, 2003

Gail Borkowski, Clerk of the Board  
Board of Supervisors  
Santa Cruz County  
701 Ocean Street, Room 500  
Santa Cruz, California 95060



RE: County General Plan Housing Element Obligations

Dear Ms. Borkowski,

We write on behalf of four low income clients in Santa Cruz County, who each day seek our assistance to find or retain affordable housing. There is a severe and persistent shortage of affordable housing in Santa Cruz County that is both caused and exacerbated by the County's restrictive land use policies, coupled with market forces. As you know, California Rural Legal Assistance (CRLA) has devoted substantial effort to work with the County to develop housing policies to permit additional affordable housing development. CRLA is assisted in this matter by the California Affordable Housing Law Project, a state-wide support center specializing in affordable housing planning and redevelopment. We ask that the County take immediate action to support development of urgently-needed affordable housing in Santa Cruz County by adopting a general plan housing element in compliance with state law.

Government Code § 65588 requires the County to adopt a revised housing element no later than December 2002, to cover a planning period for five and a half years, through June 2008. The County is now one year late to its obligation to revise County policies to meet the current housing need, having only prepared a proposed draft housing element. As you know, CRLA provided comment on this draft element through a letter to the California Department of Housing and Community Development (HCD) on August 1, 2003, which is incorporated herein by reference. By letter of August 8, 2003, HCD found the County's draft housing element out compliance with state law. Despite one year's tardiness, and more than four months since HCD rejected the proposed draft, the County has yet to bring a revised housing element before the Planning Commission, much less the Board of Supervisors for review and adoption.

The deficiencies of the draft housing element are replete, as reflected by the detailed nine page appendix to HCD's August 8, 2003 letter (attached hereto, and incorporated by reference). These deficiencies are outlined below, along with our additional concerns.

1. The element fails to describe the actual results of the County's existing housing programs, as required by Government Code § 65588(a) (all other section references herein are to the Government Code), such as:
  - a. Allowance of residential uses in commercial zones;
  - b. Results of 5 year initiative for community housing programs;
  - c. Policies and production of farmworker housing, including specification of

sites in the General Plan and Coastal Plan, success of clustered farmworker housing, and whether the County sought funds for farmworker housing development.

2. The element has inadequate documentation of housing needs, resources, constraints:
  - a. HCD cites the County's failure to include *the* Regional Housing Needs Allocation (RHNA) set by the Association of Monterey Bay Area Governments (AMBAG), and instead inserting the County's "preferred need alternative," as required by § 65584;
  - b. The element does not describe overcrowding, by tenure, and HCD provides 2002 Census data showing large numbers of overcrowded households and suggests programs may be needed (see § 65583(a)(2));
  - c. The element fails to estimate rehabilitation and replacement needs (see § 65583(a)(2)).
3. The element fails to include and adequate land inventory (§65583(a)(3)):
  - a. Land inventory must be expanded to identify adequate sites to the meet the County's share of RHNA;
  - b. Unit counts in Appendix A-1 are inconsistent with calculations of densities;
  - c. The element does not justify why, given the cost of land in the County, densities of 17.4, 14.5 or 10.6 dwelling units per acre would support affordable housing development; HCD suggests this is "unrealistic" absent strong programs tying funding to particular sites;
  - d. The element fails to demonstrate the affordability of 3 projects cited as housing already developed for lower income households;
  - e. The element must clarify which sites require a coastal development permit;
  - f. Units created through a density bonus ordinance cannot be counted as an adequate sites program;
  - g. The element must clarify the realistic development of mixed use projects based on market trends, market conditions, development standards, and incentives;
  - h. The element must clarify whether institutional employee housing meets the Census definition of "housing units," and document the affordability of sales or rent costs;
  - i. Any credits for conversion of transient occupancy to permanent housing should clarify how the unit count was derived, explain what sites or current parks will be converted and the County's future role;
  - j. The element must clarify how Single Room Occupancy (SRO) units will be created from transient use, including a list of existing uses and assurances that conversion will not result in displacement.
4. The County's housing element fails to analyze potential and actual governmental constraints upon the maintenance, improvement and development of housing (§65583(a)(4)):
  - a. In the treatment of land use controls, the element must:
    - i. Expand the description to include zoning designations, not just general plan designations;

- ii. Include yard set-backs, lot coverage / floor area ratios and densities;
- iii. Evaluate the 28 ft height limitation
- iv. Consider all of the forgoing restrictions for effect on the cost and supply of housing;
- v. Analyze parking requirements which require three off-street parking spaces for new single family units and two or three per multifamily unit, and include a program to reduce *or* mitigate this constraint;
- vi. Clarify distinction between urban and rural land use controls;
- b. The discussion of fees and exaction must include an example for multifamily development;
- c. The element must describe required on and off-site improvements such as curbing, streets, circulation improvements and parks;
- d. For the analysis of permit processing, the element must include an estimate of increased cost for discretionary approvals for projects above 5 or 19 units,
- e. The element must describe the annual allocation system for Measure J, and its effect on cost and supply of housing;
- f. The element contains none of the required analysis of housing for people with disabilities.

5. For the special housing needs of elderly and large families, the element fails to include information on these families and assess whether programs are needed (§ 65583(a)(6)). In addition to HCD's comments, we find that the program to produce a camp for 50 seasonal farmworkers is inadequate to meet the need for permanent agricultural worker in Santa Cruz County. Many of these workers are forced to live outside Santa Cruz County due to the lack of available housing. The high area median income (AMI) in the County sets the rents for most tax-credit financed housing out of reach for these working families, since the Santa Cruz AMI percentages typically classify the income for farmworkers as extremely low income.

6. The element completely lacks identification of any developments at risk for conversion for low-income housing to market rate (§ 65583(a)(8)).

### **Housing Programs**

7. Since County's housing element fails to include an adequate land inventory, as discussed above, it is impossible to determine the adequacy of identified sites to meet the RHNA as required by § 65583(c)(1). Furthermore, additional deficiencies are noted:
- a. The element does not identify sites for emergency shelters, or transitional housing;
  - b. The following programs should be strengthened to assist addressing the adequate sites requirement:
    - i. Live/work and mixed use program should estimate realistic development capacity in these zones;
    - ii. The County will merely "consider" a mixed-use development incentive program, and does not commit to date;
    - iii. The element should specify fees to be reduced, including capital

- improvement fee reduction as incentive for second unit production;
    - iv. The element must include implementation schedule to rezone commercial and industrial land for residential use within planning period;
    - v. The element must specify date and method to encourage duplex and triplex development,
  - c. The element fails to identify adequate sites for farmworker housing, and fails to include a program to provide for sufficient sites to meet the need with zoning that permits farmworker housing use by right, including density and development standards that could accommodate and facilitate the feasibility of the development of farmworker housing for low- and very low income households (§65583(c)(1)(A)(ii)).
- a. The County's element should project tax increment revenue for the redevelopment agency and describe its use (§ 65583(c)).
- 9. The following programs need to be strengthened § 65583(c)(2):
  - a. Conversion of transient occupancy use to permanent use,
  - b. Establish a housing trust fund,
  - c. Specify affordable housing funds to be leveraged,
  - d. Explain how self help homeownership will be promoted by identifying government surplus sites,
  - e. The program to reduce capital improvement fees for large affordable housing projects could commit to a date for implementation.
- 10. Absent a complete constraints analysis, it is not possible to determine the adequacy of the County's mitigation programs (§ 65583(c)(3)).
- 11. The program for fair housing should include resources at locations other than the internet and be available in multiple languages (§ 65583(c)(5)). Fair housing resources should include information about fair housing rights and obligations and referral to appropriate fair housing enforcement agencies in the County. In conjunction with fair housing enforcement agencies, the County should develop an outreach program to those engaged in all aspects of the provision of housing, including those involved in the rental of housing, housing sales, housing development and lending for housing.
- 12. The element fails to describe public participation from all economic segments of the community (§ 65583(c)).

This long list of deficiencies clearly demonstrates that the County must make substantial revisions to its housing policies to comply with state law.

While the County housing crisis remains serious by all accounts, the County has sought to reduce its already low effort to produce affordable housing, by bringing suit against the Association of Monterey Bay Area Governments (AMBAG) to reduce the amount of housing need allocated to Santa Cruz County. Although AMBAG made its Regional Housing Need Determination in October 2002, the County has not effectively pursued this suit to resolution, so




that more than a year after the determination, the court has not made a ruling. County staff has prepared an alternative housing element, so that an alternative may be adopted depending on the outcome of the litigation. Moreover, regardless of the outcome of the litigation, the County is in no way relieved of its obligation to prepare a timely housing element under state law.

The County's failure to adopt an adequate element has been actionable since the December 31, 2002 deadline passed without adoption of the required revision. We request the County take action to correct this deficiency by adopting a valid housing element. Furthermore, we send this letter, pursuant to Government Code § 65009 (d), to support, encourage and facilitate the development of housing that would increase the community's supply of housing affordable to persons and families with low or moderate incomes in Santa Cruz County. On behalf of our clients, we request the County correct all the deficiencies of the housing element within sixty (60) days, with full public participation, as required by the California housing element law.

Thank you for your immediate attention to this urgent matter. If you have any questions, please feel free to contact Gretchen Regenhardt at (831) 724-2253 x309 or Craig Castellanet at (510) 591-9794 x132.

Very truly,

  
Gretchen Regenhardt  
Attorney at Law

E

