



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123

TOM BURNS, PLANNING DIRECTOR

February 6th, 2008

Agenda Date: March 26th, 2008

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

Item: 39

SUBJECT: Park Dedication Fees for Affordable Housing Projects

Commissioners:

For many years the County has required developers of residential housing projects to pay park dedication fees as mitigation for the increased demand on park facilities created by their development project. Those fees, which are governed by State law, are set by planning area based on a formula that determines the fee-equivalent cost of land dedication to meet the standard of three acres of parkland for every 1,000 new residents established by the General Plan. The requirements related to the fee structure are established in County Code Chapter 15.01. Additionally, some years ago, in the spirit of assisting affordable housing projects, ownership affordable units were exempted from the payment of such fees (County Code 15.01.080(a)). The purpose of this letter is to revisit that exemption.

Historical Context

At the time that the park fee exemption was adopted, there were very limited local funding sources available to support affordable housing projects. Therefore, the exemption was adopted as one of a number of minor measures to assist in making these projects more financially feasible.

As well, the thinking at the time was that ownership units would tend to contain their own recreational features, and would not create as large of demand on recreational facilities as rental housing. When this action was taken, affordable rental projects were not exempted from the payment of fees.

Changing Circumstances

In the intervening years, a number of factors have changed such that it is worthy of revisiting the fee exemption. Fortunately, over the years the Redevelopment Agency's financing for affordable housing has become a substantial local funding source, fully capable of backfilling an affordable housing developer's obligations for payment of park dedication fees.

Additionally, the style of housing has evolved to the point where there is not discernable difference between many rental and ownership projects in the context of recreational opportunities. In fact, in many cases the affordable rental projects designed and constructed by non-profit developers provide recreational amenities far in excess of the typical ownership housing project.

Local Coastal Program Consistency

This action is consistent with the intent and letter of the Local Coastal Program in that it supports LCP programs and goals that require financial support for the acquisition and maintenance of parks and recreation land throughout the County.

Environmental Review

Staff has considered this project and determined that it meets the conditions of a Categorical Exemption, Class 5: Minor Alterations to Land Use Limitations. The fee would apply equally to all housing projects, and would not require the exercise of discretion at any point.

Conclusion/Recommendation

In light of changing circumstances, staff does not believe that the exception for payment of park dedication fees for affordable ownership projects should be maintained. It is therefore **RECOMMENDED** that your Commission adopt the attached Resolution (Exhibit A), recommending approval of the proposed ordinance amendment to Subsection 15.01.080(a) (Exhibit C), and certification of the CEQA Notice of Exemption (Exhibit D) to the Board of Supervisors

Sincerely,



Sarah Neuse
Planner II, Policy Section



Glenda Hill, AICP
Principal Planner, Policy Section

Exhibits:

- A. Resolution and Strikeout & Underline Version of Proposed Amendments
- B. Clean Version of Amended Chapter 15.10
- C. CEQA Notice of Exemption

Cc: Coastal 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 APPROVAL OF AMENDMENTS TO THE COUNTY
CODE RELATING TO FEES ASSESSED FOR PARKS DEDICATION TO THE SANTA
CRUZ COUNTY BOARD OF SUPERVISORS

WHEREAS, on May 24th, 1994, the Board of Supervisors adopted Ordinance No. 4318 amending County Code Section 15.01.080 – In-lieu fees;

WHEREAS, this amendment relieved units reserved for low- and moderate-income purchasers from the assessment of the park dedication fee;

WHEREAS, funding through the Redevelopment Agency is available to support the development of affordable housing;

WHEREAS, the park and recreation demand of residents of these affordable housing projects is similar to that of residents of market rate housing projects;

WHEREAS, the County believes that the park dedication fee exemption for affordable for-sale housing is no longer necessary in order to encourage the development of affordable housing in Santa Cruz County

WHEREAS, the Planning Commission has held a duly noticed public hearing and has considered the proposed amendments, and all testimony and evidence received at the public hearing; and

WHEREAS, the Planning Commission finds that the proposed amendments to the Santa Cruz County Code will be consistent with the policies of the General Plan and Local Coastal Program and other provisions of the County Code, are in compliance with the California Coastal Act; and

WHEREAS, pursuant to the California Environmental Quality Act, a Notice of Exemption has been prepared;

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission hereby finds that the ordinance amendments proposed serve a public benefit; and

BE IT FURTHER RESOLVED, that the Planning Commission recommends the proposed amendments to County Code section 15.01.080 relating to in-lieu fees as set forth in Attachment 1 to Exhibit A, and the Notice of Exemption under the California Environmental Quality Act as set forth in Exhibit D, and incorporated herein by reference, be approved by the Board of Supervisors and submitted to the California Coastal Commission as part of the Local Coastal Program Update.

PASSED AND ADOPTED by the Planning Commission of the County of Santa Cruz, California, this _____ day of _____, 2008 by the following vote:

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

Chairperson of the Planning Commission

ATTEST: _____
Secretary

APPROVED AS TO FORM: _____


County Counsel

DISTRIBUTION: County Counsel
Planning

ORDINANCE NO. _____

**AN ORDINANCE AMENDING SUBSECTION 15.01.080(a)
OF THE SANTA CRUZ COUNTY CODE RELATING
TO PARK DEDICATION IN-LIEU FEES**

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

Subsection (a) of Section 15.01.080 of the Santa Cruz County Code is hereby amended to read as follows:

(a) Amount of Fee. The fees to be paid in lieu of land dedication and development shall be established by resolution of the Board of Supervisors. ~~Units reserved for low and moderate income purchasers shall be exempt from the assessment of park dedication fees.~~

SECTION II

This ordinance shall take effect on 31st day following adoption or upon certification by the California Coastal Commission, whichever occurs later.

PASSED AND ADOPTED this _____ of _____ 2008, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairperson of the Board of Supervisors

Attest: _____
Clerk of the Board

APPROVED AS TO FORM:



Assistant County Counsel

DISTRIBUTION: County Counsel, CAO, Planning Department

ORDINANCE NO. _____

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SECTION I

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PASSED AND ADOPTED this _____ of _____ 2008, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairperson of the Board of Supervisors

Attest: _____
Clerk of the Board

APPROVED AS TO FORM:


Assistant County Counsel

DISTRIBUTION: County Counsel, CAO, Planning Department

EXHIBIT

**CALIFORNIA ENVIRONMENTAL QUALITY ACT
NOTICE OF EXEMPTION**

The Santa Cruz County Planning Department has reviewed the project described below and has determined that it is exempt from the provisions of CEQA as specified in Sections 15061 - 15332 of CEQA for the reason(s) which have been specified in this document.

Application Number: N/A
Assessor Parcel Number: N/A
Project Location: County wide

Project Description:

The project would reinstate the parks dedication fee for affordable ownership housing projects.

Person or Agency Proposing Project: County of Santa Cruz

Staff Contact and Phone Number: Sarah Neuse 454-3290

- A. The proposed activity is not a project under CEQA Guidelines Section 15378.
- B. The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
- C. **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
- D. **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).

Specify type:

- E. **Categorical Exemption**

Specify type: Class 5: Minor Alterations to Land Use Limitations

F. Reasons why the project is exempt:

This project is a minor alteration to existing land use policies and will apply equally to all affordable ownership housing projects without exercise of discretion.

In addition, none of the conditions described in Section 15300.2 apply to this project.

Staff Planner: Sarah Neuse Date: February 22, 2008