



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831)454-2580 FAX: (831)454-2131 TDD: (831)454-2123  
TOM BURNS, PLANNING DIRECTOR

September 12, 2006

AGENDA DATE: September 27, 2006

ITEM#: 8

TIME: After 9 AM

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

Subject: Adoption of Housing Element

Commissioners:

For the last several years, the County has been working toward adoption of a new Housing Element of the County's General Plan. Throughout the development of the Housing Element, extensive public input was received. Drafts of the Housing Element were considered by your Commission, the Board of Supervisors and forwarded to the State Department of Housing and Community Development (HCD) for review and comments.

The most recent version of the Housing Element was submitted to HCD in June 2005. Comments responding to that submittal were received in September 2005. In response to HCD's comments, minor modifications were made to the Housing Element, as discussed below.

Since your Commission last reviewed the Housing Element, the Board of Supervisors took action in December 2005 to replace the Affordable Housing Combining District programs with more direct rezoning programs. The rezoning programs and associated modifications to the Housing Element not only address HCD's concerns, but are also designed to comply with a recent court order. This judgment results from litigation filed by California Rural Legal Assistance against the County regarding the sufficiency of the Housing Element. The judgment requires that the County make certain necessary amendments to the Housing Element and adopt a revised Housing Element within 120 days.

The purpose of this letter is, therefore, to forward the revised Housing Element, for your Commission's consideration and recommendation for adoption to the Board of Supervisors.

General Background on the Housing Element Process

Unlike the other elements of the General Plan, which do not require regular updates, local jurisdictions are required by State law to consider adopting revisions to their Housing

Elements on a periodic basis. The planning period for this Housing Element runs from January 2000 through June 2007. However, the Legislature has extended the planning period by one year so that the planning period now ends in June 2008.

Local Housing Elements are required to address a number of aspects of housing needs in the community, including needs of special needs groups in the community. The biggest challenge of the Housing Element process is demonstrating that the community has an adequate number of suitably-zoned sites to accommodate the need for very-low, low, moderate, and market-rate housing. The allocation of units for potential housing capacity for each of these income levels are set through process prescribed by State law to establish the Regional Housing Need - the number of housing units the region must plan to accommodate over the planning period. The Regional Housing Need is established by the State for each Council of Governments. The Council of Governments then distributes the Regional Housing Need allocation to its member counties, and then further distributes that allocation to the jurisdictions within each county. Santa Cruz County is a member of the Council of governments known as the Association of Monterey Bay Area Governments (AMBAG). Each member jurisdiction participates in the development of the methodology by which the allocation to the Council of Governments will be distributed. The result is a Regional Housing Need Determination (RHND) for the number of housing units each jurisdiction must plan for.

It is important to understand that Housing Element law does not require each jurisdiction to guarantee construction of the number of units allocated through the RHND. However, the jurisdiction is required to provide adequate opportunities for development on suitably-zoned sites, through their local General Plan and zoning, to allow for development of the number of housing units established by the RHND. In the event that a local jurisdiction is unable to demonstrate that there is adequate capacity to meet the RHND allocation, special programs must be developed to address that shortfall within the Housing Element.

### Key Revisions from Last Draft

The Housing Element document before you today is substantially the same document that was considered by your Commission in May of last year, with a few key changes. Those changes and the explanation of each change are described in the Table attached as Exhibit B.

In order to facilitate review by your Commission, the Board of Supervisors and the public, the revised Housing Element has been provided to show the changes identified above in ~~single strikeout~~ and single underline. This version has been available on the County's website since early September 2006 and hard copies have been made available to the public at the Planning Department.

### Adoption Process

The letter received from HCD in September 2005 indicates that if the County makes the modifications delineated that the Housing Element will be in compliance with State law. The Housing Element before you includes these modifications. Additionally, replacing the

Affordable Housing Combining District with rezoning programs further addresses HCD's concerns.

As required by State law, the County must take a number of measures to adopt the Housing Element at this time. While we believe that the proposed Housing Element could be certified by HCD, in the event that certification is not obtained, the County must take a number of actions to comply with process defined in State law for "substantial compliance" with State Housing Element law. That process requires that your Commission include in its resolution findings which explain the reasons the Commission believes that the Housing Element substantially complies with the requirements of Housing Element law (Government Code section 65580 et seq).

The appropriate language to address this legal requirement is included in the resolution to refer the Housing Element to the Board for adoption, included as Exhibit A to this letter.

#### Related Legal Challenge

As discussed above, the legal action filed by California Rural Legal Assistance, Inc. (CRLA) against the County relative to our Housing Element was resolved in late July 2006. While the lawsuit raised a number of issues, the Superior Court found that the County had not complied with State law in terms of fulfilling the requirements that development by-right be allowed on sites designated to meet the RHND. Therefore, appropriate language has been included to address the by-right issue. This means that at the time the sites are rezoned, the CEQA review will encompass all the issues relative to development on the site at 20 units per acre.

Adoption of a Housing Element at this time, in addition to moving forward the negotiations with HCD, is designed to meet the requirements of the court order resulting from the CRLA litigation.

#### Environmental Review

In addition to the extensive public input and HCD review that has occurred in the course of developing the Housing Element, the document has also been reviewed through the County's environmental review process. A Negative Declaration has been prepared for the Housing Element indicating that its adoption will not cause any unmitigated significant environmental impacts. Exhibit C includes the Negative Declaration as well as a memo from the Environmental Coordinator reflecting that the modifications to the document do not require further environmental review. Separate actions to implement the Housing Element programs will require their own environmental review action.

#### Follow-up Implementation Actions

Adoption of a Housing Element is just the beginning of a process to address local housing needs. Once adopted, it will be important for the County to engage rapidly in addressing a number of proposed new policy directions. The most crucial of the proposed programs is one which would result in rezoning of 22 acres of land at 20 units/acre, with appropriate General

Plan and zoning ordinance amendments, to provide adequate sites to address the County's needs for low and very low income households. Because of the critical importance of this program to address the RHND and the time required to analyze the potential sites for their suitability for this program as well as subjecting those sites chosen to a thorough environmental review process, staff has already begun the necessary background research to facilitate that process.

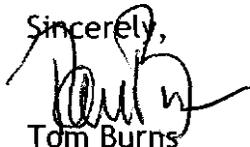
### Conclusion/Recommendations

The process for developing a Housing Element has involved considerable effort by the County over the past several years. Through the process of receiving extensive public input and feedback from HCD, the document has been modified to reflect this thoughtful input. In light of this extensive input, staff believes that the document before you is now ready for formal adoption at this time.

It is therefore **RECOMMENDED** that your Commission take the following actions:

1. Consider public input as part of the Public Hearing on this item; and
2. Adopt the attached resolution (Exhibit A) referring the Housing Element to the Board of Supervisors for adoption.

Sincerely,



Tom Burns  
Planning Director

TB:jw

#### Exhibits:

- A. Resolution recommending adoption of the Housing Element
- B. Table of Changes
- C. Negative Declaration and memos from Ken Hart, Environmental Coordinator
- D. Initial Study
- E. September 2005 HCD letter
- F. Court Order from CRLA litigation
- G. Housing Element

cc. County Counsel  
Housing Advisory Commission

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:

RESOLUTION RECOMMENDING ADOPTION OF AMENDED HOUSING ELEMENT OF  
M E SANTA CRUZ COUNTY GENERAL PLAN

WHEREAS, the availability of housing is of vital importance in the County of Santa Cruz (the "County"), and the attainment of decent housing and a suitable living environment is a priority of the highest order; and

WHEREAS, attainment of this goal requires the cooperative participation of local government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of all economic levels of the community; and

WHEREAS, housing prices continue to rise while the median income is not increasing at the same rate; and

WHEREAS, the 2000 U.S. Census reflected that 66.2% of County households earning less than moderate income were spending more than 30% of their income on housing costs; and

WHEREAS, the state mandated Regional Housing Needs Determination (RHND) allocation assigned to the unincorporated portion of the County for the 2000-2007 planning period is 3,441 new units, which represents 35% of the entire county's 9,715 unit allocation. Of these 3,441 new units the State requires that 937 units be affordable to very low income households, 502 units be affordable to low income households, 651 units be affordable to moderate income households, and 1,351 units be affordable to above moderate income households; and

WHEREAS, the County of Santa Cruz has adopted a General Plan; and

WHEREAS, State General Plan guidelines require that the state mandated Housing Element (the "Housing Element") be revised periodically to incorporate new information and reflect changes in community needs and values; and

WHEREAS, the Housing Element is consistent with the other elements of the County's General Plan; and

WHEREAS, Government Code Section 65302(c) requires that localities adopt a Housing Element of their General Plan that complies **with** the State's standards as set forth in Government Code Section 65580 et seq; and

WHEREAS, a proposed amendment to the Housing Element of the Santa Cruz County General Plan has been prepared pursuant to Government Code Sections 65358 and 65580 et seq., "State Housing **Nement** Law"; and

WHEREAS, the June 2005 Housing Element amended the County's Housing Element; and

WHEREAS, Attachment 1 to this resolution sets forth the Findings of Consistency **with** Government Code section 65580 et seq. regarding housing element requirements; and

WHEREAS, pursuant to California Government Code section 65585(b), the California Department of Housing and Community Development reviewed the County's draft versions of the Housing Element and reported its findings to the County in letters dated August 8, 2003, June 7, 2004, April 18, 2005 and September 20, 2005; and

WHEREAS, the California Department of Housing and Community Development indicated in its September 20, 2005 letter that, once the recommended revisions are completed, the Housing Element will, in its opinion, substantially comply with the requirements of State Housing Element Law; and

WHEREAS, The County submitted the proposed Housing Element for California Department of Housing and Community Development review on August 31, 2006.

WHEREAS, pursuant to Section 65583 of the California Government Code, the Housing Element includes, but is not limited to: (1) an identification and analysis of existing and projected housing needs and an inventory of resources and constraints relevant to meeting these needs; (2) a statement of Santa Cruz County's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing; (3) a program which sets forth a schedule of actions the County is undertaking or intends to undertake to implement the policies and achieve the goals and objectives; and

WHEREAS, the Planning Commission held a public hearing on September 27, 2006, received and considered all concerns and comments of all segments of the community, staff and prior correspondence of the California Department of Housing and Community Development on the proposed Housing Element, considered the public record as a whole; and

WHEREAS, public hearing notices for the draft 2000-2007 Housing Element regarding document availability and public hearing schedule were published in local newspapers as required by law and provided on the County's website; and

WHEREAS, pursuant to the California Environmental Quality Act, a Negative Declaration has been prepared and circulated for public review concluding that no potentially significant environmental impacts will occur as the result of the adoption of the Housing Element.

NOW THEREFORE BE IT RESOLVED, that the Planning Commission recommends that the Board of Supervisors adopt the proposed October 2006 Housing Element as an element of the Santa Cruz County General Plan.

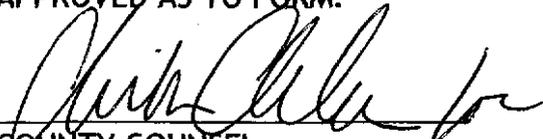
PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2006 by the following vote:

AYES:	COMMISSIONERS	
NOES:	COMMISSIONERS	
ABSENT	COMMISSIONERS	.
ABSTAIN:	COMMISSIONERS	

\_\_\_\_\_  
Chairperson

ATTEST: \_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
COUNTY COUNSEL

cc: County Counsel  
Planning Department

**FINDINGS OF CONSISTENCY WITH GOVERNMENT CODE SECTION 65580 ET SEQ.  
REGARDING HOUSING ELEMENT REQUIREMENTS**

California Government Code sections 65580 through 65589.8 specify the required content and procedure for adoption of a Housing Element of a General Plan. The following findings indicate that the Santa Cruz County Housing Element is consistent with these Government Code requirements.

Government Code Section 65580 (Legislative Findings)

This section declares that the State's legislative intent is to provide housing for all income groups while recognizing that "in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan..." Section 4.7 of the County's Housing Element establishes the goals, objectives, policies and programs consistent with this declaration. Section 4.5 of the County's Housing Element recognizes the environmental and fiscal constraints of providing housing to satisfy the regional housing need goal by 2008. Section 4.6 elaborates on the County's efforts to provide its fair share of the regional housing need.

Government Code Section 65581 (Legislative Intent to Recognize Local Responsibility in Contributing to the Attainment of the State Housing Goal)

Section 4.7 of the County's Housing Element contains existing and new programs addressing creation and preservation of residential development. These programs are designed to enhance the County's affordable housing resources and to assure that a fair share of that housing is affordable to very low, low and moderate income households. Appendices A through F of the County's Housing Element further elaborate on the County's efforts to provide its fair share of the regional housing need.

Government Code Section 65582 (Definitions)

The Santa Cruz County Housing Element terminology is consistent with the definitions used in this section.

Government Code Section 65583(a)(1) (Population and Housing Need Projections)

Sections 4.2 and 4.3 of the County's Housing Element contain data and projections regarding population and employment trends in Santa Cruz County, and the County's share of the Regional Housing Need.

Government Code Section 65583(a)(2) (Household and Housing Characteristics)

Section 4.2 contains documentation and analysis of Santa Cruz County's housing characteristics, including overcrowding, ability to pay and housing stock conditions.

Government Code Section 65583(a)(3) (Land Inventory)

Section 4.6 of the County's Housing Element details the quality and quantity of vacant and underutilized properties within the unincorporated County suitable for residential development including very low, low, moderate and above moderate income housing. The county analyzed the build out potential of the County and designed an inventory utilizing accurate estimations of building coverage for various land uses. In addition, Appendices A through F of the County's Housing Element specifically identifies vacant sites and sites with redevelopment potential, and evaluates them in terms of their zoning and other characteristics.

Government Code Section 65583(a)(4) (Governmental Constraints)

Section 4.5 analyses the 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 requirements, and local processing and permit procedures. In addition, the County's Housing Element highlights local efforts to remove government constraints affecting the County's ability to meet its regional housing need allocation, and provide housing for all income levels and persons with disabilities.

The County's Housing Element describes how the County's growth management system has not been a factor constraining residential growth. In fact, the current growth management system requires a minimum of fifteen percent (15%) of residential development to be affordable. The County Redevelopment Agency provides additional affordable housing opportunities. A discussion of affordable projects already constructed within the planning period is included in Chapter 4.6.

Government Code Section 65583(a)(5) (Nongovernmental Constraints)

Section 4.5 of the County's Housing Element contains an analysis of existing and potential nongovernmental constraints upon the maintenance, improvement and development of housing for all income levels in the County. This section states that the high cost of land in Santa Cruz County has become a major constraint to the production of affordable housing. This section also discusses the available land and infrastructure as important factors affecting housing production in the County.

Government Code Section 65583(a)(6) (Special Housing Needs)

Section 4.3 of the County's Housing Element contains an extensive discussion and analysis of special housing needs, including the needs of those who are homeless, elderly, large families, female headed households, disabled, **farmworkers**, and students. Within this section is a listing of housing resources and other resources available to households in these groups.

Government Code Section 65583(a)(7) (Energy Conservation)

Section 4.8 provides information about the County's energy conservation program pertaining to residential development. In particular, this section notes that the County has special land use design criteria requiring proper development orientation to allow passive solar application.

Government Code Section 65583(a)(8) (Assisted Housing At-Risk of Conversion to Market Rate)

Section 4.4 of the County's Housing Element presents a list and analysis of assisted housing at risk of conversion. This section also describes the monitoring program in place to monitor at-risk housing and the protocol for preventing the loss of these threatened units.

Government Code Section 65583(b)(1) (Statement of Quantified Goals and Objectives)

Section 4.7 of the County's Housing Element specifies goals, objectives, policies and programs regarding the maintenance, preservation, improvement and development of housing in the unincorporated County. Time frames, responsible agencies and quantified objectives area also included in this section.

Government Code Section 65583(b)(2) (Quantified Objectives Need Not Be Identical to Total Housing Need)

Quantified objectives by income level for housing that can be constructed, rehabilitated and conserved during the 2000-2007 planning period within the County are included in Table 4.7.1 and are discussed in Section 4.7 of the County's Housing Element.

Government Code Section 65583(c) (Five Year Action Program to Implement Goals and Objectives)

Section 4.7 of the County's Housing Element contains the programs constituting the County's five year action program. In addition, Section 4.6 addresses vacant and underdeveloped Land, and Appendices A through F present an inventory of land suitable for residential development. It should be noted that the County's Housing Element is not an autonomous document, in that it is a key part of the General Plan. As such, it must be internally consistent and interrelated with other General Plan elements. Several elements of the General Plan, especially the Land Use Element, should also be considered when evaluating housing opportunities provided by the Housing element. The specific requirements of Government Code Section 65583(c) are addressed as follows:

65583(c)(1) (Adequate Sites for Housing at all Income Levels)

Section 4.6 of the County's Housing Element discusses sites available on vacant and underdeveloped land, analyzes the urban area build out potential, the rural area build out potential, and non residential land. Infrastructure availability is considered in the analysis. Section 4.7

contains goals, objectives, policies and programs addressing the County's housing needs for the 2000-2007 planning period. Proposed Housing Element programs concern Promoting Production of Affordable Housing Units; **Promoting** the Use of Available Sites for Affordable Housing Construction and Provide Adequate Infrastructure; Sustaining Existing Affordable Housing Programs and Affordable Units; Increasing Funding for Affordable Housing; Promoting Production of Special Needs Housing; and Improving Conservation of Energy and Natural Resources. In addition, Appendices A through F identifies sites suitable for residential development at various densities for various income levels. Information on farmworker housing is available in Sections 4.3, 4.6 and 4.7.

**65583(c)(2)** (Adequate Housing for Low and Moderate Income Levels) Providing adequate housing to meet the needs of low and moderate income households is specifically addressed by objectives, policies and programs in Section 4.7 of the County's Housing Element, as well as in other sections. Section 4.6 lists specific developments already completed which are designed for low and moderate income households. Section 4.3 identifies resources available to households with special needs. Appendices A through F identify sites for the development of low and moderate income housing.

**65583(c)(3)** (Governmental Constraints) Section 4.7 of the County's Housing Element sets forth the goals, objectives, policies and programs which address governmental constraints to housing, as well as other factors. Section 4.5 analyses the potential and actual government 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 requirements, and local processing and permit procedures. In addition, the County's Housing Element demonstrates Local efforts to remove government constraints affecting the County's ability to meet its regional fair share requirements.

The County's Housing Element describes how the County's growth management system has not been a factor constraining residential growth. In fact, the current growth management system requires a minimum of fifteen percent (15%) of residential development to be affordable. The County Redevelopment Agency provides **additional** affordable housing opportunities. A discussion of affordable projects already constructed within the planning period is included in Chapter 4.6.

**65583(c)(4)** (Conserving Existing Affordable Housing Stock) Goal 3 of the County's Housing Element: Sustain Existing Affordable Housing Programs and Affordable Units specifically addresses the

conservation of existing affordable housing in the County. The objectives, policies, and programs under Goal 3 further address this State requirement.

**65583(c)(5)** (Equal Housing Opportunity)

Housing Element Goal 5: Promote Production of Special Needs Housing, responds to the statutory requirement of promoting housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status or disability. The objectives, policies, and programs under Goal 3 further address this State requirement. Additionally, a lengthy discussion of special needs populations and their specific housing needs is contained in Section 4.3 of the County's Housing Element.

**65583(c)(6)** (Preservation of Existing Low Income Developments)

Sections 4.3, 4.4 and 4.6 of the Housing Element contain lists of assisted housing projects, with the type of assistance also noted. Section 4.4 establishes a monitoring program for "at risk" projects and a protocol for preventing the loss of these threatened units. Additionally, programs are included in Section 4.7 to specifically address this statutory requirement.

**Government Code Section 65583.1** (Identification of Sites through Redesignation of Property)

Section 4.6 and Section 4.7 specify the use of a program by which the density on specific identified sites will be intensified to meet the need for very low and low income sites. Funding will be committed through this program to further ensure long term affordability of units produced.

**Government Code Section 65583.2** (Requirements for Land Inventory)

Section 4.6 and Appendices A through F of the County's Housing Element set forth the specifications of the land inventory including parcel size, parcel number, vacant or existing use, zoning and General Plan designation, the availability of utilities, and other site specific information. Section 4.5 describes the County-wide environmental constraints to housing. The rezoning program described in Section 4.6 and implemented in Section 4.7 addresses the outstanding need.

**Government Code Section 65584** (Share of Regional Housing Needs)

A discussion of the preparation of the projection of the County's Regional Housing Need for all income groups is contained in Section 4.3. of the County's Housing Element. The distribution of the Regional Housing Need Allocation by income level are also included in Section 4.3.

**Government Code Section 65585** (Procedures for Housing Element submission, revision and reporting)

The County has followed the adopted procedures required by the Government Code for submittal of the County's Draft Housing Element to the Department of Housing and Community Development for its review and written findings. These Findings demonstrate and document the County's adoption of a Housing Element that substantially complies with the legal requirement of the State Housing Element Law (Government Code section 65580 et seq.) as required by Section 65585.

Government Code Section 65588 (Review and Revision of Housing Element in the Coastal Zone)

Due to delays in release of the Regional Housing Needs Determination (the "Determination") and pending lawsuits disputing the Determination, the County was delayed in submitting its Housing Element revision to HCD. However, the County has made every effort to submit the Housing Element revision to HCD in as timely a manner as is possible. Housing for persons of low and moderate income within the County's Coastal Zone is addressed in Section 4.10 of the County's Housing Element.

SUMMARY OF HOUSING ELEMENT CHANGES

AUGUST 2006

PAGE NUMBER	RECOMMENDED CHANGE	EXPLANATION
Throughout Document	All references to "Affordable Housing Combining District" become "Rezoning Program" (20 units per acre)"	<ul style="list-style-type: none"> <li>• Rezoning program will insure that all designated sites are developed at the 20 unit/acre density level.</li> <li>• The Combining District approach offered property owners with an option, to utilize the 20 units/acre standard but did not require them to do so</li> </ul>
135, 160	'By-right' concept added	<ul style="list-style-type: none"> <li>• Will better facilitate development on the rezoned sites by allowing "by-right" development (as defined by Gov. Code 65583.2);</li> <li>• Removes CEQA review of specific project proposals on the rezoned sites.</li> <li>• CEQA review will occur at the time the sites are rezoned.</li> </ul>
136,160	Phasing of program 1. selection of sites 2. ordinance amendments and rezoning	<ul style="list-style-type: none"> <li>• Site selection to occur by December 2006;</li> <li>• ordinance amendments and rezoning to occur concurrently, as soon as environmental review is completed – estimated to be June 2007</li> </ul>
136.160	44 acres of Combining District becomes 22 acres of rezoning	<ul style="list-style-type: none"> <li>• The State requires the County to designate 22 acres for development at the 20 units/acre level.</li> <li>• Because the Combining District did not <u>require</u> the sites to be developed at 20 unit/acre, the State insisted that the Combining District designate twice the amount of acreage needed (44 acres) which assumed that 50% of the acreage would be developed at 20 unit/acre.</li> <li>• Direct rezoning will ensure that any development on the rezoned sites be at a density of 20 units/acre, therefore it is unnecessary to double the amount of designated acreage.</li> </ul>
136, 162	\$15 million in Redevelopment funds has already been committed to the program	<ul style="list-style-type: none"> <li>• The Redevelopment Agency committed the \$15 million in 2005.</li> </ul>
160	Incentives expanded to include: -Use and density by-right as defined by Government Code section 65583.2 -Proposed development applications are exempt from CEQA -Truncated review process	<ul style="list-style-type: none"> <li>• These incentives are in addition to the incentives previously offered</li> </ul>

161	Outreach program <b>to</b> be implemented upon selection of sites for rezoning.	<ul style="list-style-type: none"> <li>• This ensures that property owners, non-profit developers, for profit developers and other interested parties are informed as to how the rezoning program works and how it can be utilized to develop housing on these sites.</li> </ul>
161	<b>January</b> following the rezonings	<ul style="list-style-type: none"> <li>• This provides for an accounting of the designated sites, and will ensure that the sites are monitored on an annual basis and publicly reported to the Board of Supervisors</li> </ul>
162	Clarifies the <b>use</b> of Redevelopment funding focusing on development of units for low and <b>very</b> low income households	<ul style="list-style-type: none"> <li>• Clarifies that the <b>\$15</b> million in Redevelopment funding would be committed exclusively for development of low and very low income units exclusively on the rezoned sites.</li> </ul>
Appendix D	Addition of Poor Clare's Site	<ul style="list-style-type: none"> <li>• <b>An</b> additional site missed in the original site identification process; has all necessary <b>infrastructure</b></li> </ul>

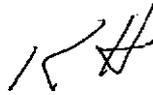
**MEMORANDUM**

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Date: September 7, 2006

To: Glenda Hill, Policy Section

From: Ken Hart, Environmental Coordinator



Re: Environmental review of Proposed Housing Element Revisions

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On ~~two~~ previous occasions, I have been asked to review proposed changes to the Housing Element to determine whether the original Initial Study, upon which a Negative Declaration was based, continued to adequately evaluate the environmental effects of the programs described in that document. As reflected in those memos, dated December 21, 2004 and May 13, 2005, I indicated that no additional environmental review of the amendments needed to occur, as they would not result in either an increase in severity of previously considered potential environmental effects or in new impacts that had not been anticipated and described in the Initial Study.

In response to some additional changes to the Housing Element, you recently asked that I undertake this same evaluation to ensure that the Initial Study supporting the Negative Declaration remains valid. The proposed amendments to the Housing Element include replacement of the Affordable Housing Combining District with a program to rezone properties in order to allow for densities that meet the definition of "affordable" used by the State, revising the description of the "by right" component of the rezoning program to make it consistent with existing State law, adding one property to the long list of potential sites for consideration under the rezoning program, updating implementation dates, and other minor changes needed to address written comments.

The changes proposed would not result in any new physical changes to the environment beyond those previously evaluated in the Initial Study. As a result, I have determined that no revisions to the Initial Study, dated January 22, 2004, are required in order to support the original Negative Declaration.



# County of Santa Cruz

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060-4000  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123  
TOM BURNS, DIRECTOR

0431

### NEGATIVE DECLARATION AND NOTICE OF DETERMINATION

**Application Number: N/A**

**County of Santa Cruz**

Proposal to adopt the Draft Housing Element of the General Plan.

**APN: Countywide**

**Julianne Ward, Staff Planner**

**Zone District: Various (Countywide)**

ACTION: Negative Declaration

REVIEW PERIOD ENDS: March 3, 2004

This project will be considered at a public hearing by the **Planning** Commission. The hearing will be held on February 11, 2004 at 9:00 a.m. in the Board of Supervisors Chambers, 701 Ocean Street, Room 525, Santa Cruz, California. This item will be included in all public hearing notices for the project.

Findings:

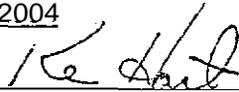
This project, if conditioned to comply with required mitigation measures or conditions shown below, will not have significant effect on the environment. The expected environmental impacts of the project are documented in the Initial Study on this project attached to the original of this notice on file with the Planning Department, County of Santa Cruz, 701 Ocean Street, Santa Cruz, California.

Required Mitigation Measures or Conditions:

None  
 Are Attached

Review Period Ends March 3, 2004

Date Approved By Environmental Coordinator March 4, 2004

  
\_\_\_\_\_  
KEN HART  
Environmental Coordinator  
(831) 454-3127

If this project is approved, complete and file this notice with the Clerk of the Board:

### NOTICE OF DETERMINATION

The Final Approval of This Project was Granted by \_\_\_\_\_

on \_\_\_\_\_ . No EIR was prepared under CEQA.

THE PROJECT WAS DETERMINED TO NOT HAVE SIGNIFICANT EFFECT ON THE ENVIRONMENT

Date completed notice filed with Clerk of the Board: \_\_\_\_\_



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, SUITE 400, SANTA CRUZ, CA 95060  
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TOM BURNS, DIRECTOR

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### NOTICE OF ENVIRONMENTAL REVIEW PERIOD

#### SANTA CRUZ COUNTY

APPLICANT: County of Santa Cruz

APPLICATION NO.: N/A (Draft Housing Element for General Plan)

APN: Countywide

The Environmental Coordinator has reviewed the Initial Study for your application and made the following preliminary determination:

XX Negative Declaration  
(Your project will not have a significant impact on the environment.)

     Mitigations will be attached to the Negative Declaration.

XX No mitigations will be attached

     Environmental Impact Report  
(Your project may have a significant effect on the environment. An EIR must be prepared to address the potential impacts.)

As part of the environmental review process required by the California Environmental Quality Act (CEQA), this is your opportunity to respond to the preliminary determination before it is finalized. Please contact Paia Levine, Environmental Coordinator at (831) 454-3178, if you wish to comment on the preliminary determination. Written comments will be received until 5:00 p.m. on the last day of the review period.

Review Period Ends: March 3, 2004

Julianne Ward  
Staff Planner

Phone: 454-3226

Date: January 28, 2004

**MEMORANDUM**

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Date: May 13,2004

To: Julianne Ward, Advanced Planning

From: Ken Hart, Environmental Coordinator 

Re: Housing Element Environmental Documents

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As you know, I made a preliminary determination to issue a Negative Declaration for the adoption of the Housing Element on March 4,2004. In December of 2004, I reviewed a series of proposed changes to the Housing Element at your request to determine whether the Initial Study required any revisions to address the amended language. At the time, I indicated that the Initial Study continued to adequately evaluate the effects of the programs described by the Housing Element (see memo dated December 21,2004).

In response to some additional changes to the Housing Element, you recently asked that I undertake the same evaluation to ensure that the Initial Study supporting the Negative Declaration remains valid. The proposed changes to of the Housing Element include minor corrections to the text and tables, additional information on the phasing of program implementation, and an expansion of the description contained in the document regarding funding, outreach, and monitoring. The changes proposed would not result in any new physical changes to the environment beyond those previously evaluated in the Initial Study. As a result, I have determined that no revisions to the Initial Study, dated January 22, 2004, are required in order to support the Negative Declaration.

**MEMORANDUM**

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Date: December 21, 2004

To: Julianne Ward, Advanced Planning

From: Ken Hart, Environmental Coordinator *Ken Hart*

Re: Housing Element Environmental Documents

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As you know, I made a preliminary determination to issue a Negative Declaration for the adoption of the Housing Element on March 4, 2004. You recently requested me to review the Initial Study for this proposal, in light of modifications to the Housing Element that have occurred since preparation of that document. I have completed my review and have concluded that the Initial Study, dated January 22, 2004, continues to adequately describe the proposed Housing Element and that no revisions to the Initial Study are required in order to support the Negative Declaration.

**COUNTY OF SANTA CRUZ  
PLANNING DEPARTMENT**

Date: 1/22/04  
Staff Planner: Julianne Ward

**ENVIRONMENTAL REVIEW  
INITIAL STUDY**

APPLICANT: County of Santa Cruz      APN: Countywide  
OWNER: Various  
Application No: none      Supervisorial District: All  
Site Address: Countywide  
Location: Countywide

**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 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
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## ENVIRONMENTAL REVIEW

### 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 <i>or</i> as identified by other substantial evidence? | --- | --- | --- | <u>X</u> |
| b. | Seismic ground shaking?  | --- | --- | --- | <u>X</u> |
| c. | Seismic-related ground failure, including liquefaction?  | --- | --- | --- | <u>X</u> |
| d. | Landslides?  | --- | --- | --- | <u>X</u> |

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 or parcels of land, there is *no* potential *impac* from approval of the *documentt*. 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? | --- | --- | --- | <u>X</u> |
| 3. | Develop land with a slope exceeding 30%?   | --- | --- | --- | <u>X</u> |
| 4. | Result in soil erosion or the substantial  |     |     |     |          |

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	No Impact
loss of topsoil?	—	—	—	X
5. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code(1994), creating substantial risks to property?	—	—	—	X
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?	—	—	—	X

*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?	—	—	—	X
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*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?	—	—	—	X
---	---	---	---	---

*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?	—	—	—	X
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*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.*

**EXHIBIT D**

	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).	---	---	---	<u>X</u>
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>
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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.

EXHIBIT D

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	NO Impact
9. Contribute to flood levels or erosion 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?	—	—	—	<u>X</u> .
5. Make a significant contribution to				

	significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
<i>the reduction of the number of species of plants or animals?</i>	—	—	—	<u>X</u>
6. <i>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)?</i>	—	—	—	<u>X</u>
7. <i>Conflict with the provisions of an adopted Habitat Conservation Plan, Biotic Conservation Easement, or other approved local, regional, or state habitat conservation plan?</i>	—	—	—	<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. <i>Affect or be affected by land designated as Timber Resources by the General Plan?</i>	—	—	—	<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. <i>Affect or be affected by lands currently utilized for agriculture, or designated in the General Plan for agricultural use?</i>	—	—	—	<u>X</u>
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*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.*

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
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- |    |  |   |   |   |   |
|----|--|---|---|---|---|
| 3. | Encourage activities which result in the use of large amounts of fuel, water, or energy, Or use of these in a wasteful manner? | — | — | — | X |
|----|--|---|---|---|---|

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- |    |  |   |   |   |   |
|----|--|---|---|---|---|
| 4. | Have a substantial effect on the potential use, extraction, or depletion of a natural resource (i.e., minerals or energy resources)? | — | — | — | X |
|----|--|---|---|---|---|

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**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?   | — | — | — | X |
| 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?                 | — | — | — | X |
| 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? | — | — | — | X |
| 4. | Create a new source of light or glare which would adversely affect day or nighttime views in the area?  | — | — | — | X |

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	NO Impact
---	---	------------------------------------	--------------

- |    |   |   |   |   |            |
|----|---|---|---|---|------------|
| 5. | Destroy, cover, or modify any unique geologic <i>or</i> physical feature? | — | — | — | <u>X</u> . |
|----|---|---|---|---|------------|

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**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? | — | — | — | <u>X</u> . |
|----|---|---|---|---|------------|

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- |    |  |   |   |   |            |
|----|--|---|---|---|------------|
| 2. | Cause an adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines 15064.5? | — | — | — | <u>X</u> . |
|----|--|---|---|---|------------|

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? | — | — | — | <u>X</u> . |
| 4. | Directly or indirectly destroy a unique paleontological resource or site?         | — | — | — | <u>X</u> . |

**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? | — | — | — | <u>X</u> . |
|----|---|---|---|---|------------|

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
---	---	------------------------------------	--------------

The development and maintenance of housing does not create a significant hazard to 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 electromagnetic 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> |

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**H. Transportation/Traffic**

Does the project have the potential to:

- |   |   |     |     |     |          |
|---|---|-----|-----|-----|----------|
| ■ | 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> |
|---|---|-----|-----|-----|----------|

	Significant Or Potentially Significant Impact	Less Than Significant With Mitigation incorporation	Less Than Significant Impact	NO Impact
2. Cause an increase in parking demand which cannot be accommodated by existing parking facilities?	---	---	---	<u>X</u>
3. Increase hazards to motorists, bicyclists, or pedestrians?	---	---	---	<u>X</u>
4. 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?	---	---	---	<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.

**1. Noise**

Does the project have the potential to:

1. Generate a permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	---	---	---	<u>X</u>
2. Expose people to noise levels in excess of standards established in the General Plan, or applicable standards of other agencies?	---	---	---	<u>X</u>
3. Generate a temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	---	---	---	<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
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**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

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
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*necessary cannot be anticipated at this time.*

- |   |   |   |   |            |
|---|---|---|---|------------|
| 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> |
|---|---|---|---|----------|

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- |   |   |   |   |          |
|---|---|---|---|----------|
| 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> |

Significant Or Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less Than Significant Impact	NO Impact
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The Housing Nement 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.

- |   |   |   |   |          |
|---|---|---|---|----------|
| 8. Result in a breach of federal, state, and local statutes and regulations related <i>to</i> solid waste management? | — | — | — | <u>X</u> |
|---|---|---|---|----------|

**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?   | — | — | — | —        |
| 2. Conflict with any County Code regulation adopted for the purpose of avoiding or mitigating an environmental effect?   | — | — | — | <u>X</u> |
| 3. Physically divide an established community?   | — | — | — | <u>X</u> |
| 4. Have a potentially significant growth inducing effect, either directly (for example, <b>by</b> proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? | — | — | — | —        |

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? | — | — | — | <u>X</u> |
|--|---|---|---|----------|

**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

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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	_____	_____	<u>X</u> .
ARCHAEOLOGIC REVIEW	_____	_____	<u>X</u> .
BIOTIC ASSESSMENT	_____	_____	<u>X</u> .
GEOLOGIC HAZARD ASSESSMENT	_____	_____	<u>X</u> .
GEOLOGIC REPORT	_____	_____	<u>X</u> .
RIPARIAN PRE-SITE	_____	_____	<u>X</u> .
SEPTIC LOT CHECK	_____	_____	<u>X</u> .
SOILS REPORT	_____	_____	<u>X</u> .
OTHER:			
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_____	_____	_____	_____ .
_____	_____	_____	_____ .
_____	_____	_____	_____ .
_____	_____	_____	_____ .
_____	_____	_____	_____ .

"Attach summary and recommendation from completed reviews

List any other technical reports or information sources used in preparation of this initial study:

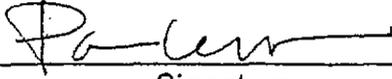
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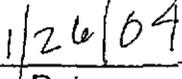
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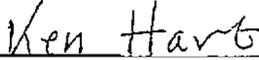
## ENVIRONMENTAL REVIEW ACTION

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)

EXHIBIT D



September 20, 2005

Ms. Susan Mauriello  
County Administrative Officer  
County of Santa Cruz  
710 Ocean Street, Room 520  
Santa Cruz, CA 95060

Dear Ms. Mauriello:

RE: Review of the County of Santa Cruz's Adopted Housing Element

Thank you for submitting Santa Cruz County's housing element, adopted by the Board of Supervisors on June 7, 2005, and received for review on June 22, 2005. As you know, the Department is required to review adopted housing elements and report the findings to the locality pursuant to Government Code Section 65585(h).

The Department has also received and considered third party comments from local residents, California Rural Legal Assistance Inc., California Affordable Housing Law Project, and Progressive Housing Advocates of Santa Cruz County, pursuant to Government Code Section 65585(c). In addition, visits to the community along with a series of phone calls and e-mail exchanges with County staff, including Mr. Tom Bums, Planning Director, and Ms. Julianne Ward, Planner IV, helped facilitate the review.

The amended element includes revisions that address some of the previous findings described in the Department's April 18, 2005 review. The Department acknowledges and appreciates the County's efforts to reconcile the buildout projection figures listed in the element's land inventory summary (Table 4.6.3) and expanding Chapter 4.5 (and adding Appendix G) which now describe the details of the County's code/zoning enforcement process. However, the element still does not address all the statutory requirements described in the Department's previous reviews. As discussed with Mr. Bums, the element does not yet adequately demonstrate the County's proposal to establish and implement an Affordable Housing Combining District (AHCD) is a realistic and viable land-use strategy for accommodating the County's regional housing need allocation. The following revisions are still needed for the element to comply with State housing element law (Article 10.6 of the Government Code).

A. Housing Needs, Resources, and Constraints

1. *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)).*

AHCD: No substantive changes were incorporated into the amended element that address the Department's previous findings related to the County's proposal to develop and adopt a AHCD as a means to address the shortfall of "adequate sites" needed to accommodate its new construction need for the 2002-2008 planning period. As described in the Department's previous reviews, and discussed with planning staff on numerous occasions, the establishment of an AHCD ordinance (and applying it to selected sites) would be an appropriate strategy to accommodate the County's RHNA only if the element demonstrates the strategy will result in realistic and viable development opportunities. Since candidate sites may be developed at either the base density (between two and 10 dwelling units per acre), or at the AHCD density of 20 dwelling units per acre, the element must be revised to include the following:

- The development incentives the County will offer to prospective developers of AHCD sites must be sufficient to accommodate or offset the AHCD's built-in regulatory requirements. The element must demonstrate how allowing a maximum of 20 dwelling units per acre, along with any other incentives, provide the necessary tangible benefit to facilitate the development of housing affordable to lower-income households, given that 40 percent of the units within a project must be reserved for units affordable to very low- and low-income households. The element's AHCD program action must be expanded to include an extensive and all-inclusive list of regulatory and fiscal incentives. The County should take the necessary steps to solicit comments from the development community relative to incentivizing AHCD development.
- Adoption of the AHCD ordinance, application to the candidate sites, and public outreach must be initiated **as** quickly **as** possible and completed in a timely manner (see program finding in Section B).
- The County's proposed AHCD must allow owner-occupied and rental multifamily residential uses "by right" on the designated/candidate sites.

In addition to the required program revisions described in the Department's previous reviews, and again summarized in Section B of this review, the element must be revised to address all of the Department's previous findings related to its land inventory and land-use and community development strategies.

- For example, the element was not revised to describe the specific criteria that developers must meet to be eligible for Redevelopment Agency funding under Program 1.3 (one of the County's primary incentives), or specify how much of the identified \$15 million of RDA low- and moderate-income housing funds will be specifically earmarked or set aside for AHCD projects.

This is of special concern because a portion (or all) of the \$15 million could be used for any other RDA eligible purpose (e.g., rehab), thereby significantly reducing the amount of the County's primary funding/financial incentives.

- The element's analysis of the AHCD strategy does **not** describe the specific development standards that will apply to projects on the candidate sites (see previous review), or explain how these standards will encourage and facilitate the development of housing affordable to lower-income households. To demonstrate the County's AHCD strategy is a realistic and viable option to addressing the "adequate sites" requirement, as opposed to rezoning/upzoning selected sites to a "base" high density zoning designation, the land inventory analysis could incorporate input from local developers and housing advocates.
- Lastly, while the adopted element (page 135) indicates the use and density on AHCD sites "shall be allowed by right", the element also indicates that future development proposals on AHCD sites will be subject to a "public hearing." As discussed with planning staff, and cited in the Department's previous reviews, pursuant to Government Code Section 65583.2(i), multifamily residential uses must be permitted "by right" on the designated candidate sites. To further clarify and interpret the **intent** of Government Code Section 65583.2(i), both Public Resources Section 21080 and Section 15357 of the CEQA Guidelines, **define** "discretionary projects" **as** requiring the "*exercise of judgment or deliberation of hearing body to approve and disapprove a particular activity, as distinguished from situations where the public agency or body merely has to determine whether there had been conformity with applicable statutes, ordinances, or regulations*". As described in the element, the County's public hearing process appears to meet the definition of "discretionary" rather than "by right," as the Planning Commission or Board of Supervisors will use their judgment, following public input, **to** approve or deny a project on **an** AHCD site. Thus, this discretionary review process would be inconsistent with Government Code Section 65583.2(i).

#### **B. Housing Programs**

*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, mobile homes, 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 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 (Section 65583(c)(1)).*

AHCD: The County is proposing to adopt an AHCD ordinance and apply it to selected candidate sites, in lieu of rezoning sites to a "base" high density zoning designation to accommodate its share of regional housing need for lower income households.

This alternative "adequate sites" program strategy is fairly new and untested in terms providing realistic and viable development opportunities over the long term. **As** described in Section A.1 of this review, as well as in the Department's previous findings, the County's AHCD program actions must be specific, timely, and demonstrate strong commitment to complete each implementation action (refer to the Department's previous reviews). Further, the need for very date specific and strong AHCD program actions is evidenced by data which indicates that, to date, housing production in Santa Cruz County is significantly lagging behind the new construction need as reflected in the County's regional housing need allocation, **in** total and for lower-income households. The following revisions are necessary:

Program 1.1 lists only three incentives, one of which is "alternative standards allowed under State Density Bonus Law". This program must be revised to include a much more comprehensive list of incentives.

According to Programs **1.1** and **1.2**, adoption of the AHCD and application to the candidate sites will not be completed until the end of next year (December 2006). Given that **Santa Cruz** County is nearly three years into the current planning period, ordinance adoption and application should be completed by no later than June 1, 2006. **In** addition, Program 1.2.1 indicates that public outreach (workshops) will not be initiated until early 2007. Due the importance of building support around the AHCD concept, this specific implementation action should be initiated immediately.

Once the County amends the element to address the aforementioned statutory requirement, the element will be **in** compliance with State housing element law (Article 10.6 of Government Code).

The Department **recognizes** the unique circumstances and environmental challenges in Santa CNZ County, and remains committed to **working** in partnership with **you** and **planning** staff to address all requirements of State housing element law. If you would like to schedule another meeting in **Santa Cruz** or Sacramento or have any questions or concerns, please contact Don **Thomas**, of our staff, at (916) **445-5854**.

Sincerely,



Cathy E. Creswell  
Deputy Director

cc: **Tom** Bums, Planning Director, County of Santa CNZ  
Scott Beesley, Progressive Housing Advocates of Santa CNZ  
Gretchen **Regenhardt**, California Rural Legal Assistance, **Inc.**  
Harold W, Griffith  
Paul Wagner

FILED

JUL 24 2006

ALEX GILYON, CLERK  
BY *[Signature]*  
DEPUTY, SANTA CRUZ COUNTY

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SANTA CRUZ

ERNESTINA SALDANA, et al.,

NO. CV 149432

Petitioner,

ORDER ON PETITION FOR  
WRIT OF MANDATE

s.

COUNTY OF SANTA CRUZ, et al.,

Respondent.

This matter was heard on July 12, 2006, in Department 8 of the above-entitled court, the honorable Robert Yonts, Jr. presiding. Attorneys Gretchen Regenhart and Craig Castellane appeared as co-counsel for petitioners ERNESTINA SALDANA, et al. Attorneys Mason Heath and Christopher Cheleden appeared as co-counsel for respondents COUNTY OF SANTA CRUZ, et al.

This petition challenges the Housing Element of the Santa Cruz County General Plan, adopted on June 7, 2005. At the time the petition was first filed, no revised housing element had been adopted, despite a statutory requirement that it be adopted by December 31, 2002. While the matter was pending, the County adopted a revised housing element, and at the hearing on February 4, 2005, the Court held that the petition was moot and ordered Petitioner to

1 file an amended petition challenging the validity of the housing element as adopted.

2 Petitioner did **so**, and filed an amended petition alleging that the new housing element **was**  
3 illegally adopted. The petition was granted, and the County was ordered to rescind its approval  
4 of the revised housing element and refer it to the Planning Commission for review before  
5 approving it.  
6

7 The County did **so**, and **Petitioner** moved to amend the petition to allege that the new  
8 revised housing element **is** inadequate. Leave to amend **was** granted last October, and this is  
9 the hearing on the petition. The issue is whether the revised housing element is sufficient under  
10 the law.  
11

12 **The gist** of Petitioner's argument is that the **County** has failed to **zone** sufficient affordable  
13 housing sites **as** required by law.

14 Every planning agency, including the County, is required to adopt a comprehensive, long-  
15 term general plan for development. **Govt.** Code §65300. The plan must include a housing  
16 element. **Govt.** Code §65302(c).  
17

18 The housing element **is** to make adequate provision for the existing and projected housing  
19 needs of all economic segments of the community. **Govt.** Code §65583. It must include "an  
20 inventory of land suitable for residential development." **Govt.** Code §65583(a)(3). **If** that  
21 inventory is not adequate to accommodate that portion **of** the county's share of the regional  
22 housing need for each income level without rezoning, the plan must identify actions that will be  
23 taken to make such sites available. **Govt.** Code §65583(c)(1).  
24

25 The requirements for that inventory are set out in more detail in **Govt.** Code §65583.2.  
26 Although the statutory language is complex, the parties agree that appropriate sites for lower-  
27 income housing must allow at least 20 units per acre, and that such sites must be "zoned to  
28

1 ermit owner-occupied and rental multifamily residential use by right during the planning  
2 eriod.” **Govt.** Code §65583.2(c)(3)(B)(iii), 65583.2(h).

3  
4 The parties agree that this County is required to designate sites for about **1,439** low-income  
5 households, and that the number of sites zoned to accommodate such units is not adequate. The  
6 County states that the designated sites fall 440 units short of this goal, while Petitioners argue  
7 that the deficit is larger. Because Petitioners argue that no deficit is permissible, however, the  
8 size of the deficit is not material to this dispute.

9  
10 Although the **Housing** Element does not include sufficient sites to accommodate the  
11 number of units required, it does contain an “Affordable Housing Combining District Program”  
12 (AHCD) which the County contends will **ensure** sufficient sites. Basically, the **program**  
13 provides for the rezoning of parcels within at least 44 designated acres for high density **housing**  
14 with 20 units per acre, with 40% **of** the units made permanently affordable through deed  
15 restrictions.

16  
17 This ordinance has not yet gone into effect, and the **44** acres to which it applies have not  
18 been designated. Redevelopment money will be available to assist in such projects, and it is  
19 anticipated that the allowable density will outweigh any deterrent to the developer from the  
20 40% affordability requirement.

21  
22 To develop a site, it will be required to have 20 **units** per acre, with 40% meeting the  
23 affordability requirement. Therefore, according to the Housing Element, “the use and density  
24 shall be allowed by right.” However, the County will continue to apply Design Review,  
25 Subdivision Map Act and CEQA review, and the related public hearings.

26  
27 It does not seem unreasonable or arbitrary for the County to conclude that this scheme will  
28 provide at least as much affordable housing as simply having the General Plan zone additional

1 nd **with** sufficient density for low-income housing. With the **high** cost of housing in this area,  
2 ven high-density housing may not be affordable to low-income people. But the question is not  
3 **whether** this is a reasonable way to meet the County's obligation to provide for low-income  
4 owing, it is whether it meets the statutory requirements.

5  
6 The **plan** does allow the requisite density, once the County designates the sites, provided  
7 that enough developers take advantage of the program. The main question **is** whether it  
8 provides for land to be "zoned to permit owner-occupied and rental multifamily residential use  
9 by right."

10  
11 The statute defines "use by right" as follows:

12 *[T]he phrase "use by right" shall mean that the local*  
13 *government's review of the owner-occupied or multifamily*  
14 *residential use may not require a conditional use permit, planned*  
15 *unit development permit, or other discretionary local government*  
16 *review or approval that would constitute a "project" for purposes*  
17 *of [CEQA]. Any subdivision of the sites shall be subject to all*  
18 *laws, including, but not limited to, the local government*  
19 *ordinance implementing the Subdivision Map Act. A local*  
20 *ordinance may provide that "use by right" does not exempt the*  
21 *use from design review. However, that design review shall not*  
22 *constitute a "project" for purposes of [CEQA]. Govt. Code*  
23 *§65583.2(i).*

24 So under the statute, the County is free to apply the Subdivision Map Act, and is free to  
25 provide design review, on the condition that approval of the design does not constitute a  
26 "project" for purposes of CEQA. But the statute is also clear that the local government cannot  
27 require any review that would trigger CEQA. The AHCD program does require CEQA review  
28 of any proposed projects. **Since** CEQA applies only to "projects" within the meaning of

EXHIBIT F

1 CEQA, the approval of an application to develop land under that program does constitute a  
2 project” for CEQA purposes. **Thus**, to the extent that the Housing Element relies on the  
3 AHCD program to provide adequate sites for low-income housing, it does not provide for such  
4 and to be “zoned to permit owner-occupied and **rental multifamily residential use by right.**”

5 For this reason, the Housing Element is deficient and the writ should be granted.

6  
7 Petitioner also argues that even if the AHCD program provides for **enough** sites to meet the  
8 need for low-income housing, it does not provide them during the “planning period,” which  
9 runs from 2000 to 2007. The Housing Element provides for the rezoning of sites to be  
10 completed by December 2006, which is within the planning period. The writ should not be  
11 granted for this reason.

12  
13 Petitioner seeks two **remedies**: a **writ** to command the County to bring its Housing Element  
14 into compliance with the law within 120 days, and an injunction to prohibit all development  
15 except those that meet certain criteria. Petitioner **seeks** an order that the parties meet and confer  
16 as to appropriate injunctive relief. Such relief is authorized by **Govt.** Code §65755, which  
17 allows injunctive relief ranging from prohibiting the issuance of building permits to mandating  
18 the approval of all applications for building permits. Here, it seems adequate to hold that the  
19 AHCD does not substantially comply with **Govt.** Code §§65583.2(c)(3)(B)(iii) and 65583.2(h),  
20 and require the County to adopt a Housing Element that complies with those criteria.

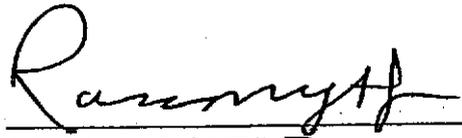
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**THE PETITION FOR WRIT OF MANDATE IS GRANTED.**

**Respondent COUNTY OF SANTA CRUZ is ordered to adopt an adequate Housing  
ement within 120 days. Counsel for petitioner is directed to prepare a formal order. As  
quested by counsel for respondent, this matter is stayed twenty days so that counsel may  
nsider seeking appellate relief.**

DATED: July 20, 2006

  
ROBERT B. YONTS, JR.  
Judge of the Superior Court

1 SUPERIOR COURT OF CALIFORNIA

2 COUNTY OF SANTA CRUZ

3 ERNESTINA SALDANA, ET AL.,

NO. CV 149432

4 Petitioner,

*Certificate of Mailing*

5 vs.

6 **COUNTY** OF SANTA CRUZ,

7 Respondent.

8  
9 \_\_\_\_\_ /  
10 I, ALEX CALVO, Clerk of the Superior Court of the State of California for the County  
11 of Santa Cruz, and not a party to the ~~within~~ action, hereby certify that on July ~~21~~<sup>24</sup> 2006, I  
12 served copies of the attached ORDER ON PETITION FOR WRIT OF MANDATE by  
13 depositing the enclosed in sealed envelopes with the postage thereon fully prepaid, in the  
United States Post Office at Santa **Cruz**, California, addressed as follows:

14 Gretchen Regenhart, Esq.  
15 *California Rural Legal Assistance, Inc.*  
21 Carr street  
16 Watsonville, CA 95076

Craig D. Castellonet, Esq.  
*Calif: Affordable Housing Law Project*  
449 Fifteenth Street, Suite 301  
Oakland, CA 94612-2038

17 nene Jacobs, Esq.  
18 *California Rural Legal Assistance, Inc.*  
511 - D Street  
19 P.O. Box 2600  
Marysville, CA 95901

Dana McRae  
*County Counsel, County of Santa Cruz*  
701 Ocean Street, Room 505  
Santa Cruz, CA 95060-4014

20  
21  
22 DATED: \_\_\_\_\_

ALEX CALVO, Clerk

23  
24 By \_\_\_\_\_  
25 Deputy Clerk

26  
27  
28 EXHIBIT F

SANTA CRUZ COUNTY 2000 – 2007 HOUSING ELEMENT

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COUNTY OF SANTA CRUZ GENERAL PLAN

# HOUSING ELEMENT

FOR ADOPTION BY THE BOARD OF SUPERVISORS  
OCTOBER 24, 2006



## ACKNOWLEDGEMENTS

### **SANTA CRUZ COUNTY BOARD OF SUPERVISORS**

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Mardi Wormhoudt, Third District  
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Jay Averill

### **SANTA CRUZ COUNTY ADMINISTRATOR'S OFFICE**

Susan Mauriello, County  
Administrative Officer

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## PREFACE

The Draft Housing Element of the General Plan was first released to the public in June 2003. Since that time, the Housing Element has been the subject of numerous public meetings and hearings. Additionally, during this time, additional input was received from the California Department of Housing and Community Development. The most recent letter from HCD was received in September 2005. Responses to this letter are included in this version of the Housing Element.

Minor changes have been made to the document since the June 2005 version of the Housing Element. These changes are focused on converting the former “Affordable Housing Combining District” into a “Rezoning Program” to more firmly address the Regional Housing Need as well as respond to HCD’s September 2005 letter. The modifications added since January 2005 are shown in ~~single-strikeout~~/single underline.

The modifications added since June 2005 are the following:

PAGE NUMBER	RECOMMENDED CHANGE	EXPLANATION
Throughout Document	All references to “Affordable Housing Combining District” become “Rezoning Program” (20 units per acre)”	<ul style="list-style-type: none"> <li>• Rezoning program will insure that all designated sites are developed at the 20 unit/acre density level.</li> <li>• The Combining District approach offered property owners with an option, to utilize the 20 units/acre standard but did not require them to do so</li> </ul>
135, 160	“By-right” concept added	<ul style="list-style-type: none"> <li>• Will better facilitate development on the rezoned sites by allowing “by-right” development (as defined by Gov. Code 65583.2);</li> <li>• Removes CEQA review of specific project proposals on the rezoned sites.</li> <li>• CEQA review will occur at the time the sites are rezoned.</li> </ul>
136, 160	Phasing of program 1. selection of sites 2. ordinance amendments and rezoning	<ul style="list-style-type: none"> <li>• Site selection to occur by December 2006;</li> <li>• ordinance amendments and rezoning to occur concurrently, as soon as environmental review is completed - estimated to be June 2007</li> </ul>

136, 160	44 acres of Combining District becomes 22 acres of rezoning	<ul style="list-style-type: none"> <li>• The State requires the County to designate 22 acres for development at the 20 units/acre level.</li> <li>• Because the Combining District did not <u>require</u> the sites to be developed at 20 unit/acre, the State insisted that the Combining District designate twice the amount of acreage needed (44 acres) which assumed that 50% of the acreage would be developed at 20 unit/acre.</li> <li>• Direct rezoning will ensure that any development on the rezoned sites be at a density of 20 units/acre, therefore it is unnecessary to double the amount of designated acreage.</li> </ul>
136, 162	\$15 million in Redevelopment funds has already been committed to the program	<ul style="list-style-type: none"> <li>• The Redevelopment Agency committed the \$15 million in 2005.</li> </ul>
160	Incentives expanded to include: -Use and density by-right as defined by Government Code section 65583.2 -Proposed development applications are exempt from CEQA -Truncated review process	<ul style="list-style-type: none"> <li>• These incentives are in addition to the incentives previously offered</li> </ul>
161	Outreach program to be implemented upon selection of sites for rezoning.	<ul style="list-style-type: none"> <li>• This ensures that property owners, non-profit developers, for profit developers and other interested parties are informed as to how the rezoning program works and how it can be utilized to develop housing on these sites.</li> </ul>
161	Monitoring program will be included in the General Plan Annual Report to the Board of Supervisors; to begin the January following the rezonings	<ul style="list-style-type: none"> <li>• This provides for an accounting of the designated sites, and will ensure that the sites are monitored on an annual basis and publicly reported to the Board of Supervisors</li> </ul>
162	Clarifies the use of Redevelopment funding focusing on development of units for low and very low income households	<ul style="list-style-type: none"> <li>• Clarifies that the \$15 million in Redevelopment funding would be committed exclusively for development of low and very low income units exclusively on the rezoned sites.</li> </ul>
Appendix D	Addition of Poor Clare's Site	<ul style="list-style-type: none"> <li>• An additional site missed in the original site identification process; has all necessary infrastructure</li> </ul>

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## **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 to 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.

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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, the housing program must also identify adequate residential sites available for a variety of housing types for all 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 eleven 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

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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

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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 STOCK<sup>1</sup>**

**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).

<b>Table 4.2.1: Population Growth in Santa Cruz County and the State of California (1960-2000)</b>				
<b>Year</b>	<b>Santa Cruz County Population</b>	<b>Percent Change (Santa Cruz County)</b>	<b>State of California Population</b>	<b>Percent Change (California)</b>
*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%
<i>AMBAG Forecast of Population Growth in Santa Cruz County 1990-2020</i>				
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)				

<sup>1</sup> 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).

<b>Table 4.2.2: County and State Population by Race 1990 and 2000</b>				
Race	1990		2000	
	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%

Source: US Census Bureau, Census 1990 and 2000

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.

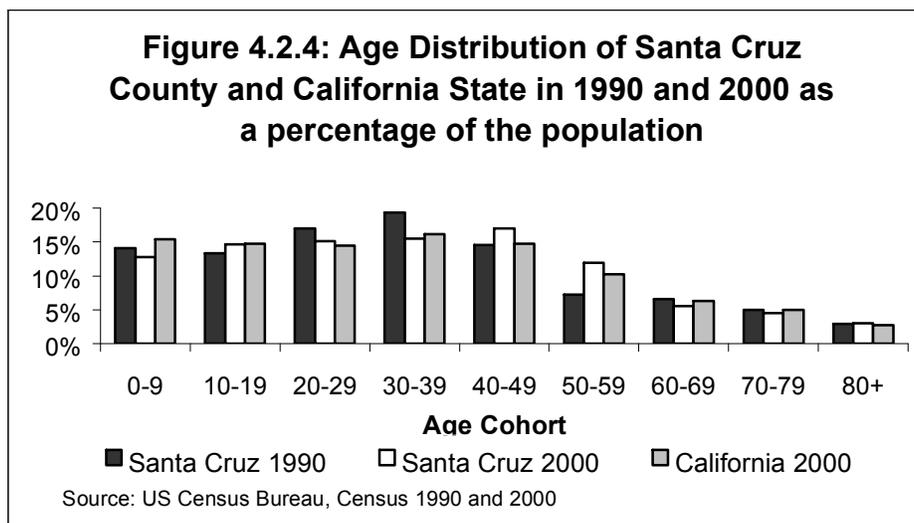
**Table 4.2.3: Comparison of Hispanic/Latino Ethnicity by County and State Population**

	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%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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

**4.2.3 AGE DISTRIBUTION**

Figure 4.2.4 depicts the age distribution in Santa Cruz County in 1990 and 2000 compared to the State of California. The 50-59 age cohort increased 84.0% by the year 2000, and the 40-49 age group also saw substantial increases (27.0%) This trend can be explained by the increasing age of the large “baby boomer” population. Conversely, Santa Cruz County’s population saw a significant decrease in the number of individuals in the 20-29 and 30-39 age cohorts, children of the baby-boomers. This decrease may reflect that this generation is comprised largely of young, mobile individuals and families that leave Santa Cruz due to the extremely high cost of living and lack of high paying jobs in the County.



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 Housing Tenure**

	Owner	Renter	Vacant	Total
Housing Units - Countywide	54,681	36,458	7,734	98,873
Housing Units - Unincorporated Area	34,283	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%
<b>Total</b>	<b>83,566</b>	<b>100%</b>	<b>91,139</b>	<b>100%</b>
*Elderly (65 +) Households	18,475	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%
<b>Group Quarters</b>				
Institutionalized persons	1,643	21.8%	2,174	24.0%
Other persons in group quarters	5,895	78.2%	6,854	75.9%
<b>Total</b>	<b>7,538</b>	<b>100%</b>	<b>9,028</b>	<b>100%</b>

Source; US Census Bureau, Census 1990 and 2000

\* Elderly households includes 1 person households, 2 or more person households and non-family households

#### 4.2.7 HOUSING STOCK

The majority of housing units in Santa Cruz are single family homes (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%
<b>Total</b>	<b>91,878</b>	<b>100%</b>	<b>98,873</b>	<b>100%</b>

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**

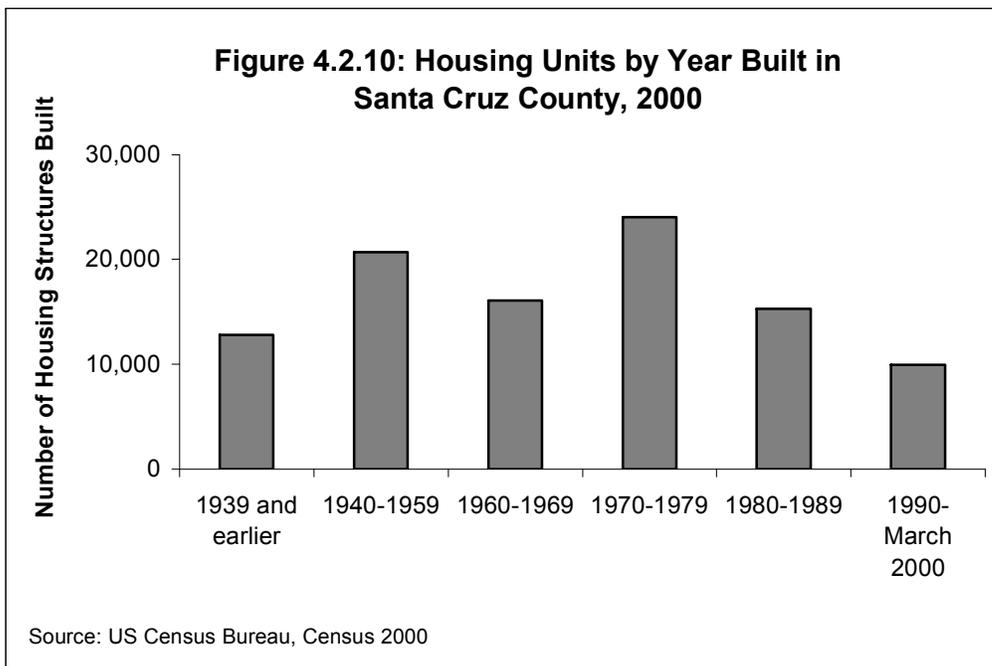
The age and condition of the housing stock is an additional factor in housing adequacy and availability in many communities. Although age does not always correlate with substandard housing conditions, neighborhoods with a prevalence of homes more than 40 years old are more likely than newer neighborhoods 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.

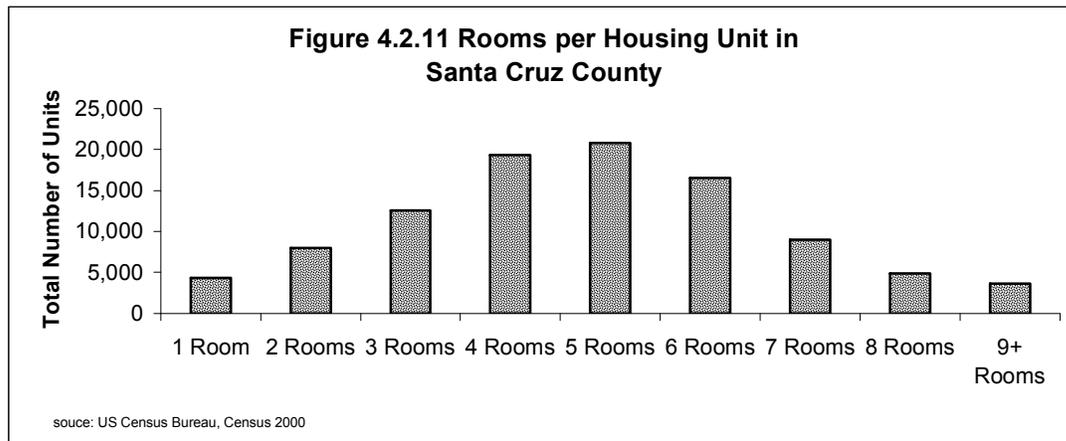
Given the characteristics of certain neighborhoods, the need for replacement or rehabilitation of housing is more prevalent in these areas. Areas of the San Lorenzo Valley, where many full-time homes were constructed as vacation cabins, replacement or rehabilitation may be more necessary than in neighborhoods 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.

The amount of rehabilitation being performed in the community may be reflected by the number of permits issued to perform upgrades and repairs. In 2004, the following permits were issued over the counter: 496 for electrical upgrades; 140 for plumbing upgrades; 1320 re-roofing permits; and 136 for various repairs.



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 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%<sup>2</sup> and an above average cost of living, a significant

<sup>2</sup> 2000 Census

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 which were overcrowded. 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.

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%
<b>Total</b>	<b>83,566</b>	<b>101,045</b>	<b>100%</b>	<b>100%</b>

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

**4.2.11 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 the 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).

	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%

Source: US Census Bureau, Census 2000

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 Countywide. The percentage of vacant for-rent and for-sale only units has decreased significantly, whereas the percent of seasonal, recreational or occasional use units has 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**

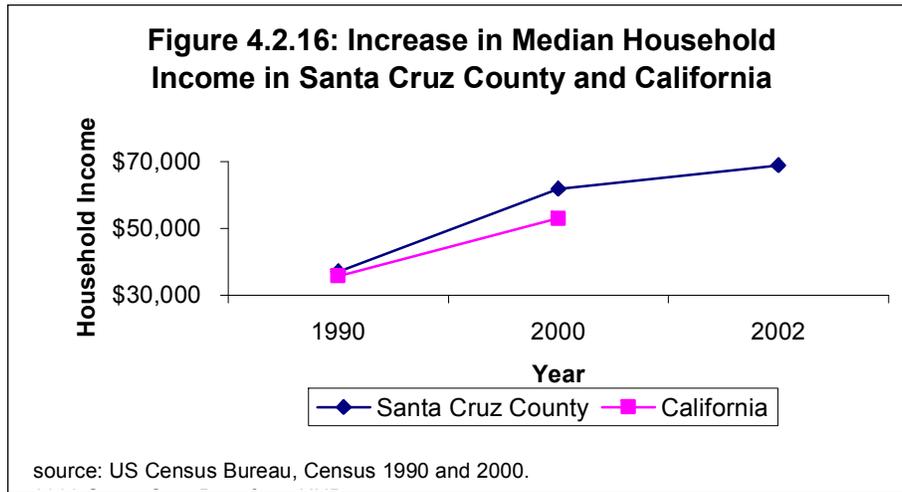
Unit	Number of Vacant Units in Santa Cruz County		Percent of Vacant Units in Santa Cruz County	
	1990	2000	1990	2000
For Rent	1,516	934	18.2%	12.0%
For Sale Only	1,243	424	15.0%	5.5%
Rented Or Sold, Not Occupied	601	474	7.2%	6.1%
For Seasonal, Recreational or Occasional Use	3,659	5,051	44.0%	65.4%
For Migrant Workers	16	24	0.19%	0.31%
Other Vacant	1,277	827	15.4%	10.7%
<b>Total</b>	<b>8,312</b>	<b>7,734</b>	<b>100%</b>	<b>100%</b>

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 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.





**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	14.6%	10.5%	14.7%	11.4%
\$35,000-\$49,999	18.4%	14.5%	18.2%	15.2%
\$50,000-\$74,999	19.6%	19.0%	18.4%	19.1%
\$75,000-\$99,999	7.9%	12.7%	7.6%	11.5%
\$100,000-\$149,999	5.1%	13.2%	4.6%	10.4%
\$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 (<24% 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%	28.2%	14.2%	19.2%	21.8%
4	Opal Cliffs	57.3%	16.4%	22.9%	18.0%	15.5%	27.3%
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%	11.3%	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%	14.4%	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%	8.0%	11.3%	12.7%	17.7%	50.3%

Source: US Census Bureau, Census 2000

#### 4.2.13 EMPLOYMENT AND WAGE CHARACTERISTICS

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 earnings 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.<sup>3</sup>

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

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	\$6.88	\$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 traffic and

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

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 <sup>th</sup> Grade	9.4%	9.1%	11.5%	9.7%
9 <sup>th</sup> to 12 <sup>th</sup> 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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: U.S. Census Bureau, Census 2000

4.2.15 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<sup>th</sup> and 11<sup>th</sup>, 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

<b>Table 4.2.26: Median Gross Rent in Dollars per Month within CDP Areas in Santa Cruz County, 2000</b>		
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
14	Felton	\$839
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 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 \$499,933<sup>4</sup>. This represents an 84.5% increase in the median home sale price. Figure 4.2.28 depicts the current trend in the median sale price of a single-family home since 1999 in the County.

<sup>4</sup> Santa Cruz County Board of Realtors

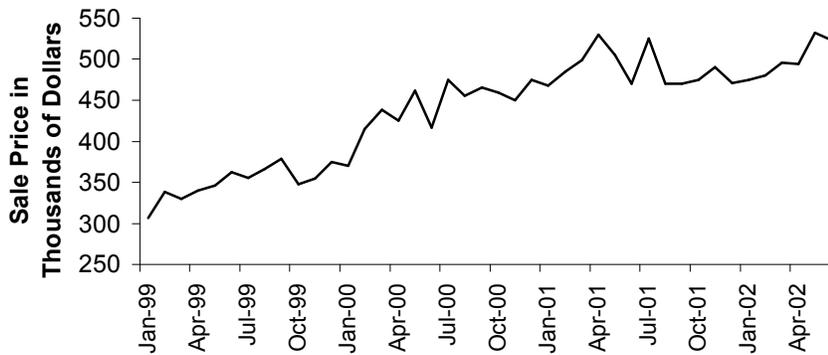
**Table 4.2.27: Median Cost of a Home within CDP Areas in Santa Cruz County, 2000**

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 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.

<b>Year</b>	<b>County of Santa Cruz</b>	<b>Unincorporated Only</b>
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

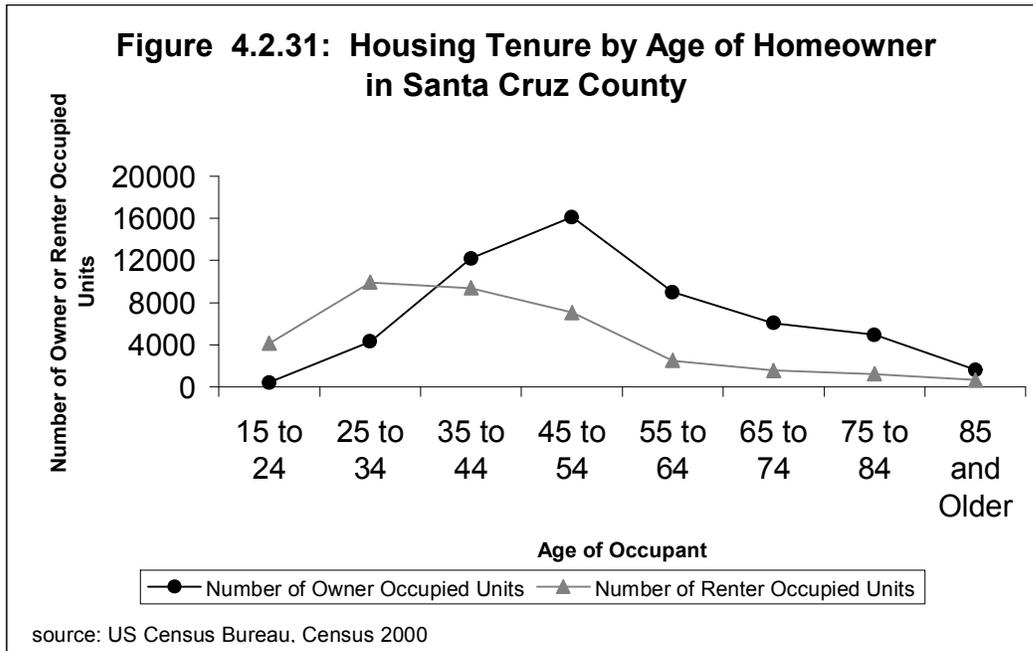
**4.2.16 OVERPAYMENT**

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.

<b>Table 4.2.30: Percentage of Households Paying Over 30% of Income on Housing in 2000</b>			
<b>Income</b>	<b>Owners</b>	<b>Renters</b>	<b>Total number of households overpaying</b>
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**

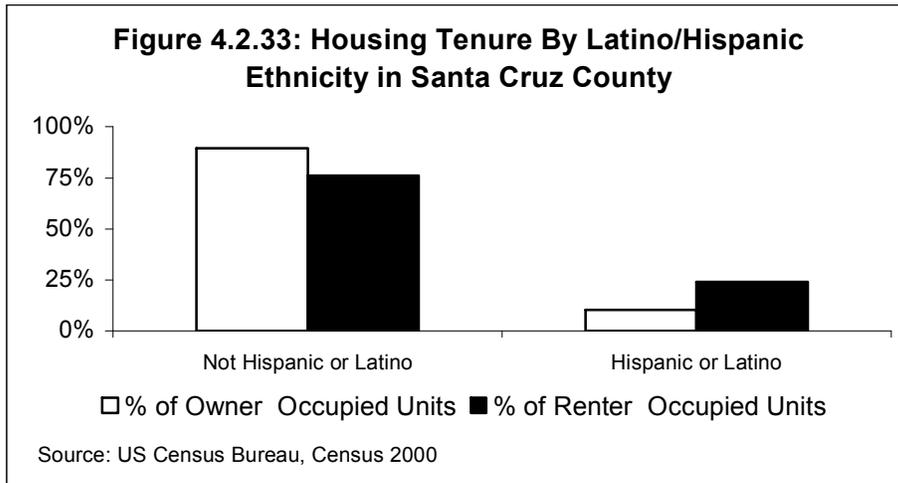
Analysis of census data on tenure by age of householder (Figure 4.2.31) in Santa Cruz County reveals adults aged 45 and over tended to own their own housing units rather than rent, while younger adults mostly rented rather than owned their own homes. About 60% of all Santa Cruz County residents own their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



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### 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 7.5 year planning period between January 1, 2000 and June 30, 2007.<sup>1</sup> AMBAG’s 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 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 distribution of the regional housing need between Santa Cruz and Monterey Counties was flawed and have initiated

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<sup>1</sup> The legislature has extended the planning period through June 30, 2008.

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. The County is proceeding with the preparation of this Draft Housing Element using the AMBAG RHND. This Housing Element includes Objectives, Policies and Programs to address the AMBAG RHND.

Table 4.3.1 AMBAG Regional Housing Needs Allocation

Income Group	Total Housing Units Required	Above Moderate Income Units	Moderate Income Units	Low Income Units	Very Low 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

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.

<b>Table 4.3.2 Affordable Housing Price Estimate for Home Purchase</b>					
<b>Income Category</b>	<b>Household Size</b>	<b>Household Income Range<sup>2</sup></b>	<b>Number of Bedrooms</b>	<b>Affordable Sale Price Range<sup>3</sup></b>	<b>Midpoint of Affordable Price Range</b>
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

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

<sup>3</sup> Assumes mortgage payments of: 25% of gross monthly income  
 Interest rate of: 6.5%  
 Payment period: 30 years  
 Downpayment: 20%

Table 4.3.3 Affordable Housing Price Estimate for Rental Units					
Income Category	Household Size	Household Income Range <sup>4</sup>	Number of Bedrooms	Affordable Rent Range <sup>5</sup>	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 \$2070	\$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. 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, in the past, approached the quantities AMBAG has estimated to be required in future years (approximately 12,000 units in the previous Housing Element planning period). However, the current AMBAG RHND suggests that 3,441 units will be required during the current Housing Element planning period. While 2,475 residential permits were issued in Santa Cruz County over the last 10 years<sup>5</sup>, this historical pace of development, should it continue unchanged, would fall short of the required housing unit demand over the next five years. This imbalance between AMBAG based projections and the actual market trend has been a long-standing issue in Santa Cruz County.

<sup>4</sup> Median Income for 4-person (3 bedroom) household is: \$69,000

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

<sup>5</sup> Assumes full service rent (utilities included) equal to 30% of gross monthly income

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#### 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 options 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 PEOPLE<sup>6</sup>

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 living in substandard or overcrowded housing; people who do not access homeless services; 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 respondents to the Needs Assessment identified themselves as “Hispanic/Latino” and 50% as “White/Caucasian.” According to

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

the 2000 Needs Assessment, 27% of the County population is Hispanic or Latino, and 66% is White and not Hispanic or Latino.

Marital Status<sup>7</sup>: 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%<sup>8</sup>) 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:<sup>9</sup> 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 8<sup>th</sup> 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.

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<sup>7</sup> 805 responses.

<sup>8</sup> 758 responses.

<sup>9</sup> 799 responses.

Residence in the County:<sup>10</sup>

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*	Vehicularly 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
<b>Total</b>	<b>982</b>	<b>626</b>	<b>324</b>	<b>1,068<sup>11</sup></b>	<b>293</b>	<b>3,293</b>
Percentage of Total	29.82%	19.01%	9.84%	32.43%	8.90%	100%

\* Point-in-time data collection by area and shelter status (“area: means “in and around” the jurisdiction identified).

<sup>10</sup> 626 responses.

<sup>11</sup> 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.

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\*\* 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,<sup>12</sup> typically for lack of space (45%) but also for eligibility criteria, including age (15%).<sup>13</sup> Almost 40% of the 330 people<sup>14</sup> who responded said they have given up trying to get into a shelter (46% of respondents from North County<sup>15</sup>, and 25% from South County<sup>16</sup>). 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.

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<sup>12</sup> 166 of 794 responses.

<sup>13</sup> 141 responses.

<sup>14</sup> This equates to 128 people who have “given up.”

<sup>15</sup> 216 responses from North County.

<sup>16</sup> 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).

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

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. In the Fall of 2003, 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. In the Fall of 2003, there was the highest number of units available for rent advertised in the paper since 1990, approximately 600 per month.

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

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are needed; and no permanent supportive housing units for families with children<sup>17</sup>, 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 the other special needs section for the mentally ill, disabled, single parent, senior, overcrowded and farmworker households.

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

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 Shelter Project.	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= 40-85 April-Oct= 20
Loma 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	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
Jessie Street	Permanent supportive housing for individuals with mental illness and graduates from transitional housing	10 apartments; 3 SRO's; +1 on-site manager
Jesus, Mary, and Joseph Home	Emergency shelter	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 adults. Nineteen of the River Street Shelter's 32 beds are provided under contract with Santa Cruz County Mental Health	32
Rose Acres	Permanent supportive for homeless adults with mental illnesses	25
Transition House	Transitional housing for adults with mental illness	10
Opal Cliffs	Transitional housing and permanent 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

	12. Must be drug and alcohol free.	
Sienna House Maternity Home of Santa Cruz County	Housing for single pregnant women.	19
<b>TOTAL</b>	Number of beds in all County facilities	1243 + 165 Nov-March

Note: The Health Services Agency has plans for 76 new homeless housing units during the Housing Element planning period.

RECOMMENDATIONS FOR THE HOMELESS (COUNTY-WIDE)

- There is a need for 270 additional emergency shelter beds<sup>18</sup>, 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 children<sup>19</sup>.
- The County needs 668 more stable affordable housing units or permanent supportive housing units, targeted to people who have been homeless<sup>20</sup>.

<sup>18</sup> Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan

<sup>19</sup> Santa Cruz County Five Year Strategic Homeless Continuum of Care Plan

<sup>20</sup> 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. Additionally, according to 2000 Census data, there are 7,519 elderly owner households and 1,525 elderly renter households in the unincorporated County.

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 <sup>th</sup> Avenue, Santa Cruz	8 Studio Units 15 One Bedrooms
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 <sup>th</sup> 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.

- 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.
- 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%<sup>21</sup> 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 7<sup>th</sup> 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 17<sup>th</sup> 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.

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<sup>21</sup> 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	15	\$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
Regent (at Sunshine Villa) Assisted Living	106 (some shared)	\$3,100-\$5,000
Rillera Guest Home	5	\$960-\$2,000

Rosehill	59 (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	10 (Mentally ill and elderly)	\$812
Villa Cruz Guest Home	6	\$2,000
Watsonville Residential Care, Inc.	43	\$2,800-\$4,200
<b>Total</b>	<b>632</b>	
<b><i>Congregate/ Independent Living</i></b>		
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
<b>Total</b>	<b>588</b>	
<b><i>Skilled Nursing Facilities</i></b>		
Brommer Manor	99	Medicaid/Medicare/Medical or Social Security
Cresthaven Nursing Home	20	Medicaid/Medicare/Medical or Social Security
Driftwood Healthcare Center	92 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	
<b>Total</b>	<b>832</b>	

<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
<b>Total</b>	<b>733</b>	
<b>Total Beds/Units for Elderly</b>	<b>2785</b>	

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 Medicare, Medicaid, Medical 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%

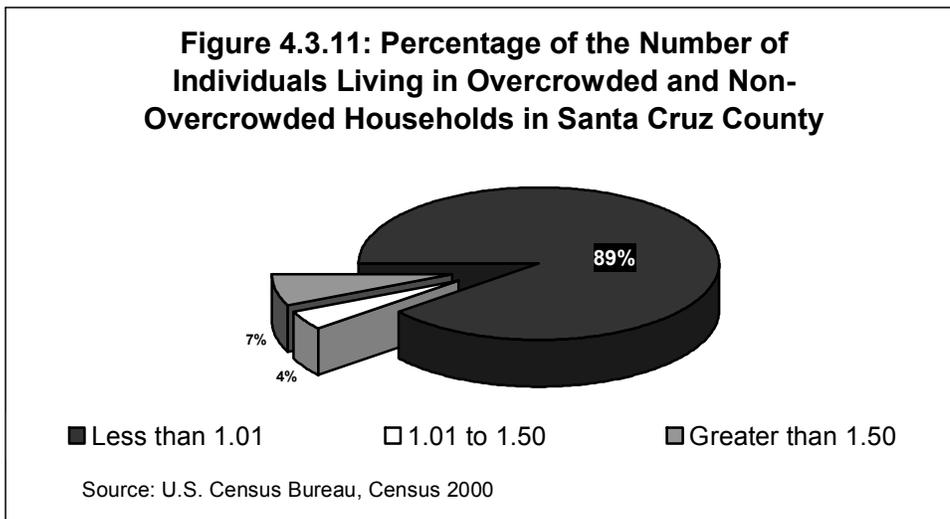
Source: US Census Bureau, Census 2000 and Census 1990  
Utilizes Countywide numbers, not unincorporated only.

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.<sup>22</sup> 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 4.3.11). This represents a 3.7% increase in the percentage of overcrowded households in the housing stock compared to 1990.



<sup>22</sup> US Census 2000

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 there<sup>23</sup>. 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 have discovered that “extended” families would rather not be placed in large

<sup>23</sup> Farmworker Housing and Health Assessment Study, Salinas and Pajaro Valley Final Report, June 2002

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 households	Percentage housing units with 5 or more rooms
California	6.1%	9.1%	15.2%	55.9%
Santa Cruz County	4.3%	6.6%	10.9%	55.3%
<b>Cities</b>				
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%
<b>CENSUS DESIGNATED PLACES, UNINCORPORATED COUNTY</b>				
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 Mt. 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.<sup>24</sup> 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.

Head of Household (Under 65 Years)	1960	1974	1980	1989	2000
Single	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

Source: "The State of the Nations Housing 2000", Joint Center for Housing Studies at Harvard 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 there were 2,696 female-headed households in the unincorporated areas (5.3%

<sup>24</sup> Source: "The State of the Nation's Housing," by the Joint Center for Housing Studies at Harvard University, 2000

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of all households). The 2000 County mean income for female-headed families with children under 18 years was \$33,141 (in 1995: \$21,905).

#### FUTURE HOUSING NEEDS OF FEMALE HEADED HOUSEHOLDS

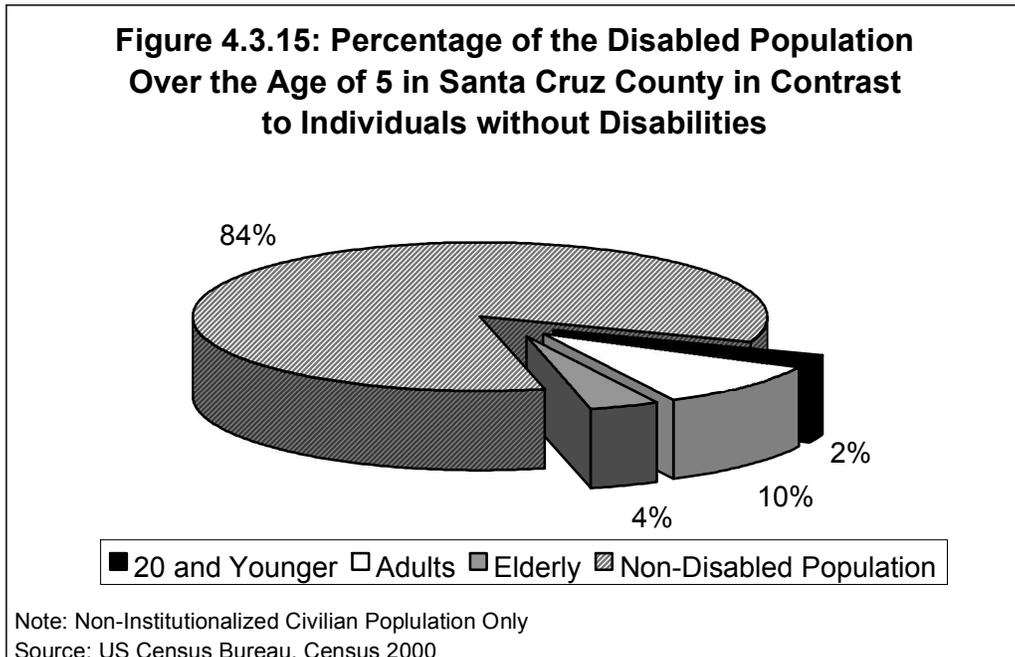
- **Affordable Housing:** With average incomes of \$33,000, female headed households and single parents cannot afford the current fair market rates and average home prices in this County. Therefore, having affordable units at these income levels (low and very low) is needed. As Table 4.3.14 indicates, 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 have difficulty acquiring housing accessible to them despite their various disabilities. 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 County<sup>25</sup> 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).



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)<sup>26</sup>. According to the Santa Cruz County Community Mental Health and Housing Plan, \$807 per month is the most a person could receive from both SSD and Supplemental Income from

<sup>25</sup> Santa Cruz County Homeless 2000, Needs and Assessment Survey. United way of Santa Cruz, Applied Survey Research.

<sup>26</sup> US Social Security Administration

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work income through the Social Security Administration (SSI) in 2001. In 2001, fair market rent for a studio apartment in Santa Cruz County was \$737<sup>27</sup>. 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 facilities located within walking distance of other psychiatrically disabled households, have proven effective in housing mentally ill persons.

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<sup>27</sup> Housing Authority of the County of Santa Cruz

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.<sup>28</sup> 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.

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<sup>28</sup> 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 <sup>th</sup> 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
<b>PROJECTED TOTAL: 51 Units</b>				

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 wheelchair<sup>29</sup>:

- 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).

<b>Table 4.3.17: San Andreas Regional Center (SARC) Clients by Jurisdiction in Santa Cruz County<sup>5</sup></b>		
	<b>Adults</b>	<b>Children aged 12-18</b>
Aptos	27	13
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
<b>TOTAL</b>	<b>220</b>	<b>74</b>

<sup>29</sup> San Andreas Regional Center

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RECOMMENDATIONS FOR HOUSING PERSONS WITH DISABILITIES:

- ~ 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. 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 \$15,006<sup>30</sup>. The annual median incomes of farmworkers were 3 times lower than the California 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.<sup>31</sup> 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 1999<sup>32</sup>:

- Farmworkers generally work year round this area (94%, 754 respondents) and consider California their permanent place of residence (92.5%, 760 respondents).
- Farmworkers in south Santa Cruz County typically pay 40% of their income for housing costs and live in overcrowded households (68%, 775

<sup>30</sup> Farmworker Housing and Health Needs Assessment Survey, June 2001. *United Way, Applied Survey Research.*

<sup>31</sup> Pearce, D and Brook, J. 2000. The Self Sufficiency Standard for California. *San Francisco Equal Rights Activists.*

<sup>32</sup> 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.

respondents). Farmworkers in the north County also experience overcrowded housing arrangements, generally sleeping 2 to a room or in barracks-style housing. In addition, in 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 County<sup>33</sup>.

#### HOUSING FOR FARMWORKER HOUSEHOLDS

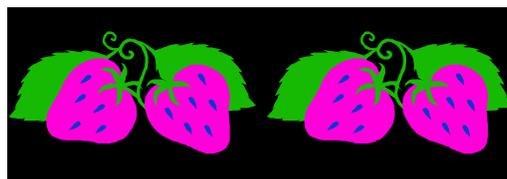
Housing for farmworkers is scarce in Santa Cruz County. Table 4.3.17 lists the housing available to farmworkers in Santa Cruz County. These units are maintained by the Housing Authority, private farm labor camps and the Mid Peninsula Housing Coalition.



<sup>33</sup> 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*
<b>Total</b>		<b>245</b>

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 Units
Jardines del Valle (formally Murphy's crossing)	76 Murphy's Crossing Watsonville	18 (including 1 manager's unit)
San Andreas	295 San Andreas Rd Watsonville	43 (including 1 manager's unit)
	<b>Total</b>	<b>61</b>
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
	<b>Total</b>	<b>123</b>
	<b>TOTAL</b>	<b>184 UNITS</b>
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 farmworkers in the County is extremely low (0.31%)<sup>34</sup>. 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

<sup>34</sup> US Bureau of the Census, Census 2000

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<sup>35</sup>.

#### 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.
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. Create incentives for developers and farms to construct farmworker housing beyond that allowed by the California State Employee Housing Act, 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.
  - g. Set aside a percentage of the money from the housing rehabilitation funds for farmworker housing.
6. Develop a second Migrant Farmworker Center in Santa Cruz County when the need for the second migrant farmworker center materializes.
7. Support the efforts of the City of Watsonville to implement the voter-approved Measure U and the associated development patterns envisioned in the Action Pajaro Valley Plan.
8. 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.

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<sup>35</sup> Survey of Farmer/Rancher-Operation of Farm Labor Housing in California, October 2000

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### **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

Source: UCSC, Cabrillo College, Monterey Peninsula College, Cal State Monterey Bay and Bethany Bible College Admissions and Housing Offices

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.

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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

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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. 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, commercial projects, and all at large employment centers.

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**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
<b>Total</b>	<b>20</b>	<b>1,502</b>

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 <sup>1</sup> until 2014
Elizabeth Oaks Apartments - Live Oak	126	HUD contract expired in Jan. 2003 (owner extended contract through January 2008); County Measure J restrictions until 2013
Seaside Apartments --Live Oak	84	HUD contract expired November 2002; Owner extended 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, anticipated to renew for another 5 years)

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

<sup>1</sup> 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.

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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 following: 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.

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#### 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

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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.

- Where appropriate, the non-profit would make a formal purchase offer, thereby establishing legal standing to match purchase offers during the next six month period when the owner is allowed to entertain offers from non-qualified entities and when a sale, if one is to take place, is likely to happen.
- At approximately the six month point, RDA staff will provide the Board of Supervisors with a report on the project, with appropriate recommendations for action.
- In addition to working closely with non-profit partners, staff will continue to monitor assisted projects, work with the Housing Authority and the owners to develop mutually beneficial approaches for encouraging the long term affordability of these units.

As a part of the publicly subsidized financing of this type of acquisition, long term regulatory restrictions are recorded against the property, in order to ensure affordability. In projects where only a portion of the units are restricted, long term project-based subsidies can be put in place to preserve the affordability of the units.

Based on the available properties for sale on the Multiple Listings Service on October 9, 2002, multifamily properties (3 units or more) in the unincorporated County can be acquired for between \$120,000 and \$583,000 per unit depending on location, size, and condition. The average per unit price for the 10 multifamily listings available on October 9, 2002 was \$286,616. Based on these per unit costs, the cost to acquire the 343 identified high-risk units ranges from \$41,160,000 to \$199,969,000. Since the units are restricted to families at or below 80% of median income, the projects are able to carry some debt service. Therefore, the actual subsidy required to acquire all 343 units is less than the full purchase price. Current projects administered by the County have required subsidy levels of approximately \$40,000 per unit. Based on this assumption, the subsidy costs of the preservation of the 343 high risk units is approximately \$13.7 million. This cost would be further reduced if the Housing Authority is able to place project-based Section 8 vouchers at the sites at the time of purchase.

#### 4.4.6 Quantified Objectives for Preservation of Affordable “At-Risk” Units

As part of the objectives for this Housing Element Update, quantified objectives were established for the construction, rehabilitation, and preservation of housing units. Included in these objectives is the preservation of the two developments (Elizabeth Oaks and Pajaro Vista) that have been identified as potentially being at High Risk for conversion before 2007. The specific objective is the preservation of all 343 High Risk units of affordable

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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% financing 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.

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**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
<b>Total</b>	<b>20</b>	<b>1,502</b>

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 <sup>1</sup> until 2014
Elizabeth Oaks Apartments - Live Oak	126	HUD contract expired in Jan. 2003 (owner extended contract through January 2008); County Measure J restrictions until 2013
Seaside Apartments --Live Oak	84	HUD contract expired November 2002; Owner extended 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, anticipated to renew for another 5 years)

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

<sup>1</sup> 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.

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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 following: 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.

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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

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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.

- Where appropriate, the non-profit would make a formal purchase offer, thereby establishing legal standing to match purchase offers during the next six month period when the owner is allowed to entertain offers from non-qualified entities and when a sale, if one is to take place, is likely to happen.
- At approximately the six month point, RDA staff will provide the Board of Supervisors with a report on the project, with appropriate recommendations for action.
- In addition to working closely with non-profit partners, staff will continue to monitor assisted projects, work with the Housing Authority and the owners to develop mutually beneficial approaches for encouraging the long term affordability of these units.

As a part of the publicly subsidized financing of this type of acquisition, long term regulatory restrictions are recorded against the property, in order to ensure affordability. In projects where only a portion of the units are restricted, long term project-based subsidies can be put in place to preserve the affordability of the units.

Based on the available properties for sale on the Multiple Listings Service on October 9, 2002, multifamily properties (3 units or more) in the unincorporated County can be acquired for between \$120,000 and \$583,000 per unit depending on location, size, and condition. The average per unit price for the 10 multifamily listings available on October 9, 2002 was \$286,616. Based on these per unit costs, the cost to acquire the 343 identified high-risk units ranges from \$41,160,000 to \$199,969,000. Since the units are restricted to families at or below 80% of median income, the projects are able to carry some debt service. Therefore, the actual subsidy required to acquire all 343 units is less than the full purchase price. Current projects administered by the County have required subsidy levels of approximately \$40,000 per unit. Based on this assumption, the subsidy costs of the preservation of the 343 high risk units is approximately \$13.7 million. This cost would be further reduced if the Housing Authority is able to place project-based Section 8 vouchers at the sites at the time of purchase.

#### 4.4.6 Quantified Objectives for Preservation of Affordable “At-Risk” Units

As part of the objectives for this Housing Element Update, quantified objectives were established for the construction, rehabilitation, and preservation of housing units. Included in these objectives is the preservation of the two developments (Elizabeth Oaks and Pajaro Vista) that have been identified as potentially being at High Risk for conversion before 2007. The specific objective is the preservation of all 343 High Risk units of affordable

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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% financing 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.

## **4.5 CONSTRAINTS**

GOVT CODE 65583(A)(4) AN ANALYSIS OF POTENTIAL AND ACTUAL GOVERNMENTAL CONSTRAINTS UPON THE MAINTENANCE, IMPROVEMENT, OR DEVELOPMENT OF HOUSING FOR ALL INCOME LEVELS AND FOR PERSONS WITH DISABILITIES AS IDENTIFIED IN THE ANALYSIS, 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 AND FROM MEETING THE NEED FOR HOUSING FOR PERSONS WITH DISABILITIES IDENTIFIED PURSUANT TO PARAGRAPH (6).

GOVT CODE 65583(A)(5) AN ANALYSIS OF POTENTIAL AND ACTUAL NONGOVERNMENTAL CONSTRAINTS UPON 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.

### **4.5.1 POTENTIAL GOVERNMENTAL CONSTRAINTS AND EFFORTS TO REMOVE THEM**

The purpose of this section is to fulfill the State mandate “to re-examine local ordinances and policies to determine whether, under current conditions, they are accomplishing their intended purpose or, in practice, constitute a barrier to the maintenance, improvement or development of housing for all income levels.” The State guidelines further note that: “This examination may reveal that in practice the ordinance/policy may require excessive performance standards and/or restrictions, and therefore operates as a governmental constraint. The analysis may also show that certain policies have a disproportionate or negative impact on the development of particular housing types (e.g., multi-family) or on housing developed for low or moderate income households.”

#### **LAND USE CONTROLS AND MITIGATIONS**

The unincorporated area of the County of Santa Cruz has been largely a residential community that has changed from low density agricultural to the current mix of single-family, multi-family and mobilehome park residential uses. Commercial development has been limited primarily to retail and services needed by the local population and tourists, with a few areas of industrial development. However, the County has been transitioning from a rural agricultural and retirement community into a bedroom community for Silicon Valley employees. This transition has occurred as a result of the 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 are 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 H.

#### 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 H. 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 dwellings 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 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 respond to affordable housing demand. 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 H). 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 constrain production of affordable housing, though additional height often produces significant public controversy as well as 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 lot coverage of 30%. A floor area ration 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 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 REQUIREMENTS

The County’s parking requirements should not be considered onerous or a constraint to housing. The parking requirement for housing is 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 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:

<b>Table 4.5.1: Maximum Gross Floor Area Within the Urban Services Line (USL)</b>		
<b>Type of Sewer Services</b>	<b>Parcel Size</b>	
	<b>&lt;10,000 sq. ft.(1)</b>	<b>10,000 sq. ft. or larger(1)</b>
<b>With Public Sewer</b>	640 sq. ft.	640 sq. ft.
<b>Without Public Sewer</b>	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.

Emergency Shelters and Transitional Housing for the Homeless

Although “emergency shelters” are not specifically listed as an allowed use in any zone district, other uses are allowed that meet the needs of the homeless persons seeking emergency shelter as indicated in Table 4.3.7. In all of the residential districts, small group homes (6 or fewer persons) are allowed by right. Larger group homes (7 - 12 persons) require a use permit authorized by the Zoning Administrator. Churches, a significant provider of emergency shelter services are allowed in all residential and most commercial zones. The use of churches for emergency shelters is considered a part of their religious activities and is allowed by right. The Satellite Shelter Program is a program

sponsored by a number of area churches that rotate the shelter among their members on a nightly basis.

Transitional housing is allowed in the County in a number of different permutations. The most common form is through the conversion of an apartment building from an open rental to a transitional housing program tied to supportive services. There are no permits required for these conversions other than those building permits necessary to correct any health and safety issues. New transitional housing facilities such as apartment buildings and boarding houses are allowed in the Multi-family Residential zone district and are subject to a use permit process dependent on the size of the proposed use. Other types of housing used for transitional housing include group homes and residential care homes. These uses are allowed in all residential zone districts, and are allowed by right for small uses and with a use permit for larger sizes (see above).

The County participates in several other programs to provide housing and services to the homeless. The following 3 programs are part of the County's efforts:

**Families in Transition:**

This is an innovative program that provides transitional scattered site rental assistance and comprehensive case management to homeless families throughout the unincorporated County. FIT staff works directly with families to provide the support services and resources needed to obtain stable housing and achieve self-sufficiency. The program utilizes market rate housing resources and enters into contracts with families that involve FIT providing for rental subsidies and the family engaging in comprehensive services designed to achieve self-sufficiency. Over the term of the contract (up to 24 months) FIT's rental subsidy amount gradually diminishes as the family obtains the skills and resources that are necessary in order for the family to assume a greater share of the housing costs. Under the terms of the contract, the subsidy amount eventually is phased out completely. The Berkeley Policy Associates have provided an in-depth program evaluation and have determined that the program has been extremely successful and a cost effective strategy in transitioning families from homelessness to self-sufficiency.

**Rehab and Replacement housing issues:**

The County operates rehabilitation programs to assist low-income homeowners in making necessary health and safety improvements. In addition, the County has an aggressive code compliance program which is targeted to upgrading substandard housing.

### City/ County Homeless Services and New Family Shelter

The County and the City of Santa Cruz work cooperatively on a number of projects. On an annual basis, they share the cost of providing Emergency Winter Shelter (the other Cities also contribute, but the bulk of the project funding comes from the City of Santa Cruz and the County) and the cost of hiring a consultant to assist with our community's HUD McKinney-Vento Homeless Assistance grant each Spring and the County plays a key role in coordinating the Continuum of Care strategic planning process, which has resulted in new housing resources totaling approximately \$1 million per year for Santa Cruz County.

The City of Santa Cruz and the County have collaborated on a number of specific projects. Most notably, the County played a critical role in facilitating the new 27 bed family shelter, which has been under construction the past twelve months and is scheduled to open before the end of the year. County involvement in this project involved the use of two parcels owned by the County and the County's efforts to facilitate the overall consolidation of the property that was an essential component of the new homeless complex. The \$5.5 million project involved the construction of a three-story building totaling 25,112 square feet, which houses a 20,588 square foot family shelter and a 4,524 square foot health center.

The definition of family in the County Code does not preclude group homes in the residential zone. The definition of "family" in the County Code reads as follows: "13.10.700-F Family. One person living alone, or two or more persons related by blood or marriage or a group of not exceeding five persons (excluding servants) who need not be related by blood or marriage, living together as a single housekeeping unit, in a dwelling unit as distinguished from a group occupying a hote, club, fraternity or sorority house."

#### HOUSING FOR PERSONS WITH DISABILITIES

Persons with mobility disabilities often find locating suitable housing difficult because standard housing design does not accommodate their needs. In an effort to reduce these barriers, the County has implemented the following:

- Every building permit application is evaluated for compliance with the requirements of Title 24 (California Code of Regulations) regarding access and adaptability for persons with physical disabilities. One building plans reviewer has been designated to review each set of plans for compliance with all provisions of Title 24 as a part of the building permit review process. The building plans reviewer works with the applicant to revise plans as necessary. No additional fee is charged for this service.

- The County has adopted and is implementing a Reasonable Accommodations Ordinance (County Code Section 13.10.128) to implement the Federal Fair Housing Amendments Act of 1988. This ordinance allows property owners or landlords to make alterations to residential structures to facilitate occupancy by disabled persons. The request for consideration of reasonable accommodation under the ordinance is processed as an administrative permit and no fee is charged for this determination.
- The County has indicated its support for an inclusive house design. (“visitability”) ordinance. The development of this ordinance is included as a program in Chapter 4.7, but the timing of this ordinance is dependent on the development of a model ordinance by the State,
- The County’s Parking Ordinance has been amended to incorporate the required number and size of parking spaces for disabled persons. The Parking Ordinance also has a provision for the reduction of required parking following approval of an alternative parking program, as a part of a development permit. These programs are intended to address the parking needs of specific uses, including those such as special needs housing, elderly housing, etc.
- Group homes are allowed in all residential zones as “Residential Care Homes”. There is no geographical spacing or siting requirements for residential care homes. A conditional use permit, requiring a public hearing before the Zoning Administrator, is required for residential care homes with seven or more residents. Family Day Care Homes also provide for the care of disabled persons but for period of less than 24 hours. These are permitted in all residential zone districts pursuant to Health and Safety Code Section 1597.30 et seq.
- The County Redevelopment Agency assists lower income mobile home owners to improve the safety and accessibility of their units through the Mobile Home Rehabilitation Program. The Program provides low interest loans with individualized payment programs to assist in providing this type of disabled housing.

#### 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 the adoption of an annual growth goal and allocation of building permits. The allocation of building permits applies only to above moderate income housing;

housing for moderate, low and very low income households is not subject to the allocation. Since it's 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. 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 will not be a constraint to the development of above moderate income housing units identified in the RHND. The Growth Management System, consistent with the legislative intent and statutes of the State, also promotes urban-centered growth, discourages sprawl, preserves agricultural and open space lands, and establishes 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.

The County requires standard street widths for urban development projects, such as:

**Street:** The minimum road width right of way in the County is 40 feet (inclusive of the two travel lanes, and parking, curb and sidewalk on one side). A standard urban local street with two travel lanes, and parking, sidewalk and landscaping on both sides requires 56 feet of right of way.

**Sidewalk:** Sidewalks shall be 4 feet wide (unobstructed) in residential areas.

**Curb and Gutter:** Standard Type A (straight) curbs are required. Type B (rolled) curbs shall be permitted in residential infill areas where other accessibility standards set forth in the Design Criteria (published by

Public Works) are not practical, as determined through the roadside exception or Street Plan Line process.

While this is an additional cost to the developer, the benefit to the community at large, including the future residents of the development, outweighs 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.

#### Design Review:

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 design review criteria are set forth in Chapter 13.11 of the County Code. With regard to residential development, design review is required for all minor land divisions, subdivisions, all projects resulting in residential development of 3 or more units, as well as single family dwellings in certain areas or which exceed 7,000 square feet. Design review is performed at the staff level as part of evaluation of the overall project. No special review process is required. Design review is integrated into the overall review process and therefore, is not a constraint to development.

In Chapter 13.11, design standards and guidelines clearly set forth design criteria in the areas of: site design; building design; access, circulation and parking; and landscaping. These criteria are specifically described so that developers have the ability to design projects that comply with the design criteria. The design standards are applied uniformly to all projects to which they are applicable and are not overly onerous. A series of design brochures is available at each of the three zoning counters to provide guidance to designers and property owners on the design review process. Zoning counter planners are available to discuss the design criteria and assist developers at all three planning department offices. 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. The result of the design review process is quality projects that benefit the entire community.

Multi-Family Residential Development must be approved through public hearings by the Zoning Administrator for projects of 2-4 units, the Planning

Commission for projects 5-19 units or the Board of Supervisors if the project is 20 or more units. 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 submitted<sup>1</sup>.

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 public participation process. Removing the community's opportunity for involvement in proposed development is unlikely to happen. However, in an effort to mitigate the discretionary permit process as a constraint to the cost and supply of housing, the County will work with local developers to incorporate changes to improve and streamline the review and

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<sup>1</sup> 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.

approval process for multifamily projects, particularly multifamily rental projects that include units that are affordable to lower income households.

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.

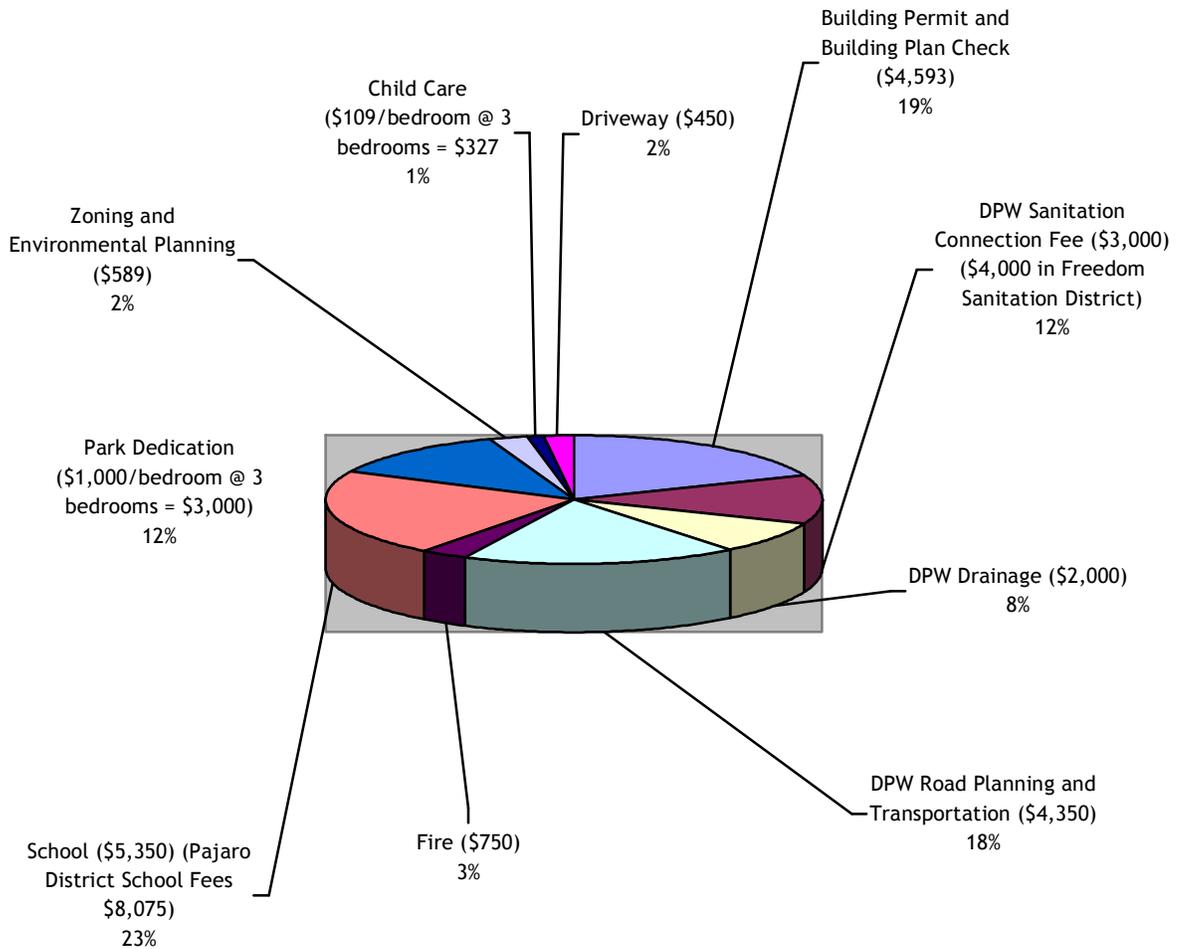
DEVELOPMENT IMPACT FEES AND OTHER FEES AND CHARGES

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 Figure 4.5.3.

**Figure 4.5.3 Typical Building Permit Fees**

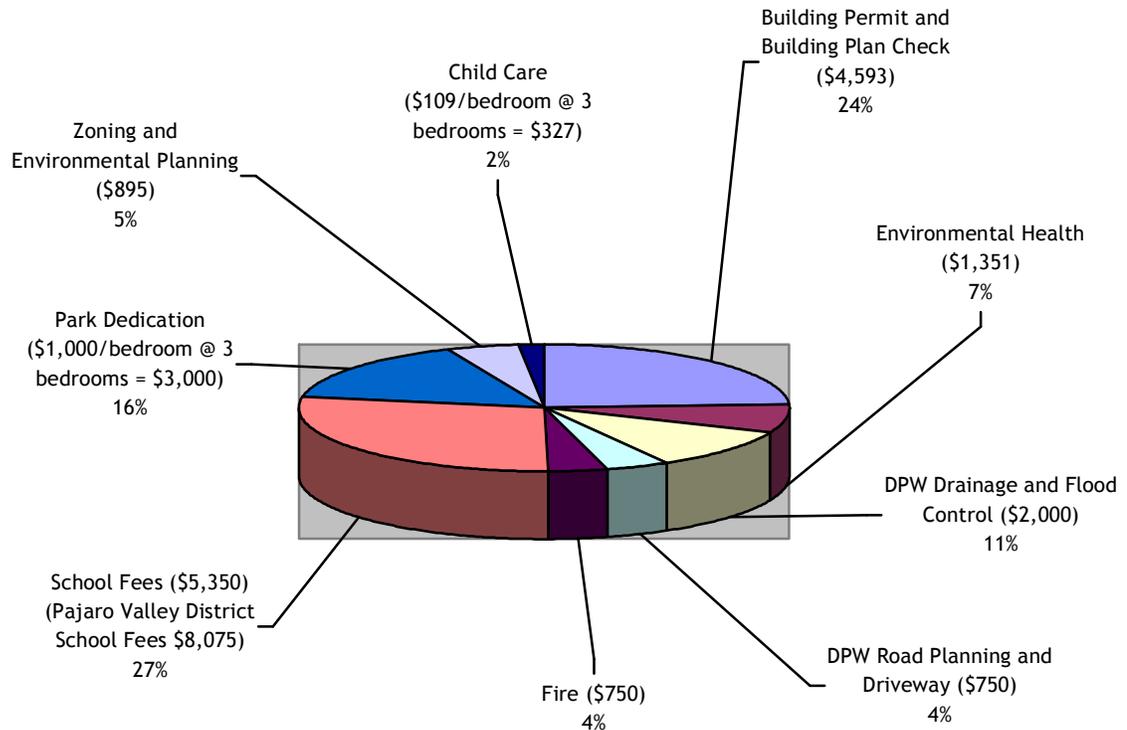
FEES COLLECTED IN BUILDING PERMIT PROCESS FOR A 2,500 SQ. FT., 3 BEDROOM SINGLE FAMILY DWELLING IN THE URBAN AREA. TOTAL FEES: \$24,409 (DOES NOT INCLUDE SUCH FEES AS WATER CONNECTION, DISCRETIONARY PERMIT (IF APPLICABLE) AND SOILS ENGINEERING/GEOLOGIC FEES.)



as of 9/8/02

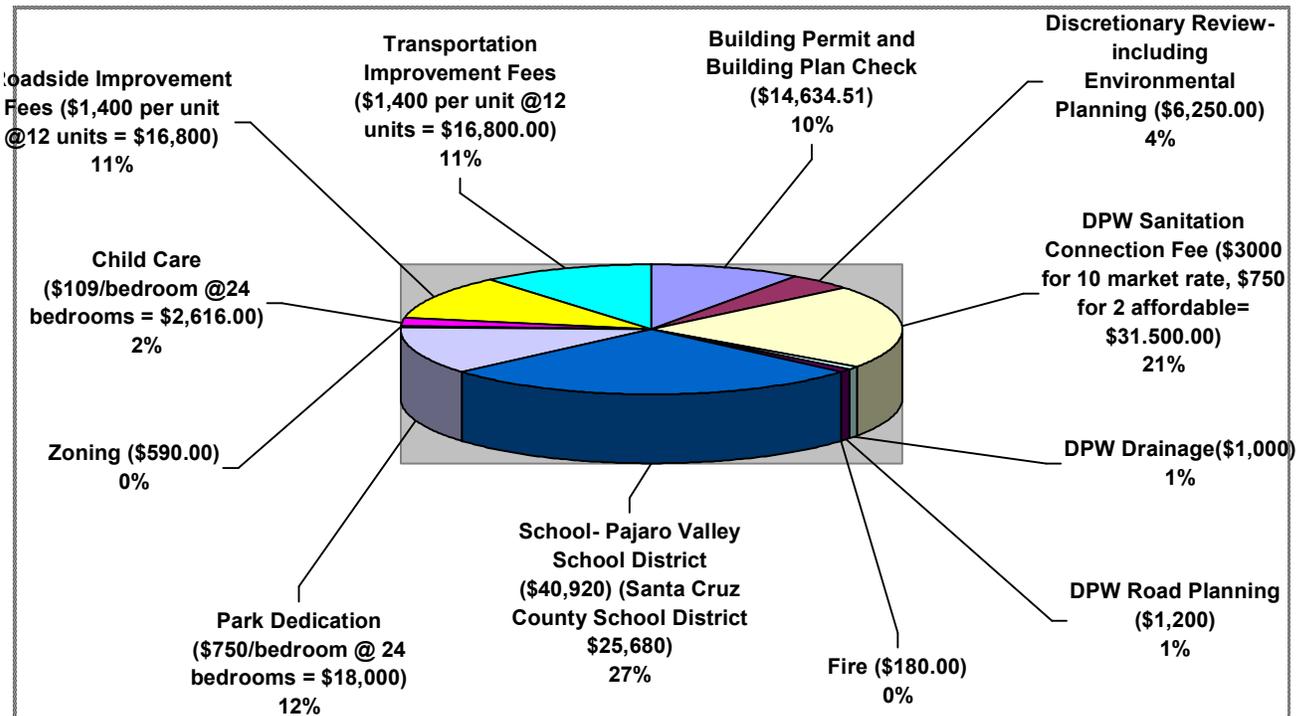
FEES COLLECTED IN BUILDING PERMIT PROCESS FOR A 2,500 SQ. FT., 3 BEDROOM SINGLE FAMILY DWELLING IN THE RURAL AREA. TOTAL FEES: \$19,016

(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, building codes and zoning ordinance violations. The Environmental Health department is responsible for ensuring compliance with public health standards (drainage, well and septic systems), 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 driven basis, and does not seek out violations on its own initiative. However, health and safety issues encountered by County staff in the course of their work are handled immediately through the Code Compliance process to address the issue in the most expeditious manner.

An average of 1,079 complaints are received each year and an average of 1,072 cases are resolved each year. The types of code violations vary widely. The following table shows the list of complaint types and the distribution of complaints among the complaint types by percentage.

COMPLAINT TYPE	NUMBER OF COMPLAINTS RECEIVED IN 2004
Residential violations	253
Environmental violations	184
Zoning Violation	98
Accessory structures without permit	95
Commercial/Industrial violations	95
Small structures violations	88
Mobilehome, trailer, camper without permit	87
Safety violations/Neglected Property	75
Other code investigation	75
Permit violations	50
Public nuisance	6
TOTALS	1,106

Throughout the Code Compliance process, efforts are made to allow the property owner to correct the violation. The time frame for the process is commonly extended to allow the property owner sufficient time to pursue the necessary permits or correct the violation in another manner. See Appendix G for a more detailed description of the Code Compliance process. The goal of the enforcement process is to return the property to lawful status whenever possible. This may be achieved through attaining a permit or otherwise removing the violation. The enforcement process applies to actions or development which violate County Code. The implementation of the enforcement process does not hamper or affect the supply or development of affordable housing because it addresses issues in need of correction and does not have any impact on future development.

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 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 (County Code Section 18.10.128). This 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.

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-ridgeline 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 areas designated as Rural Scenic Resource area. The 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.

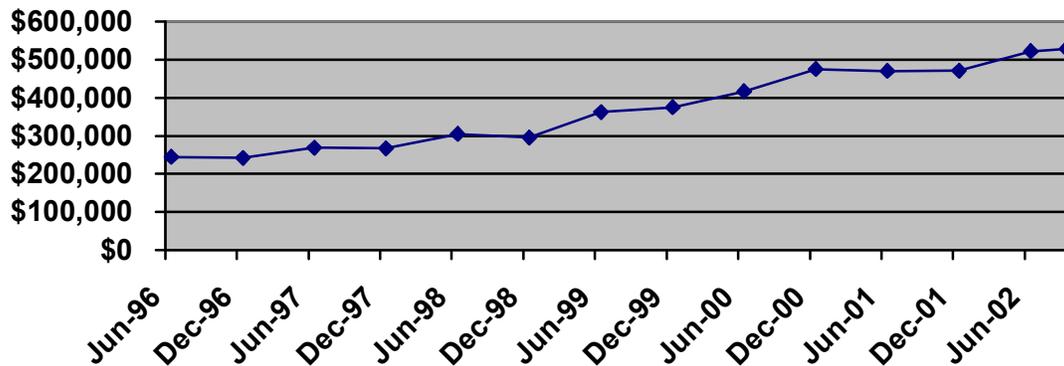
#### **4.5.2. POTENTIAL NON-GOVERNMENTAL CONSTRAINTS**

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 Figure 4.5.4.

Figure 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.<sup>2</sup> 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.<sup>3</sup> Clearly the cost of production exceeds many median income households' ability to pay, and acts 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 \$300,000 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 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 Cruz<sup>4</sup>.

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.

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<sup>2</sup> 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.

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

<sup>4</sup> Multiple Listings Service

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 disposal 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 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 produce 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 from the end of 2001 to the middle of 2003 were at their lowest point in 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 difficulty 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.<sup>5</sup>

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

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<sup>5</sup> 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.

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.<sup>6</sup>

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 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 treatment. 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

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<sup>6</sup> 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.

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 the remaining capacity of the Santa Cruz Wastewater Treatment Plant. General Plan policies require that 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 minimum 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 2½ 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).

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).

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, Seascapes, 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 PVWMA 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 Pajaro Valley groundwater basin, and within the jurisdiction of the Pajaro 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 Pajaro 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 Pajaro 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.

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 RHND 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 plants 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 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. These concerns have been brought out by affordable housing developments, as well as increasing concerns with market rate housing. 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,<sup>7</sup> 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.

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<sup>7</sup> 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.<sup>8</sup>

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<sup>8</sup> "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, updated in 2003 and updated again in 2004.

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 Ordinance 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 and second units. Once the 'build-out', or residential development allowed under current policies and ordinances was determined, additional programs were developed, as necessary, to address the remaining goals of the Regional Housing Needs Plan for the 2000-2007 planning period.

### **4.6.1 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 is a substantial number of units that could be built in the 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, is 28,091 units for the unincorporated area of the County. This figure includes vacant and underutilized residential parcels in the urban service areas and identifies housing unit capacity in that area of over 4,662 units, without considering available density bonuses. It also includes the potential development of 3,304

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 (4,845 units), and as mixed-use projects in commercial areas (2,004 units).

TABLE 4.6.1 Potential Build Out - 1994 General Plan/LCP	
Type of Development	Existing Capacity at the beginning of the Planning Period
Urban Housing	4,662 units
Rural Housing	3,304 units
Mixed Use on Existing Commercial Sites	2,004 units
Second Units	13,276 units
Employee Housing - Farmworker	4,845 units
<b>Total - New Units</b>	<b>28,091 units</b>

“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. There is additional capacity for development on smaller existing parcels and through minor land divisions. This analysis does not include those.

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 while deducting non developable land such as slopes, riparian corridors and rights-of-way.

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

Second Units - Total 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**

As discussed in Chapter 4.3, 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 7.5 year planning period between January 1, 2000 and June 30, 2007.<sup>1</sup> AMBAG’s determination included the allocation of housing units by income category as established by HCD’s regional allocation. The following table illustrates the distribution of the allocation.

<b>Table 4.6.2 AMBAG Housing Unit Allocation</b>			
<b>Income Level</b>	<b>Definition of Income Level</b>	<b>Percentage of Regional Housing Need</b>	<b>Number of Units</b>
very low income households	households with income of less than 50 percent of the regional median income	27%	937
low income households	households with income between 50 to 80 percent of the median	15%	502
moderate income households	households with income between 80 to 120 percent of median	19%	651
above moderate income households	households with income greater than 120 percent of the median income	39%	1,351
<b>TOTAL</b>		<b>100%</b>	<b>3,441</b>

This section presents the analysis of the County’s ability to accommodate housing that is affordable to each of four income levels prescribed by state law to meet the Regional Housing Needs Plan adopted by the AMBAG.<sup>2</sup> Table 4.6.3 presents a summary of the County’s residential land inventory for all types of housing units. This inventory is based on three categories: (1) housing units already developed during the planning period (a. below); (2) residential development allowed on existing sites under the current zoning and the policies and ordinances already in effect (b. through g. below); and (3) residential development allowed on existing sites and based on programs that will result in the construction of housing affordable to specified income groups (h. and i. below).

<sup>1</sup> The legislature has extended the planning period through June 30, 2008.

<b>Table 4.6.3 - Summary of Sites by Affordability Level for Housing Element 2000-2007</b>					
Type of Development	2000-2007 Total Units	Very Low Income	Low Income	Moderate Income	Above Moderate Income
<b>Units Developed within the Planning Period</b>					
a. Units Developed (1/2000-10/2004)	1,105	254	110	89	652
<b>Existing Sites</b>					
b. Urban Sites less than 14.5 units/acre	690	-	-	90	600
c. Urban Sites 14.5 to 17.4 units/acre	537	-	-	537	-
d. Rural Sites <sup>3</sup>	360	30	30	-	300
e. Commercial Mixed Use VACANT <sup>4</sup>	93	23	23	23	24
e. Commercial Mixed Use UNDERUTILIZED <sup>5</sup>	448	112	112	112	112
f. 2 <sup>nd</sup> Units <sup>6</sup>	390	97	97	98	98
g. Golden Torch <sup>7</sup>	68	68	-	-	-
<b>Existing Sites Dependent on Programs</b>					
h. Rezoning Program (20 units per acre)	440	303	137	-	-
i. Short Term Occupancy Conversion to Permanent Housing <sup>8</sup>	60	60	-	-	-
Total - New Units (new units =)	4,191	947	509	949	1,786
AMBAG New Construction Goals 2000-2007	3,441	937	502	651	1,351

<sup>3</sup> 30 Very Low and 30 Low income units are anticipated on the Felton Faire parcel (APN 071-331-05, -06)

<sup>4</sup> Projecting 30% of Mixed Use capacity to be developed within the planning period. See Appendices C-1 and C-2

<sup>5</sup> Projecting 30% of Mixed Use capacity to be developed within the planning period. See Appendices C-1 and C-2

<sup>6</sup> Projected based on 58 permitted in the first 10 months of 2004, following the implementation of AB1866. Therefore, 70 second units per year can be projected through the end of the planning period.

<sup>7</sup> RV Park conversion to permanent affordable manufactured housing permanently restricted to very low income farmworker households. Funded with Joe Serna and Multi Family Housing monies.

<sup>8</sup> See Appendix F, Potential existing sites for conversion from short term to permanent occupancy

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, 2004. This includes affordable housing developments as well as above market housing, as follows:

Table 4.6.4 Already Developed Housing 1/2000 through 10/2004			
Name of Project	Number of Units	Density (units per acre)	Funding Sources
<b>Very Low Income (50% of median)</b>			
San Andreas	43	11.05	HOME loan; AHP loan; RDA financing; cash advance and tax credit investment from general and limited partners
Marmo's	50	12.70	AHP loan/grant; fed/state tax credits; RDA financing; MHP (State); RCAC Joe Serna (State); RCAC AV, HHP loan (State); developer fee, General Partner equity, MPHIC (private)
Vista Verde	76	16.17	Private bank loan; federal HOME loan; federal HOME grant; AHP loan; federal/state tax credits; Neighborhood Reinvestment Corporation Grant; CHFA Prop 1A grant; County right of way reimbursements; RDA financing; general partner contribution
Corralitos Creek Apartments	32	21.3	CalHFA: HOME loan; RDA AHP loan/grant; RCAC Joe Serna (State); Sponsor Loan; Deferred developer fee and General Partner; Limited partner
McGregor	20	15.4	CalHFA; NRC; MHP; AHP; RDA financing 4% tax credit; Developer contribution
2 <sup>nd</sup> Units	33		
<b>Sub-Total</b>	<b>254</b>		
<b>Low Income (80% of median)</b>			
Corralitos Creek Apartments	33	21.3	CalHFA; HOME loan; RDA AHP loan/grant; RCAC Joe Serna (State); Sponsor Loan; Deferrred developer fee and General Partner; Limited partner

McIntosh (Osocales)	24	10.1	Private Bank loan; HOME loan; Conditional grant for acquisition; Conditional grant for rehabilitation; RDA coach purchase loan
McGregor	19	15.4	CalHFA; NRC; MHP; AHP; RDA financing 4% tax credit; Developer contribution
2 <sup>nd</sup> Units	34		
<b>Sub-Total</b>	<b>110</b>		
<b>Moderate Income (120% of median)</b>			
Corralitos Creek Townhouses	35	10.44	RDA financing SF federal First Time Homebuyer Loan. All other temporary funding paid off with home sales revenue.
County Resale Restricted Units (Scattered Sites)	20	7-9	Private Developer
2 <sup>nd</sup> Units	34	-	
<b>Sub-Total</b>	<b>89</b>		
<b>Above Moderate Income (greater than 120% of median)</b>			
Building Permits Issued	618	-	
2 <sup>nd</sup> units	34		
<b>Sub-Total</b>	<b>652</b>		

The “County resale restricted units” listed above carry deed restrictions for affordability for the lifetime of the unit. These restrictions require that any purchaser be income eligible as moderate income and that any renter be income eligible as low income.

The “2<sup>nd</sup> Units” listed above also carry deed restrictions for affordability for the lifetime of the unit. If these units are rented, the tenant must be either a very low or low income household, a moderate income senior household, or a member of the property owner’s family, some of whom would be very low income students or elderly relatives. Therefore, the total number of units (135) divided among the 4 income categories.

The remainder of the projects listed above were financed by the Redevelopment Agency (RDA) using Redevelopment Agency Housing Funds. State law requires very strict affordability restrictions for projects utilizing RDA housing funds. For these projects, the RDA has long term (55 year or longer) low and very low income restrictions. In addition, these projects were also financed with State housing funds which have separate income and occupancy restrictions. As a result, there are numerous layers of affordability restrictions on these units which will ensure that these units remain affordable long term.

**b. Urban Sites Less than 14.5 units per acre**

The analysis of these sites focused upon potential sites inside the Urban Services Line designated by the General Plan as either “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 14.5 units/acre.

These parcels are located in areas where public water and sewer service is available. 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.

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 increase project densities by 25% to 45%. However, under instructions from HCD and despite the allowed use of density bonus units by other jurisdictions, Density Bonus is not factored into the inventory.

The County anticipates 150 units will be developed in the urban area per year. For the last 4 years of the planning period, this equates to 600 units. It is anticipated that at the densities of up to 14.5 units per acre, 15% of units will be affordable to moderate income households either as required by the County ordinance or based on HCD’s reasoning that units at this density level can be considered moderate income, as they have acknowledged in other similar jurisdictions. This would result in 600 units in this density range being affordable to above moderate households and an additional 90 units being affordable to moderate households.

**c. Urban Sites 14.5 to 17.4 units per acre**

Pursuant to recently enacted legislation AB2348 (Chapter 724, Statutes 2004), it has been determined that densities of 20 units per acre are sufficient to accommodate low and very low income households. Extending this logic and based on certified Housing Elements in other jurisdictions, it is rational to expect that densities of approximately 15 units per acre would result in a density affordable to moderate income households.

There are 537 units on scattered sites in the inventory with General Plan designations of “Residential- Urban High”. These parcels are located within the urban services line. The zoning for these parcels allows for development with densities of 14.5 to 17.4 units per acre. These sites have been listed as

moderate income sites due to the density level for development on these sites. The sites listed in the inventory allow for the development of at least 2 additional units on each site. See Appendix A-2 for more information.

**d. Rural Sites**

The total residential build-out capacity of the General Plan Land Use Plan for the rural areas of the County (outside the Urban Services Line) is estimated at 3,304 housing units. Because there are not full urban services available for 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.

The County anticipates 75 units per year being developed in the rural area. This equates to 300 units in the last 4 years of the planning period.

One site in the rural area has been designated in the General Plan for affordable housing development (known as Felton Faire; APN 071-331-05, -06). These parcels are located in a rural area of the County outside of the urban services line. This site is specifically designated in the Land Use Element of the County's General Plan for affordable housing at a density which would result in 60 units. Development would occur on a parcel that is adjacent to a small shopping center in one of the rural villages and would be served by bus routes and is in close proximity to other businesses in this mountain community. A community sewage disposal system would be a part of the development, as allowed under General Plan Policy 2.3.6. It is expected that the units will be evenly divided between low and very low income residents. These parcels will remain available for affordable development through the planning period. Potential development of this site consistent with these policies is currently under discussion by the current property owner. See Appendix J.

**e. Commercial Mixed Use**

Mixed use development is allowed in PA (Professional and Administrative Office), C-1 (Neighborhood Commercial) and C-2 (Community Commercial) zones. In these zones, residential use is allowed in 50% of the square footage of the structure(s).

The potential for development of residential units as a part of commercial development was analyzed in two ways. The first involved the analysis of vacant/undeveloped commercial properties that were suitably zoned for both commercial and residential development. Appendix C-1 lists vacant/undeveloped commercial properties which were identified that would 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. It was assumed that 50% of the resulting building area for each parcel would be

used for housing. That area was divided by 800 square feet to determine the number of potential units that could be built above the first floor commercial use of the property. An 800 square foot unit assumes a mix of 1 and 2 bedroom units.

The second analysis involved already developed non-vacant commercial properties. Instead of looking at all developed properties to identify additional area that could be added to provide residential units, an analysis was prepared of those developed commercial parcels greater than 20,000 square feet in size, that had assessed improvement valuations of \$200,000 or less. The rationale is that these properties are significantly under-developed and/or contained older commercial development likely to be replaced in the near future. Again, a 40% floor area ratio was applied to the redevelopment of these parcels. 50% of the square footage of the structure is attributed to residential use. The residential square footage was divided by 800 square feet to determine the number of potential units. See Appendix C-2.

This analysis resulted in a potential of 1,495 units on non vacant parcels and 310 units on vacant parcels for a total of 1,805 units in conjunction with the development and redevelopment of commercial properties. Not included are 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. As well, this analysis does not evaluate potential development on existing developed sites with greater than \$200,000 assessed value for improvements. Several mixed use projects are in discussion on such sites.

Utilizing HCD's presumption that densities of 20 units per acre result in very low and low income housing, the following analysis can be applied to residential units in a mixed use project:

Applying the criteria described above to a hypothetical one acre parcel (43,560 square feet) would result in a structure with a floor area ratio of 17,424 square feet. Allocating 50% of this structure for residential use would result in 8,712 square feet of residential space. Presuming an average unit size of 800 square feet would result in 10.89 units on this one acre parcel.

Since the residential component of the development is likely to be on the second floor of a two story development and is only 50% of the square footage it can be presumed that the total square footage of the development would have the same bulk and scale of a residential development of 20 units per acre. Though only half of the structure is utilized for residential use the density and the economics are the same as a development at 20 units per acre. As well, the intensity of the land use as the equivalent of 20 units per acre combined with market forces which dictate that mixed use housing projects tend to serve the lower

end of the housing market result in a distribution of mixed use units through the four affordability categories in Table 4.6.3.

Of the total potential for mixed use residential development (See Table 4.6.3), and as has been accepted by HCD in other communities, 30% of the units were assumed to be feasible for the planning period (93 on vacant parcels and 448 on non-vacant parcels). Following the analysis above, these units were divided equally among the four affordability categories (23 vacant units on vacant parcels and 112 units on non-vacant parcels in each category). See also Appendices C-1 and C-2.

#### f. Second Units

The County has aggressively pursued second units as a strategy to provide affordable housing in the community. To this end, second units are allowed 1) in rural residential areas on lots greater than 1 acre; 2) in all urban residential zone districts; and 3) on agricultural parcels outside the Coastal Zone. Additionally, the Redevelopment Agency has committed \$150,000 per year for financial assistance for development of second units.

A conservative estimate of the total 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 9,060 in the rural area 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 (single family residential). Although the existing County ordinances allow second units on all urban properties that meet the minimum parcel size in any residential zone district, because of natural constraints, the County has made the conservative estimate utilizing the following factors to generate the overall potential in the urban area:

Parcel size	% of parcels able to accommodate a second unit
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:

AB 1866, signed by the Governor in October 2002, required local jurisdictions to approve second units through a ministerial review process only. In the case of the County of Santa Cruz, this reduces the level of review from administrative approval (with public noticing) to a building permit. This also significantly reduces the cost of the permits and the processing time.

Thus far, 135 building permits have been issued for Second Units since the beginning of the planning period through October 31, 2004. Since the implementation of AB1866, the County has seen an upswing in the number of applications for Second Units, such that the number of second unit permits issued from January 1, 2004 through October 31, 2004 was 58 second units. This trend is expected to continue and increase as property owners are just discovering this new reduced process in attaining a permit for a second unit. Therefore, based on 2004's average of 5.8 second unit permits issued per month, 69.6 second units can be anticipated for 2004 (assume 70 per year). The increase in demand for second unit permits is expected to result in an increase in second unit permits in the last 4 years of the planning period, such that 80 second units will be issued in 2005; 90 in 2006; 100 in 2007 and 110 in 2008 for a total of 380 units.

The division of these 380 second 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. 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 as required under the second unit ordinance (County Code section 13.10.681), split evenly. Table 4.6.3 reflects this distribution.

**g. Golden Torch - Conversion of Transient Occupancy to Permanent Housing**

The conversion of the Golden Torch RV Park (68 units) to permanent very low income housing will be completed during the planning period. The density for the Golden Torch project is 11.9 units per acre. Mid-Peninsula Housing is the non-profit developer. This project will be funded with Joe Serna and Multifamily Housing Funding. This project is anticipated to be approved in February 2005.

Although this parcel is not zoned for high density housing, it is designated by County Code section 13.10.685 which specifically identifies this parcel for conversion of transient occupancy to permanent affordable housing. This ordinance sets forth specific parameters for conversion of transient occupancy

recreational vehicle and travel trailer parks to permanent occupancy use. The ordinance requires that following the conversion of the park to permanent occupancy, the maximum rents are restricted and occupancy is restricted to low and very low income households for the life of the park. The ordinance gives high priority to prior residents of the park.

This parcel will remain available for affordable development through the planning period.

**h. Rezoning at 20 units per acre**

The Board of Supervisors adopted an ordinance on June 22, 2004 which applies to rezonings of land from non-residential zoning to residential zoning. This ordinance requires that 40% of the residential units proposed and developed as a result of such rezoning be affordable (20% to low income households). This ordinance was approved by a 5-0 vote.

In expanding on this concept, sites will be identified and rezoned at 20 units per acre to address the short fall of units in the very low and low income categories. This rezoning program shall designate a minimum of 22 acres of land within the urban services line<sup>9</sup> where sewer and water service is available for high density affordable housing development at 20 units per acre and a minimum site area of 2 acres per site.<sup>10</sup> On these sites, a minimum of 40% of the units developed must be deed-restricted with long-term affordability covenants, predominantly for low and very low income households. As a part of reaching this goal, incentives will be implemented as part of the rezoning to facilitate development, such as alternative site development standards similar to those offered under State Density Bonus Law (i.e. increased height and decreased parking standards) and will be applied within the confines of the by-right concept as defined by Government Code section 65583.2. Additionally, significant financial incentives (discussed below), and priority processing will also be offered. Considerations in choosing sites to rezone will include proximity to transit corridors and the feasibility and likelihood of development or redevelopment during the planning period. A list of potential parcels which would be candidates for this rezoning program is included in Appendix D.

Densities for the parcels designated under the rezoning program will be 20 units per acre. The number of units for each designated site will be determined based on multiplying 20 units times the number of developable acres on the site. Therefore, under the new zoning, the use and density shall be allowed by right. However, the County will continue to apply appropriate review standards, as required by Government Code section 65583.2, to development proposals on these sites. These projects will be subject to public hearing within

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<sup>9</sup> Within the planning areas of Live Oak, Soquel, Aptos and Pajaro Valley. See Appendix D

<sup>10</sup> For the purposes of the rezoning program a "site" could be one parcel, or two or more parcels combined.

the confines of those regulatory limitations. Approved development on the rezoned sites will not be allowed at a lower density than the designated number of units for each site based upon the 20 units per developable acre standard.

Implementation of the rezoning program as it applies to specific sites will occur in two phases. The first phase will be the selection of the specific sites from the candidate site list (illustrated in Appendix D) by the Board of Supervisors. The second phase will be the text amendments to the General Plan Land Use Plan and amendments to the Zoning Regulations to create density categories to accommodate 20 units per acre and create criteria, review process, incentives, development standards, and all other criteria as specified in Program 1.1 of Chapter 4.7. The ordinance and/or General Plan amendments must go through environmental review, review by the Planning Commission and adoption by the Board of Supervisors. The date of implementation of Program 1.1 is based on the amount of time necessary to process and implement the ordinance and General Plan amendments. Phase 2 will include the rezoning of the individual sites following the evaluation of each site in Appendix D for the purpose of designating sites for development at 20 units per acre. Once each site is evaluated, a minimum of 22 acres (20 units per acre x 22 acres yields 440 units) will be rezoned. The rezoning process will require environmental review, review by the Planning Commission and adoption by the Board of Supervisors. The date of the implementation of Program 1.2 which rezones the sites is based on the amount of time necessary to process the rezoning of the sites. Both parts of phase two are proposed to be processed concurrently. Once the amendments are in place and the sites are rezoned, development projects may be processed as defined by Government Code section 65583.2.

As a further incentive to development on these rezoned sites, the Redevelopment Agency has committed \$15 million in Redevelopment Agency Low and Moderate Income Housing Fund resources to be allocated to assist such projects. This funding will be available even before the rezonings have taken place to ensure the availability of funds for site acquisition. The funding will be distributed by the Redevelopment Agency Board of Directors based on adopted criteria (see below) and consistent with the Agency's Five Year Implementation Plan which was approved in December 2004. The Redevelopment Agency has a well established history of working with developers to create quality affordable housing projects throughout the County. The rezoning program provides a further avenue for the Redevelopment Agency to assist in the production of affordable housing developments which benefit the community.

The Redevelopment Agency already has established criteria under which a development will qualify for funding, such as the track record of developer; the leveraging of other funding sources; level of affordability provided in the project, the quality of the architectural and site design and commitment to a public outreach process. Based on this criteria, funding awards will be made to

assist development as needed, including up front site acquisition costs. Redevelopment funds can also be used for predevelopment expenses, construction and permanent financing. Funding terms (e.g. loan, grant, residual receipts, etc) are negotiable and structured to enhance project feasibility. The Redevelopment Agency is able to use Redevelopment funds outside the project area because RDA Board of Directors adopted a resolution (resolution no. 236-87) which allows Housing Funds to be used both within and outside the project area.

As past history shows, the \$15 million in Redevelopment Agency funds is more than sufficient to assist in the development of the 440 low and very low income units necessary to meet the regional housing need. Since 1989, the Redevelopment Agency has used \$22 million to assist 1,141 units. This represents an average subsidy of approximately \$20,000 per unit. However, increasing land costs have driven the cost of development upward such that the subsidy for the recently completed Corrolitos Creek project resulted in a subsidy of \$32,000 per unit. The \$15 million in Redevelopment Agency funding would result in an average subsidy of \$34,000 per unit for the 440 units to be constructed under the Combining District. This subsidy is designed to keep up with rising land and construction costs. In the event that funding is inadequate to adequately assist development under the rezoning program, further augmentation from the Agency will be requested. Therefore, there are substantial financial incentives for developers under the rezoning program. Development on the rezoned sites will be an attractive option for developers because the density level is certain. The reliability of density at 20 units to the acre under the rezoning program is an incentive to developers.

Given the assurance that these sites can be developed at 20 units per acre, that there will be a greater number of market rate units allowed on each site, and the availability of RDA financing assistance for the affordable portion of the development on these newly rezoned sites, the 40% affordable requirement will not be a deterrent to development.

**i. Short Term Occupancy Conversion to Permanent Housing**

As has been approved by HCD in other jurisdictions, this category of sites utilizes existing facilities which provide short term occupancy, such as older motels and urban RV parks, and converts them to permanent housing. Of the total of 242 potential units, 30% are presumed to be converted to permanent occupancy during the planning period. This would result in 60 units becoming available to very low income households. See Appendix F for a list of potential sites.

**4.6.4 REDEVELOPMENT/REUSE POTENTIAL**

The vacant land remaining in the urban area of the County is limited. However, there is a significant number of parcels within the urban area that are underutilized or that have structures that are in poor repair and/or are outdated. As a result, the inventory in Table 4.6.3 anticipates that redevelopment and reuse of existing developed parcels will result in numerous opportunities for new housing. The trend for redevelopment has increased significantly in Santa Cruz County over the past several years. The following are examples of how this trend for redevelopment and reuse is occurring on non-vacant parcels.

- Subdivisions: Between July 2000 and October 2004, 30 applications have been filed with the County, processed and/or permitted for the demolition of existing single-family dwellings or other structures in conjunction with a subdivision of land and development of new housing at significantly higher densities.
- Reuse: An application is pending (as of December 2004) for the conversion of an abandoned golf course to higher density housing (7.46 acres with between 180 - 240 units).

The County has participated in facilitating redevelopment through the Redevelopment agency.

- Farm Labor Camp: The County participated in the demolition and rebuilding of a farm labor camp which had been closed by court order in the southern part of the County.<sup>11</sup>
- RV Park Conversion: The County permitted the demolition and rebuilding of two RV parks which were threatened with closure by court action. An ordinance was adopted to facilitate the construction of 100% affordable units on these properties.<sup>12</sup>

These RV park conversions and the farm labor camp were redeveloped in conjunction with the Redevelopment Agency in partnerships with a non-profit organization and resulted in the creation of 161 affordable housing units.

### **Mixed Use**

Market trends show that there is a growing interest in building residential units in non-residential zones. In fact, the trend is increasing as more mixed use projects are being proposed. For example:

- There are currently seven housing units under construction in a mixed use commercial project at 41st Avenue and Portola Drive.
- The Aptos Village Plan, which is currently under development, proposes 60 - 70 units as part of a specific plan.

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<sup>11</sup>See San Andreas in a. above

<sup>12</sup> See Marmos in a. above and Golden Torch in g. above.

- A proposed development project on Portola Drive proposes 25 units over ground-level commercial uses. This application is currently in process.
- East Cliff Village is exploring 50 units over ground-level commercial uses. This project is currently undergoing preliminary discussion. This project would involve the demolition of an existing shopping center.

Although it has been demonstrated that the likelihood of redevelopment and/or reuse of non-vacant parcels within the planning period is high, it is still difficult to estimate. It would largely depend on the willingness of property owners and the financing available for development. Even so, the opportunities exist, and the pressure of the high property values coupled with the limited number of available sites makes buildout very likely.

#### 4.6.5 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. The planning period has been extended by the legislature through June 30, 2008. 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 4.6.3 presents a summary of the County's housing site inventory. This table includes a comparison of the inventory to the County's Regional Housing Needs for the 2000-2007 (2008) housing planning period. As can be seen from this table, the inventory based on current zoning does not provide sufficient capacity based on HCD's methodology to meet the County's Regional Housing Need. Therefore, a program for rezoning sites at 20 units per acre will be implemented to bridge the gap which will specify parcels for higher density affordable development for very low and low income households. This program, coupled with the other sites outlined in Table 4.6.3 will accommodate the Regional Housing Need Allocation.

Additionally, programs are included in the following chapter to assist the County in providing affordable housing and affordable housing opportunities and incentives in the community.

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**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, MOBILEHOMES, 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 THE AND DEVELOPMENT STANDARDS

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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. 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.

Objective 1.2: Ensure that an adequate amount of publicly and privately held land is designated for residential uses in the General Plan and

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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.
- 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.
- Objective 1.5: Eliminate existing unneeded regulatory constraints on affordable housing production.
- Objective 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.
- Objective 1.7: Continue the requirement that all new market rate housing developments include an affordable housing component of either affordable units within the development and payment of partial-unit in-lieu fees to an affordable housing fund. 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. In-lieu fees shall only be allowed for very high priced market rate units where the fees will subsidize several lower income units.
- Objective 1.8: 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 1.9: Allow the development of affordable housing by institutional uses on surplus institutional land for employees of the institutional landowner.

The following policies shall be used to accomplish these objectives:

- Policy 1.1: Promote 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

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capacities are addressed.

Policy 1.2: Promote 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.

Policy 1.3: Support 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.

Policy 1.4: Encourage “infill” projects on underutilized sites within the Urban Services Line.

Policy 1.5: Continue inclusionary zoning ordinance.

Policy 1.6: Maintain the regulations requiring development at or above the minimum density for the General Plan designation.

Policy 1.7: Encourage the legalization of illegal housing units that meet minimal county requirements.

Policy 1.8: 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 1.9: Review the existing structure of development impact fees on new residential development.

Policy 1.10: 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 1.11: Encourage institutional uses to develop employee housing on surplus land.

**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 (RHND) housing requirements. However,

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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: Assist public service providers in planning adequate infrastructure capacity for housing consistent with the General Plan.
- Objective 2.4: 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 2.5: 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 the Mayors Select Committee.
- Objective 2.6: 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.

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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 2.11: Maintain design guidelines for new residential development.

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Policy 2.12: 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: 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, 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

Objective 3.6: Conserve the County's existing stock of mobile homes by continuing to enforce County ordinances that protect mobile

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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 diverse housing opportunities.

Objective 3.8: Continue programs that seek to convert court-condemned housing units to permanent housing.

The following policies shall be used to accomplish these objectives:

Policy 3.1: Continue all existing County Planning and Redevelopment Agency sponsored programs and policies, including but not limited to the Measure J Inclusionary Housing Program, Second Unit Ordinance, Mobilehome Ordinances, 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)

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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: 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 4.4: 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: 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

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- involvement, leadership, and where appropriate, financial participation 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 4.3: Continue the existing County First Time Homebuyer Loan Program and the Rental/Mortgage Assistance Program.
- Policy 4.4: Maintain the existing 25% Redevelopment Agency Set-Aside Funds for housing purposes and designate these funds 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 4.5: Cooperate with the County's cities and other public agencies in resolving regional infrastructure issues including transportation, water supply, sewage treatment, as well as open space preservation.
- Policy 4.6: 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 4.7: 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 4.8: 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 4.9: Increase participation in equity partnerships with lower income households to provide secondary mortgage financing with no down payment and no points.
- Policy 4.10: 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.

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Policy 4.11: 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 needs 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.

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- 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.

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- 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: 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.
- Policy 5.18: 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.

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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 2004-2008.

#### 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 the total units affordable for rent or sale to very low, low and moderate income households will exceed the Regional Housing Needs Determination. These affordable units represent a variety of housing types including mixed use and second units.

Table 4.7.1 presents the quantified objective for housing units in Santa Cruz County by housing unit type 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 sites available, 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.

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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 during the planning period and the projected allocation of market rate permits for the remainder of the planning period, it is expected that 1,782 housing units for above moderate income households will be constructed. This construction of above moderate income housing will exceed the housing need of 1,351 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 leveraging its resources to provide and maintain affordable housing. 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.). 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. A new program which rezones sites for higher density housing development.
2. Acquisition of expiring units or subsidizing preservation of existing units through new funding sources;
3. Continuing to offer density bonuses of up to 50% of mapped densities in exchange for provision of affordable housing.
4. Increasing the incentives for construction of affordable Second Units;

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5. Providing design flexibility to encourage construction of affordable infill units in Urban Service Areas;
  6. 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;
  7. Increasing opportunities for mobilehome parks; and
  8. Providing opportunities and/or funding for conversion of temporary occupancy to permanent housing 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

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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 - Summary of Sites by Affordability Level for Housing Element 2000-2007**

Type of Development	2000-2007 Total Units	Very Low Income	Low Income	Moderate Income	Above Moderate Income
<b>Units Developed within the Planning Period</b>					
a. Units Developed (1/2000-10/2004)	1,105	254	110	89	652
<b>Existing Sites</b>					
b. Urban Sites less than 14.5 units/acre	690	-	-	90	600
c. Urban Sites 14.5 to 17.4 units/acre	537	-	-	537	-
d. Rural Sites <sup>1</sup>	360	30	30	-	300
e. Commercial Mixed Use VACANT <sup>2</sup>	93	23	23	23	24
e. Commercial Mixed Use UNDERUTILIZED <sup>3</sup>	448	112	112	112	112
f. 2 <sup>nd</sup> Units <sup>4</sup>	390	97	97	98	98
g. Golden Torch <sup>5</sup>	68	68	-	-	-
<b>Existing Sites Dependent on Programs</b>					
h. Rezoning Program (20 units per acre)	440	303	137	-	-
i. Short Term Occupancy Conversion to Permanent Housing <sup>6</sup>	60	60	-	-	-
<b>Total - New Units (new units =)</b>	<b>4,191</b>	<b>947</b>	<b>509</b>	<b>949</b>	<b>1,786</b>
<b>AMBAG New Construction Goals 2000-2007</b>	<b>3,441</b>	<b>937</b>	<b>502</b>	<b>651</b>	<b>1,351</b>

Note: See Table 4.6.3 for further information.

<sup>1</sup> 30 Very Low and 30 Low income units are anticipated on the Felton Faire parcel (APN 071-331-05, -06)

<sup>2</sup> Projecting 30% of Mixed Use capacity to be developed within the planning period. See Appendices C-1 and C-2

<sup>3</sup> Projecting 30% of Mixed Use capacity to be developed within the planning period. See Appendices C-1 and C-2

<sup>4</sup> Projected based on 58 permitted in the first 10 months of 2004, following the implementation of AB1866. Therefore, 70 second units per year can be projected through the end of the planning period.

<sup>5</sup> RV Park conversion to permanent affordable manufactured housing permanently restricted to very low income farmworker households. Funded with Joe Serna and Multi Family Housing monies.

<sup>6</sup> See Appendix F, Potential existing sites for conversion from short term to permanent occupancy

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### 4.7.3 Housing Action Program:

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.

##### 1.1 Rezoning Program (20 units per acre)

Program Description: In order to provide expanded opportunities for very low and low income housing, develop new general plan and zoning polices which would provide for the following land uses:

1. Density of 20 units per acre based on the developable land area. Each site will be evaluated for developability and the number of units calculated based on 20 units per acre. The use and density of any site designated under this rezoning program and any project proposed under

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- this rezoning program is established at the time the site is designated and will be by-right.
2. A minimum requirement that 40% of the units be deed-restricted with long-term affordability covenants, predominantly for low and very low income households.
  3. A minimum site area of two net developable acres
  4. Incentives:
    - a. Use and density by-right as defined by Government Code section 65583.2
    - b. Proposed development applications are exempt from CEQA
    - c. Alternative site development standards as required by State Density Bonus Law (such as height and parking standards).
    - d. Priority processing and truncated review process for the proposed development
    - e. Dedicated Funding (See Program 1.3 below)

Time Frame: Ordinance and/or General Plan amendments adopted by the Board of Supervisors by June 2007

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

## 1.2 Selection and Rezoning of Sites

Program Description: Following selection of the candidate sites, adoption of the necessary General Plan and/or Zoning Ordinance amendments to facilitate rezonings at 20 units per acre, rezone a minimum of 22 acres of land in accordance with the rezoning program. The site rezoning process will include an analysis of a number of factors, including: availability of services, proximity to transit corridors, and the feasibility and likelihood of development or redevelopment during the planning period. Each of the selected sites will be evaluated to determine the number of units that can be accommodated on that site at 20 units per acre of developable land. Once this number is determined, development under the Combining District shall result in that number of units on the site. The selected sites will be subject to CEQA review prior to rezoning. (Appendix D provides a list of potential candidate sites for such designations.)

Time Frame: Site selection - December 2006; rezoning projected June 2007 - upon completion of the necessary environmental review

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

### 1.2.1 Outreach Program to Promote Development of ~~Combining District Sites~~ Rezoning Program

Program Description: The County will promote development of affordable housing on the rezoned sites through providing information concerning opportunities for development under the new zoning to parcel owners, for profit developers and non-profit developers. This information will outline how the rezoning works and provide information regarding the development process. The promotional materials will be available no later than January 2007

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(immediately after the short list of sites has been selected). Additionally, informational workshops will be scheduled concurrently with the completion of the rezoning.

Time Frame: January 2007

Responsible Party: Planning Department

### **1.2.2 Monitoring Development under the Rezoning Program**

Program Description: The purpose of the rezoning programs is to provide opportunities for the 440 low and very low income units, at 20 units per acre, to fulfill the Regional Housing Need. The goal of these policies is to facilitate development of the 22 acres of land necessary to meet this purpose (22 acres x 20 units per acre yields 440 units).

The County is aware of the need to continue to ensure that sufficient land is available to meet the goal. Therefore, the County will monitor progress of this program through an annual analysis of the sites designated under the rezoning strategy. This analysis will be included in the Annual General Plan Report and will include an evaluation of the number of sites developed or are in the development process; the number of sites secured for future development; and the number of sites with no activity .

The analysis will show the number of units developed or in process. Therefore, the residual need, in terms of the number of units outstanding, will be clear.

Time Frame: Annually, beginning the January following the rezoning

Responsible Party: Planning Department

### **1.3 Allocation of Funding Supporting Affordable Housing in Conjunction with the Rezoning Program**

Program Description: Allocate \$15 million of funds within the Redevelopment Agency's Low and Moderate Income Housing Fund for the purpose of providing financial assistance to projects developed under the rezoning program, focused on ensuring the development of units for low and very low income households. Funding allocations will be made based on the Agency's past practices as described in 4.6.3 h.

Time Frame: allocated \$15 million - June 2005.

Responsible Party: Redevelopment Agency

### **1.4 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: Ongoing

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Responsible Party: Planning Department, Board of Supervisors

### **1.5 Changes to the Affordable Housing Ordinance**

Program Description: Implement 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) Maintain the current provision that does not exempt demolished units from inclusionary requirement
- (5) Provide a link between the household size and the number of bedrooms for inclusionary unit purchasers/renters.

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

Time Frame: Ongoing, Board of Supervisors, enacted 2002=

Responsible Party: Planning Department, Board of Supervisors

### **1.6 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.

Process: RDA underwriting land costs

Time Frame: Ongoing

Funding: Habitat for Humanity, others

Responsible Party: Planning Department, Board of Supervisors

### **1.7 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 To begin January 2005, and occur with each subsequent Tax Defaulted Property Sale

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

### **1.8 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

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- (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: Ongoing

Funding: Redevelopment Agency, CDBG and HOME funding.

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

### **1.9 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.

Time Frame: In process

Responsible Party: Planning Department, Board of Supervisors

### **1.10 Expanded Conversion of RV Parks**

Program Description: Amend the 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.

Time Frame: 2005-2006

Responsible Party: Planning Department, Board of Supervisors

### **1.11 Mixed Use Housing Incentives**

Program Description: Expand 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) Expand mixed use to urban commercial areas designated as Tourist Commercial or Visitor Accommodations as incidental to uses in these zones;

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- (d) Allow residential use of existing underutilized properties designated as Industrial or Commercial, 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.

Time Frame: Fiscal Year 2005-2006

Responsible Party: Planning Department, Board of Supervisors

### **1.12 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: Ongoing

Responsible Party: Planning Department, Board of Supervisors

### **1.13 Restrict Development of Lower than Minimum Density as Determined by the General Plan Designation**

Program Description: Maintain an ordinance requiring the 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: Ongoing; Approved by the Board of Supervisors; see County Code Section 18.10.140(b)

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

### **1.14 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- the implementation of AB1866 resulted in significant incentives for the production of second units in that these permits are now processed as building permits only, without the need for prior discretionary review. This results in greatly reduced permit costs and processing time reducing costs by a minimum of \$927 and processing time by a minimum of 3 to 6 months. The second unit permit process is now administered by the Permit Center Section. Since the implementation of AB1866, 68 units were approved in 2004 and 49 are in process in the first 4 months of 2005. This is reflective of the dramatic increase in second unit applications since from the beginning of the planning period through October 31, 2004, 135 building permits were for second units. It is clear that property owners are discovering second units and due to the simplification of

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the permit process under AB1866, the demand for second unit permits applications continues to increase. The incentive reducing processing and costs has resulted in an increased number of second unit applications which is expected to continue through the planning period.

- (b) 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
- (e) Continue to provide public outreach and information on Second Unit opportunities such as providing informational brochures at the three zoning counters as well as providing information on the County website.
- (f) Continue to monitor the number of Second Unit permits issued annually.

Time Frame: Ongoing; Adopted ordinance amendments to implement AB1866 by July 1, 2003. Consider additional incentives and regulatory relief by end of 2005.

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

### **1.15 Reduce Capital Improvement Fees for Second Units**

Program Description: Revise to the County Code and Unified Fee Schedule for Second Units to reduce the cost of constructing these units. Capital improvement fees for second units are Child Care and Park fees, which are currently charged on a per bedroom basis.

*Note: The fees charged for second unit permits were reduced in July 2003 as a result of the implementation of AB1866 which removed second units from the discretionary process. In the urban area only, roadside improvement and transportation fees are charged as new single family dwellings.*

Time Frame: Ongoing

Responsible Party: Planning Department, Board of Supervisors

### **1.16 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 2005.

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

### **1.17 Farmworker Housing Production**

Program Description: Promote the production of farmworker housing under the Employee Housing Act by providing preapproved structural plans, allowing

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multifamily farmworker units, and reviewing and streamlining regulations pertaining to agricultural employee housing and farm family housing units.

Time Frame: Ongoing

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

### **1.18 Migrant Farmworker Housing**

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

Time Frame: Complete assessment by January 2006; identify site and retain funding by January 2007

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

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

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

Time Frame: 2006

Responsible Party: Planning Department, Board of Supervisors

### **1.20 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: July 2006

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.

### **2.1 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

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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: July 2006

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

## **2.2 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: 2005-2006

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

## **2.3 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: Ongoing

Responsible Party: Planning Department, Board of Supervisors

## **2.4 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

## **2.5 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. 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.

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Ongoing: 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

## **2.6 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, approved by California Coastal Commission 2/20/04

Responsible Party: Planning Department, Board of Supervisors

## **2.7 Employer Assisted Affordable Housing Loan Programs**

Program Description: Explore modifying 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: 2006-2007

Responsible Party: Redevelopment Agency

## **2.8 Density Bonus Program (1994 Housing Element Program 5)**

Program Description: Continue to implement a ordinance which complies with State Density Bonus Law. Revise ordinance as necessary to comply with new legislation.

Objective: Implement State Density Bonus Law

Time Frame: Ongoing; amend as needed to comply with State legislative changes.

Responsible Party: Planning Department, Board of Supervisors

## **2.9 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

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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: Ongoing; As required by State Law

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

## **2.10 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: July 2005

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

## **2.11 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: Provide public information within one year of certification; ordinance amendment in 2006

Responsible Party: Planning Department, Board of Supervisors

## **2.12 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: Ongoing

Responsible Party: Planning Department

## **2.13 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:
  - Total number of housing units developed;
  - Total number of affordable units developed (including inclusionary units);
  - Number of inclusionary (Measure J) units developed;
  - 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;
  - Number of affordable units by income category (see above) and household tenure (owner or renter);
  - 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: 2005 Implement Affordable Housing Outreach Program

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

#### **2.14 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: July 2006

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

#### **2.15 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: Ongoing

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

### **2.16 Improve and Streamline Permit Process**

Program Description: Work with local developers to incorporate changes to improve and streamline the review and approval process for multifamily projects, particularly multifamily rental projects that include units that are affordable to lower income households, and amend the zoning ordinance as appropriate.

Time Frame: Fiscal Year 2004-2005

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

## **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.

### **3.1 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: Ongoing

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

### **3.2 Preservation of Affordable Units, Including Government Assisted Housing Developments (1994 Housing Element Program 22)**

Program Description: 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 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.

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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 working with the California Housing Partnership and Non-Profit Housing Managers.

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

### **3.3 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

### **3.4 Financial Support for Preservation of At-Risk Units**

Program Description: Provide financial support for acquisition of at-risk affordable units.

Objective: Preservation of at-risk units

Time Frame: Ongoing

Responsible Party: Redevelopment Agency, Board of Supervisors

### **3.5 Legal Conversion of Transient Occupancy Use Facilities to Permanent Use**

Program Description: Amend the Zoning Ordinance to allow recognition and legalization of hotels/motels converted to permanent occupancy.

- The ordinance shall include incentives to developers proposing to convert these units to permanent occupancy such as priority processing.
- Annually track the status of sites listed in Appendix F.
- Annually monitor the number of units provided under this program.
- Consistent with other affordable housing efforts in the community, the Redevelopment Agency will assist through financing and other measures.

Time Frame: Amend the zoning ordinance to allow and encourage the conversion of existing visitor accommodations to permanent occupancy and identify funding resources by the end of 2005.

Responsible Party: Planning Department, Board of Supervisors

### **3.6 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: Ongoing

Funding: Redevelopment Agency

Responsible Party: Redevelopment Agency, Board of Supervisors

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### **3.7 Allow Rehabilitation of Existing Nonconforming Housing Stock**

Program Description: Maintain the ordinance that allows 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

### **3.8 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: Ongoing

Responsible Party: Planning Department, Board of Supervisors

### **3.9 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: Ongoing; Continue to implement County Code Chapters 13.13 and 13.30 and Mobile Home Ownership Conversion Program.

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

### **3.10 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,

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“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: 2005-2006 Legislative Session

Responsible Party: Board of Supervisors, County Counsel

### **3.11 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

### **3.12 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: Ongoing

Responsible Party: Planning Department, Board of Supervisors

### **3.13 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: Ongoing

Responsible Party: Housing Law Center, Planning Department, Office of Consumer Affairs, Board of Supervisors

### **3.14 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: Ongoing, Adopted 2/12/02.

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Responsible Party: County Counsel, Board of Supervisors

### **3.15 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: Ongoing

Responsible Party: Planning Department, County Administrative Officer, Auditors Office, County Treasurer, Housing Advisory Commission, Consumer Affairs, County Counsel

### **3.16 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: Ongoing

Funding: Red Cross, Human Resources Agency

Responsible Party: Red Cross, Human Resources Agency

### **3.17 Assistance Programs: Relocation and Rental Deposit Funds (1994 Housing Element Program 23)**

Program Description: 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: Ongoing; 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

### **3.18 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: Ongoing

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

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### **3.19 Housing Component to Commercial/Institutional Projects**

Program Description: Encourage the development of affordable housing within commercial/institutional projects, when appropriate, for the employees of those commercial/institutional projects.

Time Frame: Ongoing

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

### **3.20 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: 2007

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.<sup>7</sup>

### **4.1 Establish Housing Trust Fund**

Program Description: Working with cities, explore 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;
- (3) commercial linkage fees;
- (4) transient occupancy tax; or
- (5) increase in the low and moderate income set aside.

Time Frame: 2006

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<sup>7</sup> 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.

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

#### **4.2 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: 2006-2007

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

#### **4.3 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: Ongoing

Responsible Party: Redevelopment Agency

#### **4.4 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: Ongoing

Responsible Party: Redevelopment Agency, Board of Supervisors

#### **4.5 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. This amount will be included in future recommended Redevelopment Agency Budgets, beginning in fiscal year 2003-2004 to support the creation of new and currently active projects and future projects, servicing current debt, paying administrative costs and to further leverage outside private, federal and state funds for specific low and moderate income housing opportunities countywide.

Time Frame: Ongoing

Responsible Party: Redevelopment Agency, Board of Supervisors

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#### **4.6 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: Ongoing

Responsible Party: Housing Authority, Redevelopment Agency, Board of Supervisors

#### **4.7 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: 2005-2006

Responsible Party: Redevelopment Agency, Board of Supervisors

#### **4.8 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: Ongoing

Responsible Party: Redevelopment Agency, Board of Supervisors

#### **4.9 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: 2006

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

#### **4.10 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.

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Funding Sources: AHP Grant, CHRP, RHCP, MPROP, CDBG, HUD Section 202, HUD McKinney, HOME, FEMA, Tax Credits, Owner Non-Profits, Bank Loans, and Private Donations

Time Frame: Ongoing; 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

#### **4.11 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: Ongoing; Continue to evaluate potential policies and programs to encourage the use of manufactured housing in residential developments.

Responsible Party: Planning Department, Board of Supervisors

#### **4.12 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: Ongoing

Responsible Party: Redevelopment Agency, local nonprofits

#### **4.13 Pilot Subsidy Program for Development of Second Units**

Program Description: 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

#### **4.14 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 ongoing.

Responsible Party: Redevelopment Agency, Board of Supervisors

#### **4.15 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

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Time Frame: Ongoing

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.

### **5.1 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: Ongoing

Responsible Party: Planning Department

### **5.2 Small-Scale Homeless Shelters**

Program Description: Maintain the programs that allow for the operation of small-scale homeless shelters.

Time Frame: Ongoing

Responsible Party: Planning Department, Board of Supervisors, Continuum of Care

### **5.3 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: Ongoing

Responsible Party: Board of Supervisors, Continuum of Care

### **5.4 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: Ongoing

Responsible Party: County Administrative Office, Continuum of Care, Human Resources Agency

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### **5.5 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: Ongoing

Responsible Party: County Administrative Office

### **5.6 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: Ongoing

Responsible Party: Planning Department, Mental Health Housing Advisory Committee, County Housing Authority, Board of Supervisors, Human Resources Agency

### **5.7 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: Ongoing

Responsible Party: Planning Department, Board of Supervisors

### **5.8 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.

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Time Frame: Ongoing

Responsible Party: Planning Department, Seniors Commission, Senior Network Housing Program, Long Term Care Committee, Board of Supervisors

### **5.9 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: Ongoing

Responsible Party: Area Agency on Aging, Seniors Commission, Senior Network Housing Program, Board of Supervisors

### **5.10 Inventory Existing Group Homes and Board and Care Facilities**

Program Description: Inventory existing group homes, and board and care facilities. Identify strategies to protect these facilities from conversion to other uses and to encourage the development of new facilities.

Time Frame: Within one year of certification

Responsible Party: Planning Department, Health Services Agency

### **5.11 Senior Housing Priority Sites**

Program Description: Consider designating sites as “Senior Housing Priority Sites”

Time Frame: 2006

Responsible Party: Planning Department, Board of Supervisors

### **5.12 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: Ongoing

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

### **5.13 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: Ongoing

Responsible Party: Planning Department

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#### **5.14 Expand Access for Disabled Persons**

Program Description: Expand access to housing for disabled persons by:

1. Consider implementation of an inclusive house design (“visitability”) ordinance. (pending state model ordinance)
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. (June 2006)
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. (June 2006)

Responsible Party: Planning Department, Commission on Disabilities, Housing Advisory Commission

#### **5.15 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: Ongoing

Responsible Party: Human Resources Agency, Health Services Agency, County Administrative Office, Board of Supervisors

#### **5.16 Santa Cruz County Disabled Census/Housing Needs Assessment**

Program Description: Conduct a countywide 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: Fiscal Year 2005-2006

Responsible Party: Board of Supervisors, Human Resources Agency, Health Services Agency, cities, Commission on Disabilities, Mental Health Advisory Board

#### **5.17 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.

Time Frame: Ongoing

Responsible Party: Redevelopment Agency, Board of Supervisors

#### **5.18 Farm Family and Farm Work Second Unit Program**

Program Description: Maintain an ordinance to allow and promote second units on agriculturally zoned land. Second units permitted under this program shall

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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.

Time Frame: Ongoing outside the Coastal Zone

Responsible Party: Planning Department, Housing Advisory Commission, Agricultural Policy Advisory Commission, Redevelopment Agency, CAO's Office, Board of Supervisors

### **5.19 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 enforceably 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

### **5.20 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: 2007

Responsible Party: Planning Department, Board of Supervisors

### **5.21 Funding for Farmworker Housing**

Program Description: Consider allocating a portion of in-lieu fees and/or housing rehabilitation funds for farmworker housing

Time Frame: July 2006

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

### **5.22 Meeting Farmworker Housing Needs**

Program Description: Implement the following land use and regulatory changes and aggressively pursue numerous housing programs and funding sources including but not limited to, the following:

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- (a) Priority processing for all farmworker housing developments;
  - (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) Develop a program in conjunction with the Farm Bureau and non-profit housing providers whereby a non-profit would develop, manage and maintain farmworker housing development on a long term basis on farm land;
  - (d) Specify designations of sites for farmworker housing on the General Plan, Local Coastal Plan and land use maps;
  - (e) Review and consider revisions to the existing farmworker housing ordinance to clarify the regulations regarding agricultural housing;
  - (f) Pursue all available funds for farmworker housing, including State of California rural assistance funds, Farmers Home Administration funds, CDBG funding, private donations and other funding sources;
  - (g) Develop marketing and outreach campaign for growers, nonprofit housing developers, farmworker advocacy groups, and other relevant groups;
  - (h) 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: 2007

Funding: County

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

### **5.23 City of Watsonville Measure U**

Program Description: Support the City of Watsonville's implementation of Measure U

Objective: City-centered housing development

Timeframe: Ongoing

Responsible Party: Board of Supervisors

### **5.24 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: In conjunction with the next General Plan update.

Responsible Party: Planning Department, Board of Supervisors, Health Services Agency

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### **5.25 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: 2006

Responsible Party: Planning Department, Board of Supervisors

### **5.26 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: 2006-2007

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.

### **6.1 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: Ongoing

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 in accordance with State law, local development fees, and other resources such as public housing authority reserves and general funds.

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Twenty percent of the tax-increment in redevelopment areas must be set aside for affordable housing, according to state law. However, Santa Cruz County has elected to increase the set-aside to 25%. 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
<p><b>1. Permit Allocation System:</b> 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.</p>	<p>County Code Chapter 12.02 was amended on 6/2/92 (Ordinance Number 4202) to exempt all housing for very low, low and moderate income households from the Residential Permit Allocation System.</p>
<p><b>2. Permit and Development Processing:</b> 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.</p>	<p>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>

<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>

<p>income or 50% qualifying senior projects.</p>	
<p>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>	<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 2<sup>nd</sup> 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>
<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>	<p>1) Urban designations and zoning reviewed and ensured consistency as of 5/24/94 2) Rural zoning amendments completed in 1998 and 2002 (Highway 9 consistency study performed in 2002)</p>
<p>7. Residential Fee Structure Review existing residential unit and accessory dwelling fee structure; evaluate appropriateness of current fee structure and simplify where necessary</p>	<p>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.</p>
<p>8. Residential/Commercial Mixed Use Through the General Plan Update and town plans, evaluate the potential of</p>	<p>Mixed uses allowed in several commercial zone districts; parking and fee reduction are available on a</p>

<p>additional housing provided on upper floor areas in 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>project basis. Additional height allowed for 2 stories of affordable residences.</p>
<p><b>9. Allowance of Residential Uses in Commercial Zones</b> 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. 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.</p> <p>See #8, above.</p>
<p><b>10. Clarification of Land Use Regulations</b> 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 building plans online, improving the over-the-counter permit process, etc.</p>
<p><b>10.1 Construction Legalization Program</b> 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 of construction, if health and safety hazards are not created; or subject to Planning Director approval.</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 me certain zoning and building criteria. Approximately 80 units were legalized through this program. The program was completed in 1996.</p> <p>The Board of Supervisors is considering the implementation of a similar amnesty program for second units in 2002.</p>

<p>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.</p>	<p>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.</p>
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**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 database 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
<p>11. Support the development of new affordable housing opportunities for very low, lower and moderate income households by: a) Exempting affordable units from</p>	<p>a) See Program #1. b) Inclusionary housing program continues. County Code Chapter 17.10 has been revised to provide a wider range of options for</p>

<p>the Permit Allocation System (See Program #1)</p> <ul style="list-style-type: none"> <li>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,</li> <li>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,</li> <li>d) Increasing coordination with the Redevelopment Agency in providing incentives to developers, and</li> <li>e) Seeking the \$398-643 million dollars in funding necessary to subsidize the production of the estimated 4,675- 7,672 affordable housing units.</li> </ul>	<p>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).</p> <ul style="list-style-type: none"> <li>c) A Density Bonus Ordinance (Section 13.10.390 et seq.) meeting state law was adopted on 12/13/94 (Ordinance No. 4346).</li> <li>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.</li> <li>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.</li> </ul>
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<p>12. Mobile Home Park Preservation and Affordability 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 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 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</p>	<p>The Fund was established to assist owners of permanently affordable housing units created as a result of County housing programs, such as</p>

<p>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 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"> <li>a) Aggressively inform the public and the development community about the availability of permits for affordable housing units.</li> <li>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,</li> <li>c) Use consistent language in reporting information on affordable housing. Affordable housing includes the inclusionary (Measure J) program as well as other units developed with government assistance, whose</li> </ul>	<ul style="list-style-type: none"> <li>a) A listing of available affordable units is published weekly and distributed.</li> <li>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.</li> <li>c) The database created to meet d) (below) has consistent language describing and cataloging affordable housing.</li> <li>d) A database has been developed with required information.</li> <li>e) Staff is monitoring the location of new affordable housing to date. Distribution has been fairly uniform across the urban area.</li> <li>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.</li> </ul>

<p>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"><li>• # of total housing units developed</li><li>• # of total affordable units developed (including inclusionary units)</li><li>• # of Inclusionary (Measure J) units developed</li><li>• # 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</li><li>• # of affordable units by income category (see above) and household tenure (owner and renter)</li><li>• type and length of affordability restrictions and monitoring requirements</li></ul> <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 implement a policy which encourages the proportional distribution of affordable housing units in the County, based on the</p>	
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<p>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 processing) 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 manufactured housing in their developments.</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 land costs in this area, manufactured housing is a cost effective option.</p>
<p>20. Coordination with New Community Housing Program Initiatives</p>	<p>Santa Cruz County staff participated in the Santa Cruz Community</p>

<p>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.</p>	<p>Foundation's housing workshops and pilot projects. The activities of this project eventually led to the formation of Action Pajaro Valley, a coalition of business, environmental, government and housing advocates to develop a long-range vision for the Pajaro Valley. This area includes the City of Watsonville and large unincorporated areas in Monterey and Santa Cruz Counties. The result of the multi-year effort was a Plan that was accepted by all parties that allows the City of Watsonville to continue to grow while protecting the rich agricultural lands surrounding the City. The Plan calls for the eventual annexation of land and the development of 1200-2400 new housing units over the next 25 years in areas adjacent to the City. The County Board of Supervisors unanimously adopted a Resolution in support of the Plan and the City's referendum to implement the plan.</p>
<p>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.</p>	<p>Numerous entities in the community are exploring the potential for creating a housing trust fund. County staff has participated in those discussions.</p>
<p>22. Preservation of Affordable Units, Including Government Assisted Housing Developments</p>	<p>These units have been maintained in their affordable status. However, the threat of loss of these</p>

<p>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 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.</p>	<p>units to market rate is continuing.</p> <p>The status of the renewal contracts are monitored and contingency plans are in place to address the potential non-renewal of contracts.</p>
<p>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.</p>	<p>1) Relocation Assistance for Displaced Tenants, County Code Chapter 8.45 identifies the assistance requirements for displaced tenants.</p> <p>2) A program is in place to assist tenants with funds for security deposits through the Redevelopment Agency.</p>
<p>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.</p>	<p>No interest from local groups, individuals or developers was found.</p>

**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.

<p>25. Housing Rehabilitation Program Continue to administer the housing rehabilitation program and provide</p>	<p>The Redevelopment Agency has continued to administer the Housing Rehabilitation Program which is</p>
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<p>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 during 1991-96 period to both extend and broaden the County's existing rehabilitation program.</p>	<p>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.</p>
<p>26. Housing Rehabilitation Funding Sources 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 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 construction activities.</p>	<p>This program continues to be implemented.</p>

<p>28. Inter-Jurisdictional Coordination of Housing Rehabilitation Activities 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>
<p>29. Updated Housing Condition Survey 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.</p>	<p>Due to budgetary constraints and 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.</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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</p>

	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 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.	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 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.

32. Continue Programs that Assist “Special Need” Households 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	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,
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<p>County and to encourage maintenance of existing mobile homes.</p> <p>d) Disabled: Continue to allow accessibility improvements as eligible work items in the County-sponsored housing rehabilitation program.</p> <p>e) All Special Need Households: Continue to seek all available 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.</p>	<p>the Reasonable Accommodation Ordinance was approved by the Board of Supervisors April 9, 2002.</p> <p>e) 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 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).</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>Tenant's Interest on Security Deposit for Residential Rental Property, County Code Chapter 8.42, continues to be implemented.</p>
<p>35. Study of Farmworker Housing Needs Conduct a comprehensive study of the housing needs of farmworker households during 1992-93. Based on</p>	<p>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</p>

<p>the results of the study, aggressively pursue numerous housing programs and funding sources including, but not limited to, the following:</p> <ul style="list-style-type: none"><li>a) priority processing for farmworker housing developments,</li><li>b) allowance for increased density on selected sites that are non-prime farmland parcels,</li><li>c) reuse of auxiliary facilities on existing sites,</li><li>d) specific designation of sites for farmworker housing on the General Plan, Local Coastal Plan and land use maps,</li><li>e) evaluation of the “Rural Village Cluster Housing” concept for farmworker housing,</li><li>f) review and consider further revisions to the existing farmworker housing ordinance, and</li><li>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</li></ul>	<p>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> <p>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 parks.</p> <p>In some of the County’s affordable housing projects such as Pajaro Lane and Marmos a number units have been set aside specifically for farmworker families.</p> <p>In addition, the Board also directed staff of the Redevelopment Agency to:</p> <p>Explore the feasibility of rehabilitating existing farmworker units for active agricultural operations along North</p>
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	<p>Coast.</p> <p>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;</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>
<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.</p>	<p>The improvements to the wastewater facility at the Buena Vista farmworker housing development have been implemented.</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>Designation of senior housing sites has not occurred.</p>
<p>39. Inventory of Senior Housing</p>	<p>Senior Network Services, in</p>

<p>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.</p>	<p>conjunction with the County, maintains an inventory of senior housing developments and resources.</p>
<p>40. Consumer Housing Information Service Support the development of a “Consumer Housing Information Service for Seniors” by the Area Agency on Aging.</p>	<p>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.</p>
<p>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.</p>	<p>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.</p>
<p>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.</p>	<p>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.</p>
<p>43. Residential Developments with Child Care Facilities Develop and implement requirements for providing on-site child care facilities in large-scale residential developments.</p>	<p>Two projects (The Farm and Vista Verde) incorporated childcare facilities into the project.</p>
<p>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</p>	<p>Two projects (Stepping Out and Casa Linda; 39 total units) have been built at high densities for low income psychiatrically disabled persons.</p>

<p>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.</p>	
<p>45. Inventory of Accessible Units for Physically Disabled Households 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>This was not completed.</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</p>	<p>The Redevelopment Agency has participated in 3 projects which utilized this program. These include:</p>

<p>no interest rates to rehabilitation projects that provide housing for the homeless, farmworkers, psychiatrically disabled and physically disabled persons.</p>	<ol style="list-style-type: none"> <li>1. Murphy’s Crossing Farm Labor Camp/Jardines Del Valle, property acquisition, extensive demolition and rehabilitation of 18 rental apartments for farmworkers;</li> <li>2. 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;</li> <li>3. Willowbrook Residential Care Home, acquisition and renovation of a 40 bed residential care facility.</li> </ol>
<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 assisting 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.

<b>Tax Increment Projections for Housing Activities (\$ in millions)</b>	
<b>Fiscal Year</b>	<b>Gross Tax Increment</b>
2000-01	\$3.5
2001-02	\$3.6
2002-03	\$4.5
2003-04	\$4.8
2004-05	\$4.9
2005-06	\$5.1
2006-07	\$5.3

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

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	322 8TH AV	SANTA CRUZ
1999	SFD	1	02727362	620 14TH AV	SANTA CRUZ
1999	SFD	1	02806268	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	101VERONA 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
<b>TOTAL:</b>		<b>513</b>			

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:

##### **4.11.1 Public Meetings and Hearings**

The County of Santa Cruz has conducted 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:

- First 5 Commission
- Childcare Planning Council
- Mobile Home Commission
- Commission on Disabilities
- Housing Advisory Commission

- ❑ Latino Affairs Commission
- ❑ Mental Health Advisory Board
- ❑ Planning Commission
- ❑ Seniors Commission
- ❑ Women's 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.

#### 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.

## 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 in the urban area for the analysis:

- ~ Potential Development Capacity on Vacant Residential Parcels  
Vacant residential parcels (Appendix A-1)
- ~ Potential Development Capacity on NON-Vacant Residential Parcels  
Non-vacant parcels (Appendix A-1)
- ~ Potential Parcels for Development of Moderate Income Housing  
(Appendix A-2)

Within these tables, R-1 denotes single-family residential use; RM denotes multi-family use.

### **Appendix A-1**

These tables identify parcels which would be developed at a density of up to 14.5 units per acre.

Vacant Residential Parcels were identified through the Assessors Use Codes as 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 rights-of way, 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. This table shows the potential development of 112 units.

Non-Vacant Parcels were also identified from the Assessors Use Codes for parcels zoned R-1 and RM. 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 rights-of way, 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. These tables shows the potential development of 813 and 275 units, respectively.

Appendix A-1 lists 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. The total number of potential units in Appendix A-1 is 1200.

The parcels listed in Appendix A-1 are anticipated to predominantly fulfill the Above Moderate category of sites, with a small proportion anticipated to be affordable to Moderate income households.

Additionally, Small-scale development, usually in the form of infill, could result in the development of another 2,811 residential units under the existing zoning. It is assumed that almost all of this development will be for above moderate income households.

## **Appendix A-2**

Moderate Income parcels were also identified from the Assessors Use Codes for parcels zoned and RM 2.5 and RM 3. 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 rights-of way, 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.

Appendix A-2 identifies potential parcels for development of moderate income units based on a density range of 14.5 to 17.4 units per acre. A total of 537 units can be developed in this category.

Appendix A-1

POTENTIAL DEVELOPMENT CAPACITY  
ON VACANT URBAN RESIDENTIAL PARCELS

Status	ASSESSORS	SQUARE	ZONING	GENERAL PLAN	POTENTIAL	TOTAL UNITS -				WATER	SEWER	
	PARCELNUMBER	FEET		LAND USE	UNITS	CDB	VL	L	M			AM
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	02808111	39174	RM-4	R-UM	8	-	-	-	1.20	7	yes	yes
vacant	03905117	95088	R-1-10	R-UL	8	-	-	-	1.20	7	yes	yes
vacant	02830204	33096	R-1-5-D	R-UM	6	-	-	-	0.90	5	yes	yes
vacant	03110146	22982	R-1-4	R-UM	5	-	-	-	0.75	4	yes	yes
vacant	04205246	39444	R-1-4	R-UM	5	-	-	-	0.75	4	yes	yes
					112	100		16	5	111		

**POTENTIAL DEVELOPMENT CAPACITY ON  
NON-VACANT URBAN RESIDENTIAL PARCELS**

Status	ASSESSORS	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	VL	L	M	AM	Water Available?	Sewer Available?
	PARCEL NUMBER											
underutilized	02501317	131530	R-1-10	R-UL	1	6	-	-	1	5	yes	yes
underutilized	02503217	42065	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02503330	30823	R-1-3.5	R-UH	1	6	-	-	1	5	yes	yes
underutilized	02604218	39126	R-1-5	R-UM	1	5	-	-	1	4	yes	yes
underutilized	02607101	34484	R-1-5	R-UM	1	5	-	-	1	4	yes	yes
underutilized	02607119	37372	R-1-5	R-UM	1	5	-	-	1	4	yes	yes
underutilized	02607152	35688	R-1-5	R-UM	1	5	-	-	1	4	yes	yes
underutilized	02611101	69867	R-1-6	R-UL	3	9	-	-	2	7	yes	yes
underutilized	02611103	43611	R-1-6-D	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02611116	55678	R-1-6	R-UL	1	7	-	-	2	5	yes	yes
underutilized	02612114	41185	R-1-6-D	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02612213	45856	R-1-6	R-UL	0	6	-	-	1	5	yes	yes
underutilized	02618108	45024	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02620106	50189	R-1-6-D	R-UL	1	6	-	-	1	5	yes	yes
underutilized	02620107	43397	R-1-6-D	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02624107	94580	R-1-6	R-UL	1	13	-	-	2	11	yes	yes
underutilized	02624144	50652	R-1-6	R-UL	1	6	-	-	1	5	yes	yes
underutilized	02624145	39971	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02630110	47278	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02630130	75508	R-1-6	R-UL	0	10	-	-	2	8	yes	yes
underutilized	02630211	99652	R-1-6	R-UL	1	14	-	-	3	11	yes	yes
underutilized	02649140	38411	R-1-5	R-UM	1	5	-	-	1	4	yes	yes
underutilized	02723125	30936	R-1-4	R-UH	1	5	-	-	1	4	yes	yes
underutilized	02804101	42372	R-1-6-D	R-UL	0	5	-	-	1	4	yes	yes
underutilized	02901350	42409	R-1-5	R-UM	1	6	-	-	1	5	yes	yes
underutilized	02903106	166815	R-1-5	R-UM	1	10	-	-	2	8	yes	yes
underutilized	02906112	77167	R-1-6-D	R-UL	0	10	-	-	2	8	yes	yes
underutilized	02906120	82342	R-1-6-D	R-UL	2	10	-	-	2	8	yes	yes
underutilized	02906121	47477	R-1-6-D	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02907103	44030	R-1-6	R-UL	2	5	-	-	1	4	yes	yes
underutilized	02907138	100935	R-1-6-D	R-UL	0	15	-	-	3	12	yes	yes
underutilized	02907168	92312	R-1-6-D	R-UL	1	13	-	-	2	11	yes	yes
underutilized	02908103	43611	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	02910126	42734	R-1-6	R-UL	1	5	-	-	1	4	yes	yes

**POTENTIAL DEVELOPMENT CAPACITY ON  
NON-VACANT URBAN RESIDENTIAL PARCELS**

Status	ASSESSORS	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	VL	L	M	AM	Water Available?	Sewer Available?
	PARCEL NUMBER											
underutilized	02912101	90826	R-1-6-D	R-UL	1	13	-	-	2	11	yes	yes
underutilized	02915102	59484	R-1-6	R-UL	1	7	-	-	2	5	yes	yes
underutilized	02917104	70301	R-1-6-D	R-UL	1	9	-	-	2	7	yes	yes
underutilized	02917105	68469	R-1-6-D	R-UL	0	6	-	-	1	5	yes	yes
underutilized	02917106	70855	R-1-6-D	R-UL	2	8	-	-	2	6	yes	yes
underutilized	02917112	60261	R-1-6	R-UL	1	8	-	-	2	6	yes	yes
underutilized	02937118	105806	R-1-6	R-UL	0	16	-	-	3	13	yes	yes
underutilized	03004111	66149	R-1-6	R-UL	1	9	-	-	2	7	yes	yes
underutilized	03006116	80143	R-1-10	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03010162	89275	R-1-6	R-UL	1	12	-	-	2	10	yes	yes
underutilized	03024120	52169	R-1-6	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03025372	40479	R-1-6	R-UL	0	5	-	-	1	4	yes	yes
underutilized	03026109	60191	R-1-6	R-UL	4	5	-	-	1	4	yes	yes
underutilized	03101114	52995	R-1-6	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03103136	109250	R-1-6	R-UL	1	16	-	-	3	13	yes	yes
underutilized	03103180	51355	R-1-6	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03109101	189360	R-1-6	R-UL	1	10	-	-	2	8	yes	yes
underutilized	03111349	28488	R-1-4	R-UH	1	5	-	-	1	4	yes	yes
underutilized	03114115	140952	R-1-6	R-UL	1	15	-	-	3	12	yes	yes
underutilized	03114118	77949	R-1-6	R-UL	1	10	-	-	2	8	yes	yes
underutilized	03114120	40475	R-1-6	R-UL	1	5	-	-	1	4	yes	yes
underutilized	03115137	29130	R-1-4	R-UH	1	5	-	-	1	4	yes	yes
underutilized	03115203	34134	R-1-4	R-UH	1	6	-	-	1	5	yes	yes
underutilized	03706108	66535	R-1-10	R-UL	1	5	-	-	1	4	yes	yes
underutilized	03706154	69408	R-1-6	R-UL	1	9	-	-	2	7	yes	yes
underutilized	03710101	111408	R-1-6	R-UL	2	15	-	-	3	12	yes	yes
underutilized	03710143	50672	R-1-6	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03712129	157734	R-1-10	R-UL	0	14	-	-	3	11	yes	yes
underutilized	03713106	86769	R-1-10	R-UL	1	6	-	-	1	5	yes	yes
underutilized	03719112	152631	R-1-6	R-UL	1	20	-	-	3	17	yes	yes
underutilized	03722135	40315	R-1-5	R-UM	1	6	-	-	1	5	yes	yes
underutilized	03902118	70716	R-1-10	R-UL	1	5	-	-	1	4	yes	yes
underutilized	03902124	106176	R-1-10	R-UL	1	8	-	-	2	6	yes	yes
underutilized	03903102	60841	R-1-10	R-UL	1	5	-	-	1	4	yes	yes

**POTENTIAL DEVELOPMENT CAPACITY ON  
NON-VACANT URBAN RESIDENTIAL PARCELS**

Status	ASSESSORS	SQUARE FEET	ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	VL	L	M	AM	Water Available?	Sewer Available?
	PARCEL NUMBER											
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	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	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	05141107	165665	R-1-10	R-UL	1	14	-	-	3	11	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	6	-	-	1	5	yes	yes
underutilized	06026124	805503	R-1-20	R-UVL	1	17	-	-	3	14	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	-	-	2	10	yes	yes
underutilized	06720221	288293	R-1-20	R-UVL	1	12	-	-	2	10	yes	yes
underutilized	06748104	110286	R-1-15	R-UVL	1	5	-	-	1	4	yes	yes

**POTENTIAL DEVELOPMENT CAPACITY ON  
NON-VACANT URBAN RESIDENTIAL PARCELS**

Status	ASSESSORS		ZONING	General Plan Land Use	EXISTING UNITS	POTENTIAL UNITS	VL	L	M	AM	Water Available?	Sewer Available?
	PARCEL NUMBER	SQUARE FEET										
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
						813			162	651		

† For projects of 10-units or larger, 146 additional units are possible from the County's Density Bonus Ordinance, resulting in 116 low income (instead of 94 moderate income) units and 30 additional above moderate income units

**POTENTIAL DEVELOPMENT CAPACITY ON  
NON-VACANT URBAN MULTIFAMILY ZONED PARCELS**

Status	ASSESSORS		ZONING	General Plan	EXISTING	POTENTIAL	VL	L	M	AM	Water Available?	Sewer Available?
	PARCEL NUMBER	SQUARE FEET		Land Use	UNITS	UNITS						
underutilized	025-202-02	54089.0	RM-4	R-UM	1	10	-	-	2	8	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	-	-	2	9	yes	yes
underutilized	025-211-02	83051.0	RM-6	R-UL	0	12	-	-	2	10	yes	yes
underutilized	025-211-06	102460.0	RM-6-L	R-UM	1	14	-	-	3	11	yes	yes
underutilized	026-051-21	56880.0	RM-4	R-UM	0	12	-	-	2	10	yes	yes
underutilized	026-221-15	41382.0	RM-4	R-UM	1	9	-	-	2	7	yes	yes
underutilized	026-621-12	65720.0	RM-4	R-UM	0	15	-	-	3	12	yes	yes
underutilized	026-641-01	77403.0	RM-4	R-UM	2	15	-	-	3	12	yes	yes
underutilized	027-051-25	73545.0	RM-6-D	R-UL	1	9	-	-	2	7	yes	yes
underutilized	028-014-01	41382.0	RM-4	R-UM	2	8	-	-	2	6	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	-	-	4	17	yes	yes
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	028-081-11	39204.0	RM-4	O-U, R-UM	1	7	-	-	2	5	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	037-101-02	109205.0	RM-4	R-UM	1	25	-	-	4	21	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	-	-	3	13	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	-	-	3	15	yes	yes
underutilized	037-241-36	26136.0	RM-4	R-UM, O-R	1	5	-	-	1	4	yes	yes
underutilized	041-221-32	75433.0	RM-6	R-UL	0	10	-	-	2	8	yes	yes
					25	275			55	220		

**Potential Parcels for Development of Moderate Income Housing  
Zoned for 14.5 to 17.4 Units per Acre**

ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	GENERAL PLAN	EXISTING UNITS	POTENTIAL UNITS	WATER AVAILABLE	SEWER AVAILABLE
025-013-07	21344.4	RM-2.5	R-UH	1	7	YES	YES
025-013-13	12196.8	RM-2.5	R-UH	1	3	YES	YES
025-013-14	11761.2	RM-2.5	R-UH	1	3	YES	YES
025-023-07	21344.4	RM-3	R-UH	1	6	YES	YES
025-023-10	20037.6	RM-3	R-UH	1	5	YES	YES
025-082-14	39204.0	RM-3	R-UH	1	12	YES	YES
025-082-33	9147.6	RM-3	R-UH	1	2	YES	YES
025-082-42	17859.6	RM-3	R-UH	1	4	YES	YES
025-082-50	18295.2	RM-3	R-UH	1	5	YES	YES
025-231-13	23522.4	RM-3	R-UH	1	6	YES	YES
025-411-10	12196.8	RM-2.5	R-UH	1	3	YES	YES
025-421-17	22215.6	RM-2.5	R-UH	1	7	YES	YES
026-193-01	23958.0	RM-2.5	R-UH	1	8	YES	YES
026-193-53	16552.8	RM-2.5	R-UH	1	5	YES	YES
026-341-20	30492.0	RM-3	R-UH	1	9	YES	YES
026-441-13	30492.0	RM-3	R-UH	1	9	YES	YES
027-221-03	10454.4	RM-3	R-UH	1	2	YES	YES
027-261-39	20473.2	RM-3	R-UH	1	5	YES	YES
027-261-50	10890.0	RM-3	R-UH	1	2	YES	YES
027-273-05	14374.8	RM-2.5	R-UH	1	4	YES	YES
027-273-15	14374.8	RM-3	R-UH	1	3	YES	YES
027-273-17	21780.0	RM-3	R-UH	1	6	YES	YES
027-282-07	25264.8	RM-3	R-UH	1	7	YES	YES
027-351-04	10890.0	RM-2.5	R-UH	1	3	YES	YES
027-421-04	10018.8	RM-2.5	R-UH	1	3	YES	YES
028-081-10	27007.2	RM-2.5	O-U, R-UH	1	8	YES	YES
028-081-26	10890.0	RM-2.5	R-UH	1	3	YES	YES
028-091-16	20473.2	RM-3	R-UH	1	5	YES	YES
028-091-38	31363.2	RM-2.5	R-UH	1	11	YES	YES
028-202-44	30492.0	RM-3	R-UH	1	9	YES	YES
028-381-08	23958.0	RM-3	R-UH	1	6	YES	YES
028-401-12	11761.2	RM-3	R-UH	1	2	YES	YES
029-221-14	39204.0	RM-3	R-UH	1	12	YES	YES
029-251-17	40075.2	RM-3	R-UH	1	12	YES	YES
030-151-02	10454.4	RM-3-GH	R-UH	1	2	YES	YES
030-151-03	16117.2	RM-3-GH	R-UH	1	4	YES	YES
030-151-26	15246.0	RM-3-L-GH	R-UH	1	4	YES	YES

**Potential Parcels for Development of Moderate Income Housing  
Zoned for 14.5 to 17.4 Units per Acre**

ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	GENERAL PLAN	EXISTING UNITS	POTENTIAL UNITS	WATER AVAILABLE	SEWER AVAILABLE
030-151-27	14374.8	RM-3-GH	R-UH	1	3	YES	YES
030-152-02	19602.0	RM-3-L-GH	O-U, R-UH	1	4	YES	YES
030-152-03	23086.8	RM-3-GH	O-U, R-UH	1	5	YES	YES
030-152-04	22651.2	RM-3-D-GH	R-UH	1	6	YES	YES
030-152-06	12196.8	RM-3-GH	O-U, R-UH	1	3	YES	YES
030-152-08	16117.2	RM-3-GH	R-UH	1	4	YES	YES
030-161-03	9147.6	RM-3	R-UH	1	2	YES	YES
030-161-04	15246.0	RM-3	R-UH	1	4	YES	YES
030-161-05	9583.2	RM-3	R-UH	1	2	YES	YES
030-161-07	11761.2	RM-3	R-UH	1	2	YES	YES
030-161-10	18295.2	RM-3-L	R-UH	1	5	YES	YES
030-161-28	10890.0	RM-3	R-UH	1	2	YES	YES
030-194-60	9583.2	RM-3	R-UH	1	2	YES	YES
030-194-61	13068.0	RM-3	R-UH	1	3	YES	YES
030-194-63	17424.0	RM-3	R-UH	1	4	YES	YES
030-194-64	16117.2	RM-3	R-UH	1	4	YES	YES
030-221-44	13068.0	RM-3	R-UH, O-U	1	3	YES	YES
030-361-03	10454.4	RM-3	R-UH	1	2	YES	YES
031-071-40	11761.2	RM-3	R-UH	1	2	YES	YES
031-072-03	7840.8	RM-2.5	R-UH	1	2	YES	YES
031-101-20	9583.2	RM-3	R-UH	1	2	YES	YES
031-101-37	9147.6	RM-3	R-UH	1	2	YES	YES
031-101-52	10890.0	RM-3	R-UH	1	2	YES	YES
031-113-26	11325.6	RM-3	R-UH	1	2	YES	YES
031-152-17	10454.4	RM-3	R-UH	1	2	YES	YES
031-201-56	34412.4	RM-3	R-UH	1	10	YES	YES
032-032-57	11325.6	RM-2.5	R-UH	1	3	YES	YES
032-032-59	10454.4	RM-2.5	R-UH	1	3	YES	YES
032-041-66	10890.0	RM-3	R-UH	1	2	YES	YES
032-075-06	10890.0	RM-3	R-UH	1	2	YES	YES
037-141-22	12196.8	RM-3	R-UH	1	3	YES	YES
037-141-23	16552.8	RM-3	R-UH	1	4	YES	YES
037-271-45	12632.4	RM-3	R-UH	1	3	YES	YES
037-271-46	10454.4	RM-3	R-UH	1	2	YES	YES
037-391-09	23522.4	RM-3	R-UH	1	6	YES	YES
037-441-19	33105.6	RM-3	O-U, R-UH	1	9	YES	YES
038-073-18	8276.4	RM-2.5	R-UH	1	2	YES	YES
038-252-03	7840.8	RM-2.5	R-UH	1	2	YES	YES

**Potential Parcels for Development of Moderate Income Housing  
Zoned for 14.5 to 17.4 Units per Acre**

ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	GENERAL PLAN	EXISTING UNITS	POTENTIAL UNITS	WATER AVAILABLE	SEWER AVAILABLE
038-281-05	8276.4	RM-2.5	R-UH	1	2	YES	YES
038-291-04	8712.0	RM-2.5	R-UH	1	2	YES	YES
038-301-11	19166.4	RM-2.5	R-UH	1	6	YES	YES
038-311-40	23522.4	RM-3	R-UH	1	6	YES	YES
038-341-22	13939.2	RM-3	R-UH	1	3	YES	YES
038-401-03	7840.8	RM-2.5	R-UH	1	2	YES	YES
038-422-03	7840.8	RM-2.5	R-UH	1	2	YES	YES
038-442-03	7840.8	RM-2.5	R-UH	1	2	YES	YES
038-481-03	7840.8	RM-2.5	R-UH	1	2	YES	YES
038-501-03	11761.2	RM-2.5	R-UH	1	3	YES	YES
038-531-19	9583.2	RM-3	R-UH	1	2	YES	YES
039-182-06	34412.4	RM-3	R-UH	1	10	YES	YES
039-281-19	40075.2	RM-3	R-UH	1	12	YES	YES
039-301-11	29620.8	RM-3	R-UH	1	8	YES	YES
039-411-01	12632.4	RM-3	R-UH	1	3	YES	YES
041-021-34	22215.6	RM-3	R-UH	1	6	YES	YES
041-021-36	11761.2	RM-3	R-UH	1	2	YES	YES
041-021-37	10890.0	RM-3	R-UH	1	2	YES	YES
041-021-40	9147.6	RM-3-L	R-UH	1	2	YES	YES
041-031-09	14374.8	RM-3	R-UH	1	3	YES	YES
041-052-14	17859.6	RM-3	R-UH	1	4	YES	YES
042-023-16	14374.8	RM-3	R-UH	1	3	YES	YES
042-301-23	27442.8	RM-3	R-UH	1	8	YES	YES
043-251-01	34412.4	RM-2.5	R-UH	1	12	YES	YES
054-091-34	14810.4	RM-3	R-UH	1	3	YES	YES
054-091-38	9147.6	RM-3	R-UH	1	2	YES	YES
054-091-53	14374.8	RM-3	R-UH	1	3	YES	YES
054-091-58	11761.2	RM-3	R-UH	1	2	YES	YES
054-101-40	9583.2	RM-3	R-UH	1	2	YES	YES
054-101-43	16117.2	RM-3	R-UH	1	4	YES	YES
054-101-49	9147.6	RM-3	R-UH	1	2	YES	YES
054-101-60	9147.6	RM-3	R-UH	1	2	YES	YES
054-102-15	9583.2	RM-3	R-UH	1	2	YES	YES
054-111-58	9147.6	RM-3	R-UH	1	2	YES	YES
054-111-67	10890.0	RM-3	R-UH	1	3	YES	YES
054-111-70	10454.4	RM-3	R-UH	1	2	YES	YES
054-161-53	13068.0	RM-3	R-UH	1	3	YES	YES
054-161-57	9147.6	RM-3	R-UH	1	2	YES	YES

**Potential Parcels for Development of Moderate Income Housing  
Zoned for 14.5 to 17.4 Units per Acre**

ASSESSORS PARCEL NUMBER	SQUARE FEET	ZONING	GENERAL PLAN	EXISTING UNITS	POTENTIAL UNITS	WATER AVAILABLE	SEWER AVAILABLE
054-161-58	12196.8	RM-3	R-UH	1	3	YES	YES
054-161-63	9147.6	RM-3	R-UH	1	2	YES	YES
054-161-70	9147.6	RM-3	R-UH	1	2	YES	YES
054-161-71	9583.2	RM-3	R-UH	1	2	YES	YES
054-161-82	9147.6	RM-3	R-UH	1	2	YES	YES
054-161-89	9147.6	RM-3	R-UH	1	2	YES	YES
054-271-05	12632.4	RM-3	R-UH	1	3	YES	YES
054-281-04	10454.4	RM-3	R-UH	1	2	YES	YES
054-311-19	10018.8	RM-3	R-UH	1	2	YES	YES
054-311-20	38768.4	RM-3	R-UH	1	11	YES	YES
054-311-21	10018.8	RM-3	R-UH	1	2	YES	YES
054-321-04	10018.8	RM-3	R-UH	1	2	YES	YES
054-331-08	23958.0	RM-3	R-UH	1	6	YES	YES
054-351-04	9583.2	RM-3	R-UH	1	2	YES	YES
054-361-07	18730.8	RM-3	R-UH	1	5	YES	YES
054-381-05	13503.6	RM-3	R-UH	1	3	YES	YES
054-561-13	13068.0	RM-3	R-UH	1	3	YES	YES
054-561-21	10018.8	RM-3	R-UH	1	2	YES	YES
054-571-10	9147.6	RM-3	R-UH	1	2	YES	YES
054-571-21	9147.6	RM-3	R-UH	1	2	YES	YES
054-581-04	10018.8	RM-3	R-UH	1	2	YES	YES
054-611-03	10454.4	RM-3	O-U	1	2	YES	YES
				135	537		

## RURAL VACANT LAND DEVELOPMENT POTENTIAL

The County's Geographic Information System staff prepared an analysis of all vacant rural properties of 1 acre or larger as identified by the Assessor's Use Codes.<sup>1</sup> These parcels are developable for single-family residential use under the County Code. The analysis identified 3304 properties for potential residential development.

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<sup>1</sup> This analysis is on file with the Planning Department.

RESIDENTIAL CONSTRUCTION POTENTIAL  
IN CONJUNCTION WITH REDEVELOPMENT OF NON-VACANT COMMERCIAL PARCELS

The following table shows a summary of the potential development of residential units on parcels zoned for commercial development as part of mixed use development. The parcels included in this summary are currently not vacant. A complete table including specific parcel sizes and zoning follows the summary.

All of the parcels included in this list would allow 50% of the square footage of the structure to be residential under the zoning ordinance. The zones which allow 50% of the square footage to be residential are C-1 (Neighborhood Commercial); C-2 (Community Commercial); and PA (Professional and Administrative offices).<sup>1</sup> Additionally, the list of commercial parcels includes only parcels greater than 20,000 square feet with an improvements value less than \$200,000<sup>2</sup>. This identifies those parcels with existing development that is old or is small in relation to the parcel size.

The calculation of potential units was determined in the following fashion: The structure(s) would be built at 40% floor area ratio. Of the square footage of that structure, 50% would be residential. The number of units was determined by dividing the residential square footage by 800- presuming an average unit size of 800 square feet. This resulted in the potential capacity of 1,495 units on vacant commercial parcels as part of a mixed use project.

Of these 1,495 units, it is anticipated that 30% of these units will be developed during the planning period. This results in 448 units. Of these 448 units, it is presumed that 40% would be affordable to low and moderate-income residents (179 affordable units). It is then presumed that of the affordable units, 75% of those would be affordable to moderate income households (134 units) and 25% of would be affordable to low income households (45 units). The remaining 269 would be affordable to above moderate households. See Table 4.6.2 e.

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<sup>1</sup> Parcels with split zoning have been adjusted so that only the portion on which mixed use development could occur has been counted.

<sup>2</sup> Based on GIS analysis of Assessors records, February 2003; revised December 2004.

<b>Potential Residential Units</b>				
<b>Planning Area</b>	<b>Acres</b>	<b>Total Square Footage of Structure(s)</b>	<b>Potential Residential Square Footage</b>	<b>Potential Units</b>
<b>Parcels less than one acre</b>				
Aptos	8.88	154,725	77,363	91
Live Oak	20.30	353,707	176,854	207
Pajaro Valley	1.22	21,257	10,629	12
San Lorenzo Valley	17.82	310,496	155,248	179
Soquel	11.6	202,118	101,059	120
<b>TOTAL less than one acre</b>	<b>59.82</b>	<b>1,042,304</b>	<b>521,152</b>	<b>609</b>
<b>Parcels larger than one acre</b>				
Aptos	20.87	363,639	181,819	222
Live Oak	18.49	322,170	161,085	195
Pajaro Valley	6.24	108,726	54,363	66
San Lorenzo Valley	23.88	416,085	208,043	254
Soquel	14.03	244,459	122,229	149
<b>TOTAL larger than one acre</b>	<b>83.51</b>	<b>1,455,078</b>	<b>727,539</b>	<b>886</b>
<b>TOTAL</b>	<b>143.33</b>	<b>2,497,382</b>	<b>1,248,691</b>	<b>1,495</b>
Source: Santa Cruz County Planning Department, April 2000; revised December 2004				

## NON VACANT COMMERCIAL SITES FOR POTENTIAL MIXED USE DEVELOPMENT

### LESS THAN ONE ACRE

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE SQUARE FOOTAGE AT 40%	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
					STRUCTURE SQUARE FOOTAGE FOR RESIDENTIAL USE			
APTOS	04102107	0.47	20473	8189	4095	5	C-1	SINGLE RESIDENCE
APTOS	04105216	0.47	20473	8189	4095	5	PA	NON-CONFORMING RES
APTOS	04114129	0.47	20473	8189	4095	5	PA	MULTI OFFICES/1 BLDG
APTOS	04105103	0.48	20909	8364	4182	5	PA	SFR + SECOND UNIT
APTOS	03947102	0.49	21344	8538	4269	5	C-1	RESTAURANT
APTOS	03912122	0.50	21780	8712	4356	5	PA	BANK
APTOS	04104210	0.51	22216	8886	4443	5	PA-GH	SINGLE RESIDENCE
APTOS	03818511	0.54	23522	9409	4704	5	C-1	MISC MULTI USE
APTOS	03951101	0.54	23522	9409	4704	5	C-1	RESTAURANT
APTOS	04101124	0.54	23522	9409	4704	5	C-1	SINGLE STORE
APTOS	04102116	0.65	28314	11326	5663	7	PA	TWO SFR'S/1 APN
APTOS	04105208	0.66	28750	11500	5750	7	PA	NON-CONFORMING RES
APTOS	03947104	0.77	33541	13416	6708	8	C-1	COCKTAIL LOUNGE/BAR
APTOS	04104244	0.86	37462	14985	7492	9	PA-GH	SELF SERVICE STATION
APTOS	04122131	0.93	40511	16204	8102	10	PA	SINGLE OFFICE
		<b>8.88</b>		<b>154725</b>	<b>77363</b>	<b>91</b>		
LIVE OAK	02602216	0.46	20038	8015	4008	5	C-2	SELF SERVICE STATION
LIVE OAK	03205122	0.48	20909	8364	4182	5	C-2	MEDICAL OFFICE
LIVE OAK	02508221	0.49	21344	8538	4269	5	PA	MEDICAL OFFICE
LIVE OAK	02548105	0.50	21780	8712	4356	5	PA	MEDI-DENTAL LAB
LIVE OAK	02511224	0.51	22216	8886	4443	5	PA	NON-CONFORMING RES
LIVE OAK	02501337	0.52	22651	9060	4530	5	PA	NON-CONFORMING RES
LIVE OAK	02508304	0.52	22651	9060	4530	5	C-2	SINGLE STORE
LIVE OAK	02516114	0.52	22651	9060	4530	5	C-2	MEDICAL OFFICE

APPENDIX C-1

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
				SQUARE FOOTAGE AT 40% FLOOR AREA	SQUARE FOOTAGE OF STRUCTURE FOR RESIDENTIAL USE			
LIVE OAK	02615159	0.53	23087	9235	4617	5	C-1	SINGLE STORE
LIVE OAK	02507119	0.56	24394	9757	4879	6	C-2	FULL SERVICE STATION
LIVE OAK	03205129	0.57	24829	9932	4966	6	C-2	MULTI STORES/1 BLDG
LIVE OAK	02507120	0.59	25700	10280	5140	6	C-2	SINGLE STORE
LIVE OAK	02820225	0.59	25700	10280	5140	6	C-1	RESTAURANT
LIVE OAK	02604117	0.63	27443	10977	5489	6	PA	NON-CONFORMING RES
LIVE OAK	02507105	0.64	27878	11151	5576	6	C-2	SINGLE STORE
LIVE OAK	02508423	0.65	28314	11326	5663	7	C-2	VETERINARY CLINIC
LIVE OAK	02508122	0.66	28750	11500	5750	7	PA	COMMERCIAL PARKING
LIVE OAK	02619343	0.66	28750	11500	5750	7	C-1	COUNTY BUILDING
LIVE OAK	03209103	0.69	30056	12023	6011	7	C-2	COCKTAIL LOUNGE/BAR
LIVE OAK	03209139	0.69	30056	12023	6011	7	C-2	RETAIL LUMBER YARD
LIVE OAK	02619346	0.71	30928	12371	6186	7	C-1	SFR W/ SECONDARY USE
LIVE OAK	02520149	0.72	31363	12545	6273	7	C-1	OTHER COMMERCIAL USE
LIVE OAK	02631122	0.86	37462	14985	7492	9	C-1	STORAGE YARD
LIVE OAK	02815536	0.86	37462	14985	7492	9	C-1	11 - 20 UNITS
LIVE OAK	02619345	0.89	38768	15507	7754	9	C-1	GROCERY STORE
LIVE OAK	02508102	0.93	40511	16204	8102	10	PA	MEDI-DENTAL LAB
LIVE OAK	02619340	0.94	40946	16379	8189	10	C-1	VACANT CITY LAND
LIVE OAK	02535104	0.95	41382	16553	8276	10	C-1	MISC MULTI USE
LIVE OAK	02535118	0.99	43124	17250	8625	10	PA	SFR W/ SECONDARY USE
LIVE OAK	02619341	0.99	43124	17250	8625	10	C-1	COUNTY SHOP/YARDS
		<b>20.30</b>		<b>353707</b>	<b>176854</b>	<b>207</b>		
PAJARO	05127108	0.60	26136	10454	5227	6	C-1	CONVENIENCE STORE
PAJARO	05127109	0.62	27007	10803	5401	6	C-1	MISC MULTI USE
		<b>1.22</b>		<b>21257</b>	<b>10629</b>	<b>12</b>		
SAN LORENZO VALLEY	06508132	0.46	20038	8015	4008	5	C-2	NON-CONFORMING RES
SAN LORENZO VALLEY	06512101	0.46	20038	8015	4008	5	C-2	AUTO/TRUCK REPAIR

APPENDIX C-1

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
				FOOTAGE	SQUARE			
SAN LORENZO VALLEY	07708111	0.48	20909	8364	4182	5	C-1	LOT/RURAL ZONE
SAN LORENZO VALLEY	08114115	0.48	20909	8364	4182	5	C-2	MULTI STORES/1 BLDG
SAN LORENZO VALLEY	07216307	0.49	21344	8538	4269	5	C-1	AUTO/TRUCK REPAIR
SAN LORENZO VALLEY	07710312	0.49	21344	8538	4269	5	C-1	SINGLE OFFICE
SAN LORENZO VALLEY	06504404	0.50	21780	8712	4356	5	C-1	5 - 10 UNITS
SAN LORENZO VALLEY	07119205	0.50	21780	8712	4356	5	C-1	AUTO/TRUCK REPAIR
SAN LORENZO VALLEY	06502402	0.51	22216	8886	4443	5	C-1	SINGLE RESIDENCE
SAN LORENZO VALLEY	08108114	0.52	22651	9060	4530	6	C-2	BANK
SAN LORENZO VALLEY	07119207	0.53	23087	9235	4617	5	C-1	RESTAURANT
SAN LORENZO VALLEY	07710405	0.53	23087	9235	4617	5	C-1	MULTI STORES/OFFICES
SAN LORENZO VALLEY	08108109	0.53	23087	9235	4617	5	C-2	5 - 10 UNITS
SAN LORENZO VALLEY	08125319	0.53	23087	9235	4617	5	C-2	STORE W/ LIVING UNIT
SAN LORENZO VALLEY	06507108	0.54	23522	9409	4704	5	C-2	MULTI STORES/OFFICES
SAN LORENZO VALLEY	07220120	0.55	23958	9583	4792	5	C-1	SINGLE RESIDENCE
SAN LORENZO VALLEY	06418155	0.57	24829	9932	4966	6	C-1	NON-CONFORMING RES
SAN LORENZO VALLEY	06508106	0.59	25700	10280	5140	6	C-2	NON-CONFORMING RES
SAN LORENZO VALLEY	07816102	0.59	25700	10280	5140	6	C-1-L	SINGLE RESIDENCE
SAN LORENZO VALLEY	07901114	0.63	27443	10977	5489	6	C-1	11 - 20 UNITS
SAN LORENZO VALLEY	08108302	0.63	27443	10977	5489	6	C-2	RESTAURANT
SAN LORENZO VALLEY	06502405	0.64	27878	11151	5576	6	C-1	NON-CONFORMING RES
SAN LORENZO VALLEY	07214116	0.64	27878	11151	5576	6	C-1	MULTI STORES/1 BLDG
SAN LORENZO VALLEY	06508131	0.66	28750	11500	5750	7	C-2	FAST FOOD RESTAURANT
SAN LORENZO VALLEY	07217102	0.68	29621	11848	5924	7	C-1	NON-CONFORMING RES
SAN LORENZO VALLEY	07708105	0.68	29621	11848	5924	7	C-1	3 OR 4 UNITS/2+ BLDGS
SAN LORENZO VALLEY	08120205	0.77	33541	13416	6708	8	C-2-L	5 - 10 UNITS
SAN LORENZO VALLEY	07119206	0.81	35284	14113	7057	8	C-1	SINGLE RESIDENCE
SAN LORENZO VALLEY	07717214	0.90	39204	15682	7841	9	C-1	5 - 10 UNITS
SAN LORENZO VALLEY	08223113	0.93	40511	16204	8102	10	C-2	MOTEL/UNDER 20 UNITS
		<b>17.82</b>		<b>310496</b>	<b>155248</b>	<b>179</b>		

APPENDIX C-1

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE SQUARE FOOTAGE AT 40% FLOOR AREA RATIO	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
					STRUCTURE SQUARE FOOTAGE FOR RESIDENTIAL USE			
SOQUEL	03015310	0.46	20038	8015	4008	5	C-2-GH	UNBUILDABLE LOT
SOQUEL	03012114	0.47	20473	8189	4095	5	C-2	SFR W/ SECONDARY USE
SOQUEL	03008119	0.48	20909	8364	4182	5	C-2-GH	WAREHSE/DRY STORAGE
SOQUEL	03006114	0.49	21344	8538	4269	5	C-2	NON-CONFORMING RES
SOQUEL	03022301	0.49	21344	8538	4269	5	C-2-GH	SELF SERVICE STATION
SOQUEL	03015308	0.51	22216	8886	4443	5	C-2-GH	MULTI STORES/1 BLDG
SOQUEL	03006124	0.54	23522	9409	4704	5	C-2	LOT/INDUSTRIAL ZONE
SOQUEL	03015309	0.56	24394	9757	4879	6	C-2-GH	SINGLE OFFICE
SOQUEL	03014161	0.57	24829	9932	4966	6	C-2-GH	SINGLE RESIDENCE
SOQUEL	03006120	0.61	26572	10629	5314	6	C-2	NON-CONFORMING RES
SOQUEL	03709325	0.66	28750	11500	5750	7	C-1	CONVENIENCE/GAS PUMPS
SOQUEL	03723120	0.68	29621	11848	5924	7	PA	COMMERCIAL PARKING
SOQUEL	03727149	0.71	30928	12371	6186	7	PA	LOT/RESIDENTIAL ZONE
SOQUEL	03723112	0.82	35719	14288	7144	8	PA	LOT/RURAL ZONE
SOQUEL	03012127	0.84	36590	14636	7318	9	C-2	RETAIL LUMBER YARD
SOQUEL	03727105	0.86	37462	14985	7492	9	C-1	GAS STATION W/ STORE
SOQUEL	03022145	0.92	40075	16030	8015	10	C-2-GH	MULTI STORES/OFFICES
SOQUEL	03008240	0.93	40511	16204	8102	10	C-2-GH	MULTI STORES/OFFICES
<b>TOTAL LESS THAN ONE ACRE</b>		<b>11.60</b>		<b>202118</b>	<b>101059</b>	<b>120</b>		
		<b>59.82</b>		<b>1042304</b>	<b>521152</b>	<b>609</b>		
<b>MORE THAN ONE ACRE</b>								
APTOS	04101103	1.09	47480	18992	9496	11	C-1	WAREHSE/DRY STORAGE
APTOS	04114123	1.19	51836	20735	10367	12	PA	MULTI STORES/OFFICES
APTOS	04104211	1.61	70132	28053	14026	17	PA-GH	SINGLE RESIDENCE
APTOS	04104243	2.48	108029	43212	21606	27	C-1	SELF SERVICE STATION

APPENDIX C-1

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
				SQUARE FOOTAGE AT 40% FLOOR AREA	SQUARE FOOTAGE OF STRUCTURE FOR RESIDENTIAL USE			
APTOS	04101133	2.55	111078	44431	22216	27	C-1-L	WAREHSE/DRY STORAGE
APTOS	03947106	2.60	113256	45302	22651	28	C-1	COMMERCIAL PARKING
APTOS	04156106	3.48	151589	60636	30318	37	C-1-GH	AUTO/TRUCK REPAIR
APTOS	03947105	5.87	255697	102279	51139	63	C-1	5 - 10 UNITS
		<b>20.87</b>		<b>363639</b>	<b>181819</b>	<b>222</b>		
LIVE OAK	02804119	1.00	43560	17424	8712	10	C-1	STORE W/ LIVING UNIT
LIVE OAK	02619342	1.08	47045	18818	9409	11	C-1	COUNTY BUILDING
LIVE OAK	02619344	1.17	50965	20386	10193	12	C-1	COIN LAUNDRY
LIVE OAK	03205132	1.19	51836	20735	10367	12	C-2	SINGLE STORE
LIVE OAK	02621147	1.69	73616	29447	14723	18	C-2	CITY BUILDING
LIVE OAK	02626113	1.83	79715	31886	15943	19	C-2-D	COUNTY BUILDING
LIVE OAK	03204168	1.83	79715	31886	15943	19	C-2	AUTO/TRUCK REPAIR
LIVE OAK	10206110	2.61	113692	45477	22738	28	PA	MISC IMPS 1-4.9 ACRE
LIVE OAK	02626115	6.09	265280	106112	53056	66	C-2-D	HOMESITE/5-19.9 ACRE
		<b>18.49</b>		<b>322170</b>	<b>161085</b>	<b>195</b>		
PAJARO	05155105	1.08	47045	18818	9409	11	C-1	1-4.9 ACRE/RURAL
PAJARO	04806106	1.50	65340	26136	13068	16	PA	HOMESITE/1-4.9 ACRES
PAJARO	04806105	1.54	67082	26833	13416	16	PA	HOMESITE/1-4.9 ACRES
PAJARO	05119117	2.12	92347	36939	18469	23	C-1	GROCERY STORE
		<b>6.24</b>		<b>108726</b>	<b>54363</b>	<b>66</b>		
SAN LORENZO VALLEY	08719105	1.08	47045	18818	9409	11	C-1	OTHER COMMERCIAL USE
SAN LORENZO VALLEY	06504407	1.09	47480	18992	9496	11	C-1	FULL SERVICE STATION
SAN LORENZO VALLEY	08505104	1.35	58806	23522	11761	14	C-1	NON-CONFORMING RES
SAN LORENZO VALLEY	08417101	1.38	60113	24045	12023	15	C-1	MULTI STORES/1 BLDG
SAN LORENZO VALLEY	08125324	2.10	91476	36590	18295	22	C-2-MH	MH PARK
SAN LORENZO VALLEY	07716101	2.63	114563	45825	22913	28	C-1-L	STORE W/ LIVING UNIT
SAN LORENZO VALLEY	08403121	2.89	125888	50355	25178	31	C-1	3 OR 4 UNITS/2+ BLDGS

APPENDIX C-1

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE	50% OF	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
				FOOTAGE AT 40% RATIO	SQUARE FOOTAGE OF STRUCTURE FOR RESIDENTIAL USE			
SAN LORENZO VALLEY	07901117	3.39	147668	59067	29534	36	C-1	1-4.9 ACRE/RURAL
SAN LORENZO VALLEY	07901115	7.97	347173	138869	69435	86	C-1	VACANT APARTMENT LOT
		<b>23.88</b>		<b>416085</b>	<b>208043</b>	<b>254</b>		
SOQUEL	03012149	1.08	47045	18818	9409	11	C-2	OTHER COMMERCIAL USE
SOQUEL	03007110	1.33	57935	23174	11587	14	C-2	WAREHSE/DRY STORAGE
SOQUEL	03034103	1.61	70132	28053	14026	17	C-2	VACANT COUNTY LAND
SOQUEL	03715112	1.87	81457	32583	16291	20	PA	MULTI OFFICES/1 BLDG
SOQUEL	03006118	1.90	82764	33106	16553	20	C-2	STORE W/ LIVING UNIT
SOQUEL	03022146	2.89	125888	50355	25178	31	C-2-GH	SINGLE STORE
SOQUEL	03006119	3.35	145926	58370	29185	36	C-2	11 - 20 UNITS
		<b>14.03</b>		<b>244459</b>	<b>122229</b>	<b>149</b>		
<b>TOTAL MORE THAN ONE ACRE</b>		<b>83.51</b>		<b>1455078</b>	<b>727539</b>	<b>886</b>		
<b>TOTAL NON VACANT</b>		<b>143.33</b>		<b>2497382</b>	<b>1248691</b>	<b>1495</b>		

**RESIDENTIAL CONSTRUCTION POTENTIAL  
IN CONJUNCTION WITH REDEVELOPMENT OF VACANT COMMERCIAL PARCELS**

The following table shows a summary of the potential development of residential units on parcels zoned for commercial development as part of mixed use development. The parcels included in this summary are currently vacant. A complete table including specific parcel sizes and zoning follows the summary.

All of the parcels included in this list would allow 50% of the square footage of the structure to be residential under the zoning ordinance. The zones which allow 50% of the square footage to be residential are C-1 (Neighborhood Commercial); C-2 (Community Commercial); and PA (Professional and Administrative offices).<sup>1</sup> Total vacant commercial land was tallied based on the GIS analysis of Assessor's records.<sup>2</sup>

The calculation of potential units was determined in the following fashion: The structure(s) would be built at 40% floor area ratio. Of the square footage of that structure, 50% would be residential. The number of units was determined by dividing the residential square footage by 800- presuming an average unit size of 800 square feet. This resulted in the potential capacity of 310 units on vacant commercial parcels as part of a mixed use project.

Of these 310 units, it is anticipated that 30% of these units will be developed during the planning period. This results in 93 units. Of these 93 units, it is presumed that 40% would be affordable to low and moderate-income residents (37 affordable units). It is then presumed that of the affordable units, 75% of those would be affordable to moderate income households (28 units) and 25% of would be affordable to low income households (9 units). The remaining 56 would be affordable to above moderate households. See Table 4.6.2 e.

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1 Parcels with split zoning have been adjusted so that only the portion on which mixed use development could occur has been counted.

2 February 2003, revised October 2003.

<b>Potential Residential Units</b>				
<b>Planning Area</b>	<b>Acres</b>	<b>Total Square Footage of Structure(s)</b>	<b>Potential Residential Square Footage</b>	<b>Potential Units</b>
<b>Parcels less than one acre</b>				
Aptos	3.79	66,037	33,018	38
Live Oak	2.82	49,136	24,568	29
San Lorenzo Valley	2.99	52,098	26,049	31
Soquel	1.41	24,568	12,284	14
<b>TOTAL less than one acre</b>	<b>11.01</b>	<b>191,838</b>	<b>95,919</b>	<b>112</b>
<b>Parcels larger than one acre</b>				
Aptos	6.99	121,794	60,897	75
Live Oak	2.27	39,552	19,776	24
San Lorenzo Valley	N/A	N/A	N/A	N/A
Soquel	9.28	161,695	80,847	99
<b>TOTAL larger than one acre</b>	<b>18.54</b>	<b>323,041</b>	<b>161,520</b>	<b>198</b>
<b>Totals</b>	<b>29.55</b>	<b>514,879</b>	<b>257,440</b>	<b>310</b>
Source: Santa Cruz County Planning Department, April 2000; revised December 2004				

## VACANT COMMERCIAL SITES FOR POTENTIAL MIXED USE

### LESS THAN ONE ACRE 50% OF SQUARE

PLANNING AREA	ASSESSORS		PARCEL FOOTAGE	STRUCTURE FOOTAGE AT 40% FLOOR AREA RATIO	FOOTAGE OF STRUCTURE FOR RESIDENTIAL USE	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION
	PARCEL NUMBER	ACRES						
APTOS	04102212	0.19	8276	3311	1655	2	C-1	LOT/COMMERCIAL ZONE
APTOS	04105107	0.22	9583	3833	1917	2	PA	LOT/COMMERCIAL ZONE
APTOS	04105220	0.22	9583	3833	1917	2	PA	LOT/COMMERCIAL ZONE
APTOS	04202113	0.44	19166	7667	3833	4	C-1	LOT/COMMERCIAL ZONE
APTOS	04106104	0.48	20909	8364	4182	5	PA	LOT/COMMERCIAL ZONE
APTOS	04101109	0.73	31799	12720	6360	7	C-1	LOT/COMMERCIAL ZONE
APTOS	04114156	0.74	32234	12894	6447	8	PA	LOT/COMMERCIAL ZONE
APTOS	04104238	0.77	33541	13416	6708	8	C-1-GH	LOT/COMMERCIAL ZONE
		<b>3.79</b>		<b>66037</b>	<b>33018</b>	<b>38</b>		
LIVE OAK	02609132	0.21	9148	3659	1830	2	C-1	LOT/MISC COMM'L IMPS
LIVE OAK	03314130	0.30	13068	5227	2614	3	C-2	LOT/COMMERCIAL ZONE
LIVE OAK	02603144	0.43	18731	7492	3746	4	C-2	LOT/COMMERCIAL ZONE
LIVE OAK	02508103	0.93	40511	16204	8102	10	PA	LOT/COMMERCIAL ZONE
LIVE OAK	02631133	0.95	41382	16553	8276	10	C-1	LOT/COMMERCIAL ZONE
		<b>2.82</b>		<b>49136</b>	<b>24568</b>	<b>29</b>		
SAN LORENZO VALLEY	06504403	0.23	10019	4008	2004	2	C-1	LOT/COMMERCIAL ZONE
SAN LORENZO VALLEY	06504417	0.24	10454	4182	2091	4	C-1	LOT/COMMERCIAL ZONE
SAN LORENZO VALLEY	08120308	0.32	13939	5576	2788	3	C-2	LOT/MISC COMM'L IMPS
SAN LORENZO VALLEY	07213225	0.61	26572	10629	5314	6	C-1	LOT/COMMERCIAL ZONE
SAN LORENZO VALLEY	07708113	0.70	30492	12197	6098	7	C-1	LOT/COMMERCIAL ZONE

PLANNING AREA	ASSESSORS PARCEL NUMBER	ACRES	PARCEL SQUARE FOOTAGE	STRUCTURE SQUARE FOOTAGE AT 40% FLOOR AREA RATIO	50% OF SQUARE	NUMBER OF 800 SQUARE FOOT RESIDENTIAL UNITS	ZONING	ASSESSORS USE CODE DESCRIPTION	
					FOOTAGE OF STRUCTURE FOR RESIDENTIAL USE				
SAN LORENZO VALLEY	07808205	0.89	38768	15507	7754	9	C-1	LOT/COMMERCIAL ZONE	
		<b>2.99</b>		<b>52098</b>	<b>26049</b>	<b>31</b>			
	SOQUEL	03008113	0.20	8712	3485	1742	2	C-2-GH	LOT/MISC COMM'L IMPS
	SOQUEL	03015122	0.42	18295	7318	3659	4	C-2-GH	LOT/COMMERCIAL ZONE
SOQUEL	03006104	0.79	34412	13765	6882	8	C-2	LOT/COMMERCIAL ZONE	
		<b>1.41</b>		<b>24568</b>	<b>12284</b>	<b>14</b>			
<b>TOTAL LESS THAN ONE ACRE</b>		<b>11.01</b>		<b>191838</b>	<b>95919</b>	<b>112</b>			
<b>MORE THAN ONE ACRE</b>									
APTOS	03808136	2.97	129373	51749	25875	32	C-2-D	LOT/COMMERCIAL ZONE	
APTOS	04101120	4.02	175111	70044	35022	43	C-1	LOT/COMMERCIAL ZONE	
		<b>6.99</b>		<b>121794</b>	<b>60897</b>	<b>75</b>			
LIVE OAK	03314155	1.04	45302	18121	9060	11	C-2	LOT/MISC COMM'L IMPS	
LIVE OAK	02516102	1.23	53579	21432	10716	13	PA	LOT/COMMERCIAL ZONE	
		<b>2.27</b>		<b>39552</b>	<b>19776</b>	<b>24</b>			
SOQUEL	03021107	1.69	73616	29447	14723	18	C-1-GH	LOT/COMMERCIAL ZONE	
SOQUEL	03006106	2.26	98446	39378	19689	24	C-2	LOT/MISC COMM'L IMPS	
SOQUEL	03013145	2.57	111949	44780	22390	27	C-2	LOT/COMMERCIAL ZONE	
SOQUEL	03013137	2.76	120226	48090	24045	30	C-2	LOT/COMMERCIAL ZONE	
		<b>9.28</b>		<b>161695</b>	<b>80847</b>	<b>99</b>			
<b>TOTAL MORE THAN ONE ACRE</b>		<b>18.54</b>		<b>323041</b>	<b>161520</b>	<b>198</b>			
<b>TOTAL VACANT</b>		<b>29.55</b>		<b>514879</b>	<b>257440</b>	<b>310</b>			

Candidate Housing Overlay Sites							
Name	APN	Zoning	Acres	Number of Parcels	Number of Owners	Current Use	Supervisory District
<b>Carbonera</b>							
Sims Road	067-202-21	R-1-20	6.62	1	1	vacant	1
	<b>Subtotal</b>		<b>6.62</b>				
<b>Live Oak</b>							
7 <sup>th</sup> Avenue	026-211-19 026-211-20 026-211-22 026-211-25 026-211-43	RM-4	9.73	5	4	Older small houses	3
Johnson	026-311-11 026-311-12 026-311-13	RM-6	3.59	3	1	2 n/c residences, light industry	1
Nigh Lumber	029-021-42 029-021-46 029-021-47 029-021-45 029-021-44	M-1	10.84	5	4	Vacant, Lumber yard, retail nursery, n/c residence, light industry	1
Rittenhouse	025-351-19 025-091-49 025-091-36 025-091-50	PA C-1 RM-4	7.90	4	4	Vacant, single residence, single duplex, single residence	1
	<b>Subtotal</b>		<b>32.06</b>				
<b>Soquel</b>							
Erlach	037-101-02 037-061-66 (037-061-04)	RM-4, R-1-6, (R-1-6, R-1-10, RA)	5.00	3	1	Vacant; 2 houses	1
Seliskar	037-191-13	R-1-6	5.83	1	1	1 house, secondary use	1
	<b>Subtotal</b>		<b>10.83</b>				
<b>Aptos</b>							
Par 3	039-201-36 039-201-37	PR	13.67	2	2	Abandoned Golf Course	2
Miller	039-471-05	RM-4-L, C-1	5.80	1	1	5-10 units	2
	<b>Subtotal</b>		<b>19.47</b>				
<b>Pajaro Valley</b>							
Atkinson	048-211-25 048-221-09	R-1-6	16.52	2	2	Orchard, vacant	4
Minto	051-511-35	R-1-10	6.91	1	1	vacant	4

## Appendix D

Name	APN	Zoning	Acres	Number of Parcels	Number of Owners	Current Use	Supervisory District
Paulsen Road	051-521-11 051-521-13	R-1-10	6.29	2	2	vacant, wholesale nursery	4
Melody Lane	051-341-14 051-341-13	R-1-10	7.51	2	2	Vacant, misc. improvements	4
Bradford Road	049-331-17 049-331-18 049-331-19 049-331-38 049-331-12 049-331-11 049-331-10	R-1-6	9.51	7	4	Vacant, wholesale nursery, two houses	2
	<b>Subtotal</b>		<b>46.74</b>				
<b>TOTAL</b>			<b>115.72</b>				

Soquel  
Planning  
Area

# Soquel Planning Area Parcels

Location

1

Erlach

Seliskar

1



Pajaro Valley  
Planning Area

# Pajaro Valley Planning Area Parcels



Melody Lane

Paulsen Road

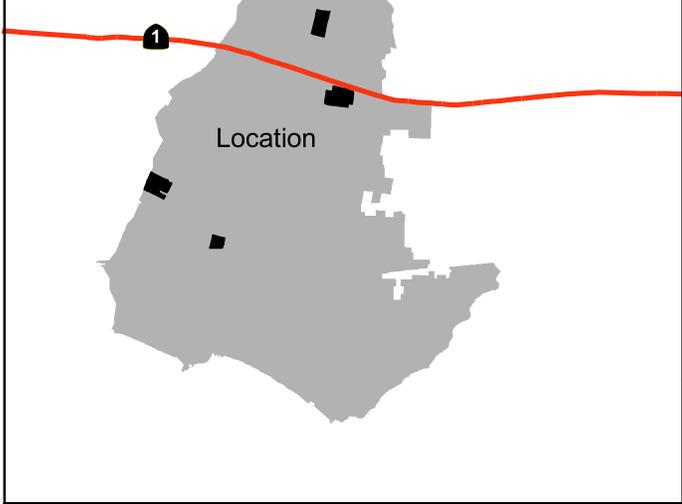
Minto

Bradford  
Road

Atkinson



# Live Oak Planning Area

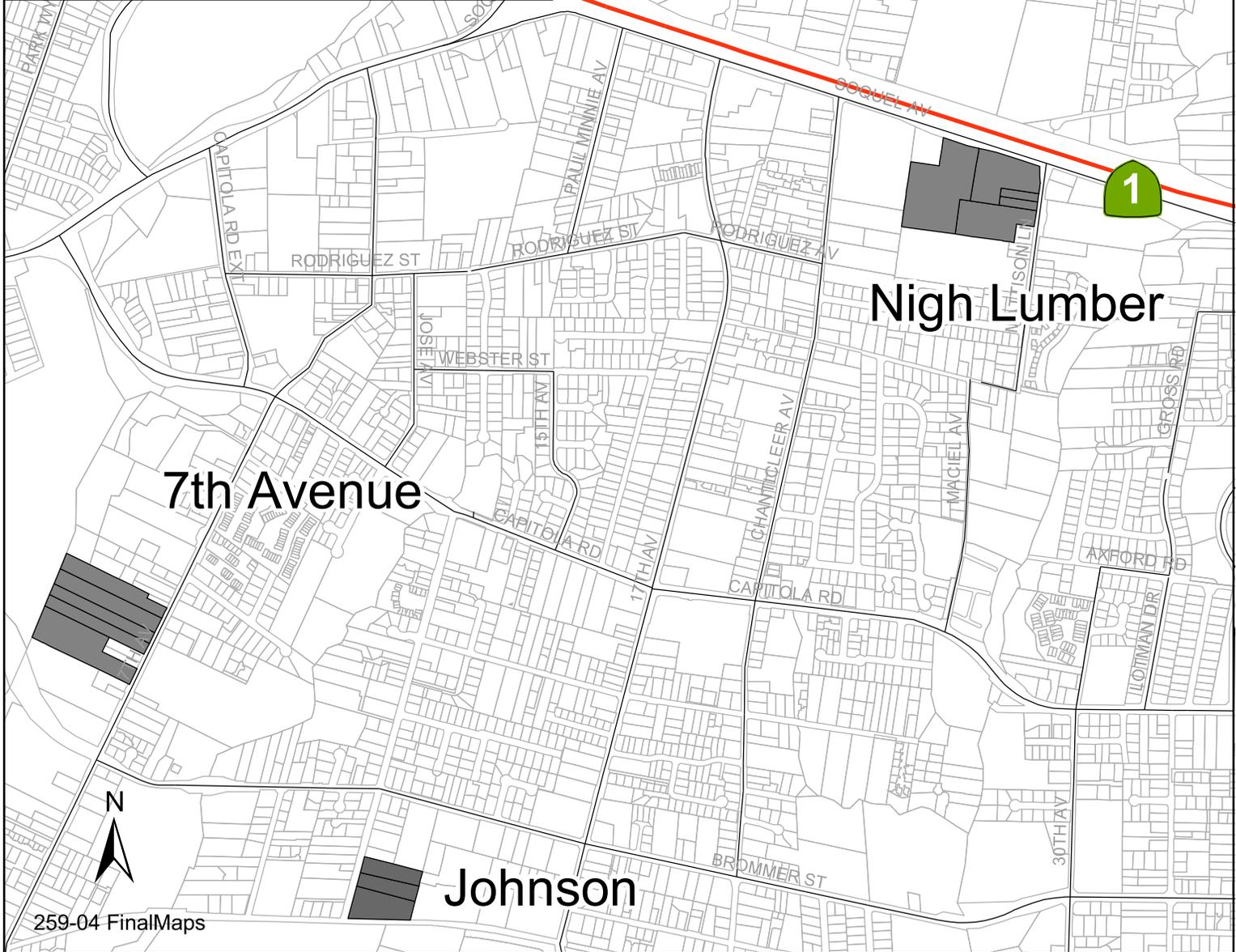


Location

# Live Oak Planning Area Parcels



## Rittenhouse



## 7th Avenue

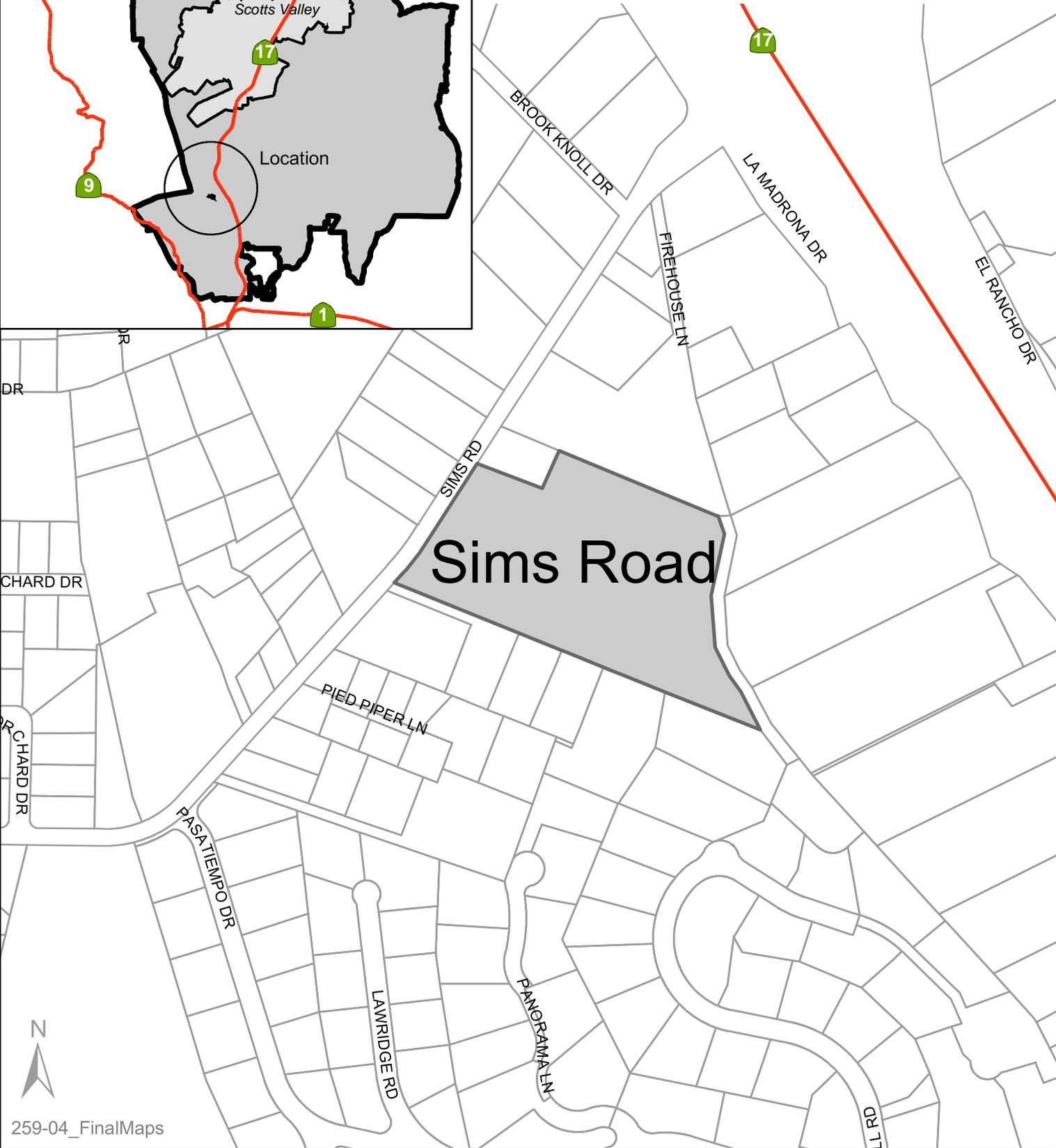
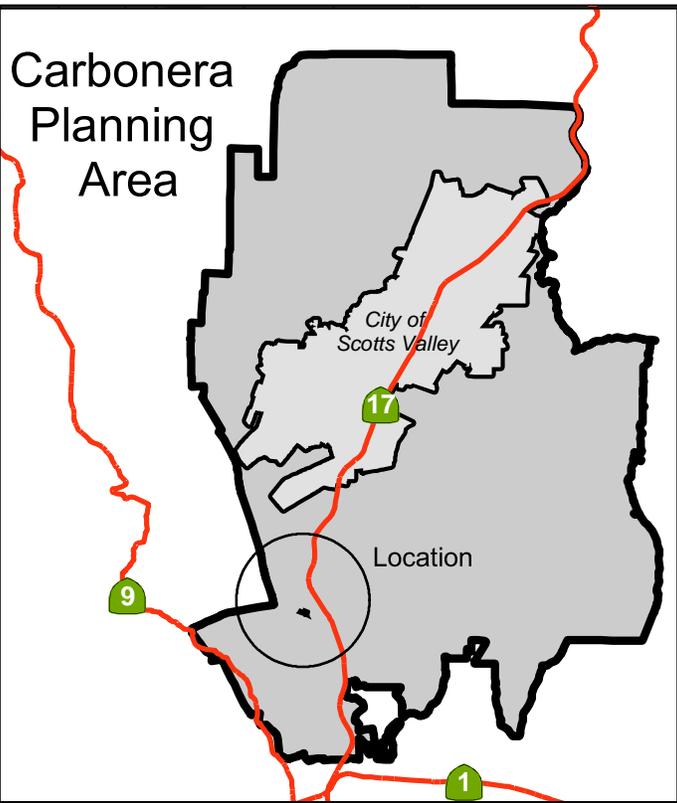
## Nigh Lumber

## Johnson



# Carbonera Planning Area Parcel

Carbonera  
Planning  
Area



Sims Road

Aptos  
Planning  
Area

Location

# Aptos Planning Area Parcels

Par 3

Miller

1



Candidate Housing Overlay Sites							
Name	APN	Zoning	Acres	Number of Parcels	Number of Owners	Current Use	Supervisory District
<b>Carbonera</b>							
Sims Road	067-202-21	R-1-20	6.62	1	1	vacant	1
	<b>Subtotal</b>		<b>6.62</b>				
<b>Live Oak</b>							
7 <sup>th</sup> Avenue	026-211-19 026-211-20 026-211-22 026-211-25 026-211-43	RM-4	9.73	5	4	Older small houses	3
Johnson	026-311-11 026-311-12 026-311-13	RM-6	3.59	3	1	2 n/c residences, light industry	1
Nigh Lumber	029-021-42 029-021-46 029-021-47 029-021-45 029-021-44	M-1	10.84	5	4	Vacant, Lumber yard, retail nursery, n/c residence, light industry	1
Rittenhouse	025-351-19 025-091-49 025-091-36 025-091-50	PA C-1 RM-4	7.90	4	4	Vacant, single residence, single duplex, single residence	1
	<b>Subtotal</b>		<b>32.06</b>				
<b>Soquel</b>							
Erlach	037-101-02 037-061-66 (037-061-04)	RM-4, R-1-6, (R-1-6, R-1-10, RA)	5.00	3	1	Vacant; 2 houses	1
Seliskar	037-191-13	R-1-6	5.83	1	1	1 house, secondary use	1
	<b>Subtotal</b>		<b>10.83</b>				
<b>Aptos</b>							
Par 3	039-201-36 039-201-37	PR	13.67	2	2	Abandoned Golf Course	2
Miller	039-471-05	RM-4-L, C-1	5.80	1	1	5-10 units	2
	<b>Subtotal</b>		<b>19.47</b>				
<b>Pajaro Valley</b>							
Atkinson	048-211-25 048-221-09	R-1-6	16.52	2	2	Orchard, vacant	4
Minto	051-511-35	R-1-10	6.91	1	1	vacant	4

## Appendix D

Name	APN	Zoning	Acres	Number of Parcels	Number of Owners	Current Use	Supervisory District
Paulsen Road	051-521-11 051-521-13	R-1-10	6.29	2	2	vacant, wholesale nursery	4
Melody Lane	051-341-14 051-341-13	R-1-10	7.51	2	2	Vacant, misc. improvements	4
Bradford Road	049-331-17 049-331-18 049-331-19 049-331-38 049-331-12 049-331-11 049-331-10	R-1-6	9.51	7	4	Vacant, wholesale nursery, two houses	2
	<b>Subtotal</b>		<b>46.74</b>				
<b>TOTAL</b>			<b>115.72</b>				

**SECOND UNIT POTENTIAL BUILDOUT CALCULATIONS**

Potential Second Units

Rural	=	9,060
Urban	=	4,216
<hr/> 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 x 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:

<b>URBAN RESIDENTIAL PARCELS* AND POTENTIAL FOR SECOND UNITS**</b>									
<b>Planning Area</b>	<b>R-1-6</b>	<b>R-1-9</b>	<b>R-1-10</b>	<b>R-1-15</b>	<b>R-1-20</b>	<b>R-1-32</b>	<b>R-1-1 acre</b>	<b>Total Parcels</b>	<b>Second Units</b>
<b>Aptos</b>	4,006 (1,202)	1,226 (613)	0 (0)	126 (101)	201 (126)	11 (9)	77 (62)	5,647	2,113
<b>Live Oak***</b>	1,869 (561)	3 (1)	18 (13)	1 (1)	5 (4)	0 (0)	0 (0)	1,896	580
<b>Pajaro</b>	2,278 (857)	293 (146)	0 (0)	145 (116)	0 (0)	11 (9)	0 (0)	2,727	1,128
<b>Soquel</b>	962 (289)	128 (64)	1 (1)	5 (4)	37 (30)	0 (0)	9 (7)	1,142	395
<b>Total</b>	9,115 (2,909)	1,650 (824)	19 (14)	277 (222)	243 (160)	22 (18)	86 (69)	11,412	4,216
<p>* for parcels greater than 6,000 square feet, excluding those with GH and SP Combining District zoning</p> <p>** first number is number of parcels; second number is (number of second units) based on factors in assumption 2.a. above</p> <p>*** Live Oak Planning Area is limited to five new second units per year</p>									

<b>POTENTIAL EXISTING STRUCTURES FOR CONVERSION FROM SHORT TERM OCCUPANCY TO PERMANENT HOUSING</b>					
<b>NAME</b>	<b>APN</b>	<b>ADDRESS</b>	<b>NUMBER OF UNITS</b>	<b>PARCEL SIZE</b>	<b>YEAR BUILT</b>
Adobe Hacienda	042-032-12	222 Santa Cruz Ave	15	13,775	1946
American Inn	-	7 <sup>th</sup> Avenue	12	21,693 sq.ft.	N/A
Beach RV	-	Portola Drive	17	34,000 sq. ft.	N/A
Blue Bird Motel	027-221-14	2-1345 East Cliff	10	11,194.9 sq. ft.	1950
Brookdale Lodge	079-093-15; 079-142-03; 079-361-01	11570 Highway 9	30	1.968 acres	--
EconoLodge	078-162-03	9733 Highway 9	20	52664 sq. ft.	1953
Fern River Resort	064-181-10	5250 Highway 9	13 older cabins	3.091 acres	--
Harbor Inn	026-273-11	645 7 <sup>th</sup> Avenue	9	16,639 sq. ft.	1922
Jaye's Timberlane Resort	078-273-15; 078-272-06	8705 Highway 9	10 small cabins	5.207 acres	--
Manresa Lodge	045-181-10	1535 San Andreas Road	5	12,109 sq.ft.	1964
Merrybrook Lodge	081-071-28	13420 Big Basin Highway	8 (7 older cabins, 1 mgr)	1.289 acres	--
OceanEcho	028-161-02	401 Johans Beach Drive	16	20,168 sq. ft.	--
Santa Cruz Inn	026-031-13; 026-031-14	2950 Soquel Avenue	12	32,278	1946
Seacliff Center	-	Center Avenue	31	37,000 sq. ft.	N/A
Sunny Cove Motel Apartments	028-161-12	2-1610 East Cliff	14, all with kitchens	14,803	1919
Two Bar Road	084-181-03 084-181-02	14630, 14650 Two Bar Road	10, all with kitchens		--
Wagon Wheel	065-081-13	6154 Hwy 9	10, all with kitchens		--
<b>TOTAL</b>			<b>242</b>		

## CODE COMPLIANCE PROCESS

The time frames listed below are the minimums. The length of time between steps is never shorter than the time parameters listed below. The Code Compliance process generally runs as follows:

1. Complaints must be received in writing. Anonymous complaints will not be accepted. However, the identity of the complainant is protected.
2. 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 first step is logging the complaint into the computer. The first contact letter is then generated and sent out to the property owner to notify them of the nature of the complaint and provide information on what they can expect in terms of the County's response to the complaint, such as inspections by code compliance staff.
3. The complaint is then assigned to an investigator. The investigator inspects the property within 15-60 days of the complaint depending on the nature of the alleged violation.
4. If the inspector can confirm the accuracy of the violation, the inspector will post a notice of violation. Costs begin to be logged upon posting of the notice. If the inspector cannot confirm the validity of the violation, the inspector will perform follow up research to determine the validity of the complaint and if applicable, return to the property to post the notice of violation. Again, costs begin to be logged upon posting of the notice.
5. Within approximately 5 to 10 days of posting the notice of violation, the County mails a notice of violation and notice of intent to record to the property owner. At this time, the property owner has the right to protest the notice of violation to the Planning Director or his designee. The protest stays the recordation of the notice of violation until a determination on the appeal is made.
6. If the property owner fails to correct the violation or apply for a permit to correct the violation, the notice of violation is recorded against the property no sooner than 30 days after the letter of intent to record is sent. The purpose of recording the notice of violation is to ensure that future purchasers of the property are notified of the violation and protect them from purchasing a property with code violations without their knowledge and to encourage the owners to correct the violation(s).
7. At this point, there are two paths the code enforcement process may take depending on the nature of the violation:
  - a. The first is no further active enforcement. The notice has been recorded and will protect future buyers.

- b. The second path results in the violation being taken to an administrative hearing or to court. This will occur no sooner than 30 days from the date the notice of violation was recorded.
8. Every effort is made to work with the property owner to resolve the violation. The code compliance investigators try to get the property owner to sign a stipulation agreeing to correct the violation before the issue goes to hearing. The stipulation defines a specified period of time within which the property owner agrees to correct the violation.
9. If the issue goes to an administrative or court hearing, the code compliance investigator requests that the hearing officer or judge assess civil penalties. These penalties are set at a maximum of \$2,500 per violation or \$10,000 total. Currently, most if not all penalties are waived if the property owner complies with correcting the violation within a specified period of time.
10. Costs may be collected either upon signing of a stipulation, conclusion of an administrative or court hearing, or upon permit issuance.
11. Failure of the property owner to perform to correct the violation will result in penalties becoming due. If the penalties are not paid, a lien is placed on the property.
12. Upon issuance of a decision and order by the hearing officer, the property owner has the right to appeal the decision.
13. Finally, failure to comply with the above will result in referral to County Counsel for further enforcement through the court process. Where there are particularly egregious cases of environmental violations or health and safety issues, the case may be referred to the District Attorney's office for further enforcement.

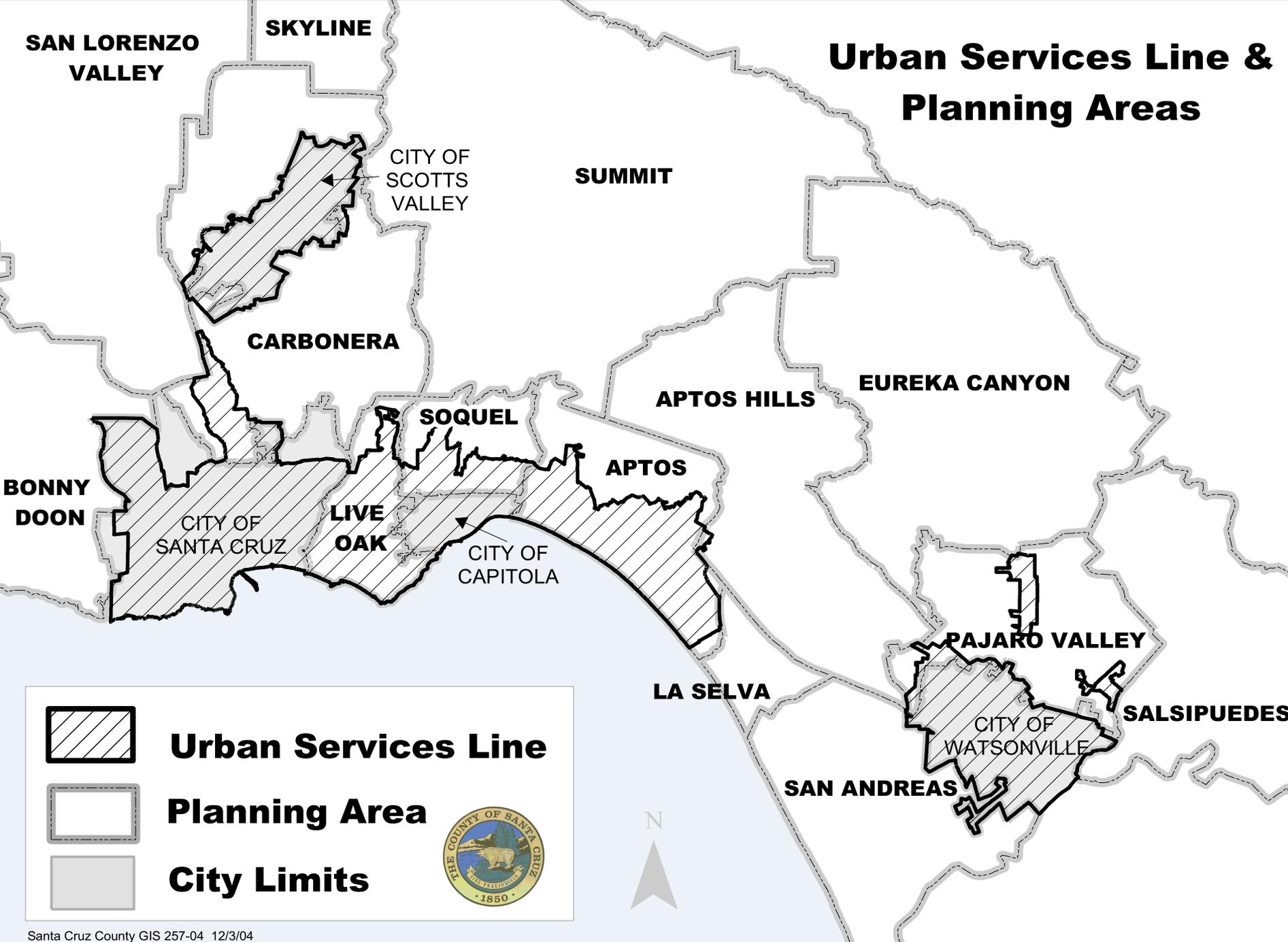
R-1 SINGLE FAMILY RESIDENTIAL ZONE DISTRICTS SITE AND STRUCTURAL DIMENSIONS CHART										
ZONE DISTRICT AND MINIMUM SITE AREA PER DWELLING UNIT	PARCEL SPECIFIC CONDITION	SETBACKS (FEET)			MAXIMUM PARCEL COVERAGE	MAXIMUM HEIGHT (FEET)	FLOOR AREA RATIO	MAXIMUM NUMBER STORIES	MINIMUM SITE WIDTH (FEET)	MINIMUM SITE FRONTAGE
		FRONT	SIDE	REAR						
RB 0 to <4,000 sq.ft.	General Requirements	10	0&5	10	40%	25; on 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
	Semi-detached dwellings and dwellings adjacent to pedestrian rights-of-way	15	0&5	15						
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 - creating new parcels	15	5&10 5&15	15	40%	28	0.5:1	2	35	35
	Parcels > 5,000 sq. ft.	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 - creating new parcels	20		15	30%	28	0.5:1	2	50	50
	Parcels 4 to <5,000 sq. ft.	20	5&8	15	30%	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 - creating new parcels	20	5&10 5&20	15	30%	28	0.5:1	2	60	60
	Parcels >4,000 to <5,000 sq. ft.	20	5&8	15	30%	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-<1 acre 16,000 to < 1 acre	General Requirements	30	15&15	15	20%	28	N/A	2	90	60
RR, RA, and R-1-1 > 1 acre	General Requirements – 1 to < 5 acres	40	20&20	20	10%	28	N/A	2	100	60
	General Requirements – 5 acres or more	40	20&20	20	10%	28	N/A	2	150	100
All Districts	Minimum to garage/carport entrance	20	20	20						
	Parcels < 60 feet wide		5&5							
	<u>Second Units – within USL</u>					<u>1-story/17 max</u>				
	<u>Second Units – outside USL</u>					<u>28</u>				

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.

RM MULTI- FAMILY RESIDENTIAL ZONE DISTRICTS 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						
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 - creating new parcels	15	5&10	15	40%	28	0.5:1		35	35
		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.	20	5&8	15	30%	28	0.5:1	Per Use Permit or 2	50	50
	Corner lots – existing parcels - creating new parcels	20	5&10	15	30%	28	0.5:1		50	50
		20	5&10	15	30%	28	0.5:1		50	50
Parcels >4,000 to <5,000 sq. ft.	20	5&8	15	30%	28	0.5:1		50	50	
RM-6 to RM-9.9 5,000 to <6,000 sq. ft.	General Requirements	20	5&8	15	30%	28	0.5:1	Per Use Permit or 2	60	60
	Corner lots – existing parcels - creating new parcels	20	5&10	15	30%	28	0.5:1		60	60
20		5&20	15	30%	28	0.5:1		60	60	
All Districts	Minimum to garage/carport entrance	20	20	20						
	Parcels < 60 feet wide		5&5							
	<u>Second Units – within USL</u>					<u>1-story/17 max</u>				
	<u>Second Units – outside USL</u>					<u>28</u>				

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.

# Urban Services Line & Planning Areas



the Rural Density Matrix and all other applicable General Plan and LCP Land Use Plan policies and zoning regulations; and

- (c) the resulting parcels from any land division which contain new developable acreage used in density calculations shall be restricted by deed and conditioned to ensure that the acreage used in density calculations cannot be further divided.

#### **2.3.4 Rural Development Clustering**

**(LCP)** Where proposed development on an existing parcel of record exceeds a density of one dwelling (or equivalent) per parcel, require development envelopes to be clustered as appropriate to minimize grading, impervious surfaces, and overall site disturbance.

#### **2.3.5 Areas Within the Rural Services Line**

**(LCP)** Utilize a Rural Services Line (RSL) to recognize and delineate Davenport, Boulder Creek, Boulder Creek Country Club, Bear Creek Estates, Ben Lomond, Felton, Paradise Park, La Selva Beach, Place de Mer, Sand Dollar Beach, Canon del Sol, Sunset Beach, Pajaro Dunes North and Pajaro Dunes South as areas which exist outside the Urban Services Line but have services and densities of an urban nature. Designated residential lands in these areas as Urban Low or Urban Very Low Density Residential on the General Plan and LCP Land Use and Facilities Maps, except as designated by the Boulder Creek Specific Plan, and allow infill development consistent with designated urban densities only when served by a community sewage disposal system. In areas within the Rural Services Line, permitted densities shall be limited to Suburban Residential densities as determined by the Rural Density Matrix system if community sewage disposal systems are not available. (See Section 7.20: Sanitation Facilities Within Rural Services Line Areas).

#### **2.3.6 San Lorenzo Valley: Properties Adjacent to Felton Faire Shopping Center**

**(LCP)** Include assessor parcels 071-331-05 and -06 within the Rural Services Line of Felton in order to facilitate the development of 100 percent affordable housing on the property at Residential Urban Very Low density to be serviced by a community sewage disposal system. If the property is not developed for 100 percent affordable housing, or if development is not served by a community sewage disposal system, the residential density shall be limited to Suburban Residential with density based on the Rural Density Matrix system. All development on the above noted assessor's parcel shall be designated to be consistent with the scenic corridor protection policies of the Felton Town Plan, and may include an appropriately sized community center or similar facility.

**2.3.7** Recognize existing legal residential parcels outside the Urban Services Line that are less than one acre in size as conforming with the General Plan/Local Coastal Program Land Use Plan. Maintain these parcels in the R-1-5 to R-1-40 zone district and apply the site standards of the zone district to all development. (added by Res. 341-98)

### **Programs**

- a. Review and update all County General Plan and LCP Resources and Constraints maps used in the matrix system as new information becomes available from technical sources, including project applicants. The County shall adopt the best available technical means of determining the factors covered by the matrix. (See chapter 1: Introduction for more information on updating Resources and Constraints maps). (Responsibility: Planning Department, Planning Commission, Board of Supervisors)
- b. Review the General Plan and LCP Land Use and zoning designations in the rural areas of the County, especially the Highway 9 corridor in the San Lorenzo Valley, to evaluate conformance between the existing use, the General Plan and LCP Land Use Plan designation, and the zoning designation. (Responsibility: Planning Department, Planning Commission and Board of Supervisors)