

3 LAND USE REGULATIONS

This chapter summarizes the existing land use regulations in the City of Santa Cruz. The chapter briefly discusses key land use policies from the General Plan and from a selected group of the city’s area plans. It also highlights existing City policies that manage growth and describes other growth-management policies that Santa Cruz could adopt.

A. General Plan Land Use Goals and Policies

The land use goals and policies in the General Plan describe the location, density and extent of land available for housing, business, industry, natural resource protection, recreation and other uses. Together with the Community Design and Transportation chapters, the Land Use chapter of the General Plan shapes the major features and development patterns of the community.

The General Plan includes four major land use goals. All of these goals fall under an unstated principle that Santa Cruz is still growing and changing, even though the city is largely built out. The city’s challenge is to accommodate new development and social and economic stability within the city’s existing boundaries.

The following sections summarize these goals, as well as their accompanying policies and action programs. For consistency with the terms that will be used in the General Plan 2025, the current General Plan’s “elements” are referred to as “chapters.”

1. Sustainable Land Uses

The General Plan’s Land Use chapter describes sustainable development as “the heart of the City’s General Plan,” adding that sustainable development “meets the needs of the present without compromising the ability of future generations to meet their own needs.”¹ Sustainability is described in ecological, economic and social terms. The policies seek to achieve ecological sus-

tainability through the protection of natural resources, while acknowledging that some appropriately focused physical growth can add to people's quality of life and help achieve economic and social sustainability. The General Plan's policies encourage development that is balanced and diverse. Action programs encourage the City to work with other agencies to achieve a jobs/housing balance; to develop a mix of housing types, styles and affordability; to encourage development of a social, economic and housing mix in neighborhoods; and to encourage businesses to provide diverse job opportunities.

The General Plan states that future development should fit within Santa Cruz's "carrying capacity." However, it does not indicate how the city's carrying capacity should be measured. Another part of the General Plan provides three conflicting definitions of this term; Section D of this chapter discusses the conflicts between these definitions. The General Plan calls for the City to work with other organizations to develop a human carrying capacity study for the Santa Cruz region, focusing on the long-range impacts of human population on environmental quality; this study has not been completed.

Other policies require the City to ensure that future growth and development does not lead to the overdraft of any water source, the creation of unacceptable levels of air pollution or the loss of prime agricultural land.²

2. A Balance of Residential, Commercial and Industrial Land Uses

The Land Use chapter calls for a balance and variety of residential, commercial and industrial uses. The policies and action programs seek to improve and protect existing land uses, while encouraging mixed-use development and intensified development in areas with adequate services. Policies and programs advise the City to identify appropriate locations for mixed-use devel-

¹ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: page 100.

² City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: pages 100 to 104.

opment and to develop guidelines and incentives that encourage this type of development.

General Plan policies direct the City to develop regulations and guidelines that address the transitions between different land uses. In particular, programs call for the development of guidelines for industrial and commercial uses to protect surrounding uses from the noise, traffic and odors sometimes associated with these uses.

The General Plan instructs the City to provide a sufficient amount and variety of residentially-zoned land to meet the City's affordable housing needs and expected population growth. The accompanying action programs describe the need to monitor housing production, assess remaining housing potential and evaluate housing needs. Programs also emphasize the development of high-density residential and commercial uses in the City's Downtown, North River Street and South of Laurel areas.

Other policies state that the character and quality of visitor-serving commercial areas, such as Downtown and portions of the Beach and South of Laurel area, should be improved to promote longer visits. The policies encourage designation and development of neighborhood commercial centers to provide services locally and reduce vehicle trips for residents, including the students and faculty who live on the UCSC campus. Strip commercial development is discouraged in favor of clusters of commercial and mixed-use development.

According to the General Plan, industrial uses, concentrated in Harvey West and the Westside Industrial district, should be maintained. The General Plan calls for the City to provide enough land to encourage expansion, retention and diversification of the city's industrial base, providing jobs and contributing to the city's economic vitality.

The General Plan describes initial redevelopment efforts that focused on Downtown—the area of the city that suffered the most destructive effects of the 1989 Loma Prieta earthquake—and explains that future redevelopment

efforts will likely be directed towards the Beach and South of Laurel area and to areas in the Eastside along Soquel Avenue.³

3. Open Spaces that Serve Multiple Uses

A key goal of the General Plan is to promote the protection of open space as a natural resource, a recreational and educational amenity, a tool for managing growth and a source of Santa Cruz's identity. The General Plan has specific policies and action programs that encourage long-term acquisition or maintenance of natural areas, agricultural lands and grazing lands throughout the Planning Area, as well as the creation of community gardens, which provide open space and support local food production.

The policies note that it is important to create transitions between open space and adjacent development. Furthermore, it is stressed that existing access points to open spaces, particularly along the coast, should be maintained and enhanced. The General Plan also advises the City to develop, implement and maintain management plans for its natural areas.⁴

4. Services and Facilities that Support Land Use and Development

The Land Use chapter calls for the City to provide adequate infrastructure and services to support current and projected population growth. It also states that new development should be allowed only when there are adequate facilities to serve that development. Policies dictate that while the City is responsible for improving existing facilities, new development—including UCSC, a large consumer of City infrastructure—must provide its share of enlarged or new facilities. The General Plan suggests that development may be phased to mitigate service limitations. It specifically forbids the extension of sanitary sewer services beyond the City's western and eastern boundaries, which restricts development in greenfield areas.

³ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: pages 104 to 121.

⁴ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: pages 121 to 127.

The General Plan directs the City to develop level of service standards to evaluate existing services, including its transportation networks and its water, stormwater and sewer systems. Many, though not all, of these standards have been developed. Programs call for the City to should assess the impacts of new development according to these levels of service, then establish funding sources for needed improvements.⁵

5. Land Use and Circulation

In addition, to the four major land use goals described above, the General Plan encourages land use patterns that discourage urban sprawl and excessive dependence on the automobile. To reduce automobile dependency, its policies promote a mix of land uses, including neighborhood facilities, housing in commercial districts and live-work units, as well as focused growth in the Downtown and along transit corridors. Furthermore, the Plan calls on the City to set aside land to develop transit centers near potential rail lines. It requires development to integrate with citywide circulation systems and to reserve land in new developments for bicycle and pedestrian paths.

To minimize the burden of new development on the transportation system, the General Plan requires mitigation measures that will reduce the number of automobile trips generated by a project. It also states that if a development project requires analysis under the California Environmental Quality Act (CEQA), the project's effects on the regional transportation network must be evaluated.⁶

B. Area Plan Land Use Policies

The City of Santa Cruz has adopted 19 area plans to resolve complex land use, transportation and design issues for areas of community-wide impor-

⁵ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: pages 127 to 131.

⁶ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume I: pages 131 to 133.

tance. This section summarizes the land use policies from eight area plans that have a special focus on land use issues, and that apply to areas under the City's jurisdiction. As part of General Plan 2025, the City will revise its area plans as needed to ensure that they remain consistent with the General Plan.

1. Beach and South of Laurel Comprehensive Area Plan

The Beach and South of Laurel Area is the site of major national attractions that bring millions of visitors to Santa Cruz every year. However, the area lacks a strong connection to the visitor attractions in Downtown Santa Cruz; it also includes residential neighborhoods where thousands of people live year-round. The Beach and South of Laurel Comprehensive Area Plan seeks to improve the area's residential neighborhoods as well as its commercial districts, and to improve the relationship between these different land uses.

The Plan identifies the southern portion of the Beach Flats neighborhood, near the Santa Cruz Boardwalk, as an appropriate location for medium-density multi-family development. The Nueva Vista Apartments, which were built near the Boardwalk in 2004, reflect the goals of this Plan; they provided the neighborhood with 48 units of affordable housing and a new community center. The Plan also recommends the conservation of the existing small-scale residential fabric in the northern part of Beach Flats and a focused effort on conservation and historic preservation for the Beach Hill neighborhood.

The Plan focuses on improving the health of the commercial areas as a way to improve the quality of life in the neighborhoods. It proposes to revitalize the visitor-serving area by investing in opportunity sites and bringing in specific projects, such as a conference facility.

The South of Laurel Area is highlighted as a place where the connection between Downtown and the Beach Area could be strengthened. The Plan rec-

ommends creating additional destinations for visitors and opportunities for high quality mixed-use development along Lower Pacific Avenue.⁷

2. Downtown Recovery Plan

The Downtown Recovery Plan was written to guide the rebuilding of Downtown Santa Cruz, which was devastated by the 1989 Loma Prieta earthquake. The Plan covers the mixed-use area between the eastern banks of the San Lorenzo River, Center Street to the west, Laurel Street to the south and the blocks just north of Water Street.

The Plan emphasizes Downtown as the employment center of the City, as well as Pacific Avenue's role as the focus of Downtown. The Plan proposes intensive mixed-use and pedestrian-oriented development along Pacific Avenue with ground-floor commercial uses that activate the street frontage, such as restaurants and galleries. A mix of housing types and offices is to be provided on upper levels, with parking located off site. Along Front Street and the riverfront, the Plan calls for somewhat less intensive mixed-use development. The Plan envisions Cedar Street as a transition into a lower-intensity area, with a horizontal mix of uses. North Pacific Avenue is also seen as a lower-intensity area, though it would include ground-floor commercial uses and upper-level residential uses.⁸

3. Seabright Area Plan

The Seabright Area Plan is intended to improve and preserve this historic, small-scale residential neighborhood in Santa Cruz's Eastside. The Plan proposes land use changes that are reflected in the city's current General Plan. The majority of Seabright is designated for single-family residential uses. Multi-family residential uses are concentrated near Seabright State Beach, a major visitor attraction, and along Seabright Avenue and Murray Street, two

⁷ City of Santa Cruz, 1998, *Beach and South of Laurel Comprehensive Area Plan*.

⁸ City of Santa Cruz, 2001, *Downtown Recovery Plan*.

of the area's major streets. The Plan recommends retaining the historic commercial node at the intersection of Seabright Avenue and Murray Street.⁹

The Seabright Area Plan does not address the area between Soquel Avenue and Clinton Street, even though the community considers this area a part of Seabright. Much of this northern area is designated for medium-density residential development, and in recent years, some of the neighborhood's one-story houses have been replaced with higher-density, three-story residential buildings. Many community members are concerned that this increased density has begun to overwhelm the neighborhood's existing scale.

4. Eastside Business Area Improvement Plan

The purpose of the Eastside Business Improvement Plan, which addresses the Soquel Avenue and Water Street commercial corridors, is to bring beneficial change to the area through economic development and the creation of a distinctive physical environment. Most of the Plan's recommendations focus on improvements for circulation, streetscapes and building façades. However, the Plan also refers to a 1996 market analysis that identifies the types of businesses with the best sales performance in this area:

- ◆ Auto dealers and suppliers
- ◆ Building materials
- ◆ Eating and drinking establishments
- ◆ Food stores
- ◆ Home furnishings and appliances
- ◆ Other retail stores¹⁰

5. San Lorenzo River Urban River Plan

The San Lorenzo River Urban River Plan promotes conservation of the river as a wildlife area, with complementary recreational uses. The Plan identifies Front Street and River Street as the best places to improve Santa Cruz's connection to the river. The Plan also identifies opportunities for redeveloping

⁹ City of Santa Cruz, 1981, *Seabright Area Plan*.

¹⁰ City of Santa Cruz, 1996, *Eastside Business Area Improvement Plan*.

of specific sites. For example, it recommends redeveloping the Riverwalk Plaza site at Front Street and Soquel Avenue with smaller parking areas and buildings that have a stronger orientation to the river.¹¹

6. Santa Cruz Harbor Development Plan

The purpose of the Santa Cruz Harbor Development Plan is to increase the Harbor's capacity to serve recreational and commercial maritime uses. Land use policies specify that facilities that support boating, fishing, coastal recreation and visitor-serving uses will be favored over general office or retail uses. In addition, the Plan seeks to promote the intensification of these uses.¹²

7. City-wide Creeks and Wetlands Management Plan

The City-wide Creeks and Wetlands Management Plan identifies the City's watercourses and wetlands and proposes appropriate management strategies. The plan establishes required setbacks from the watercourses and defines appropriate uses within these setback areas.¹³

8. Mission Street Urban Design Plan

The Mission Street Urban Design Plan identifies redevelopment opportunities and creates design policies for the Mission Street commercial corridor, which is both a local street and a major regional thoroughfare. Although most of the Plan's requirements are focused on issues related to community design, it recommends that the corridor retain its commercial mixed-use character and emphasize existing clusters of professional office, retail and service uses.¹⁴

¹¹ City of Santa Cruz, 2003, *San Lorenzo Urban River Plan*.

¹² City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume II: pages 111 to 135.

¹³ City of Santa Cruz, 2006, *City-wide Creeks and Wetlands Management Plan*.

¹⁴ City of Santa Cruz, 2002, *Mission Street Urban Design Plan*.

C. Growth Control and Management Policies in California

Many community members are interested in managing Santa Cruz's growth over the next 20 years, so that the City can prosper while maintaining its current character. This section describes the history and effectiveness of growth control and management policies in guiding development in California.

1. Background

Growth control measures were first seen in California in the early 1970s in Petaluma, when the construction of Highway 101 linked it to San Francisco. This new connection made commuting to San Francisco much easier, resulting in increased development in the city. In turn, the new development put severe pressure on the community's schools and infrastructure. Petaluma's response was to set an annual cap on the number of housing units that could be built in the city. Although challenged in the courts, Petaluma's growth control regulations were upheld as a legitimate and proper exercise of a city's "police power." In the wake of the Petaluma decision, similar growth control measures were widely adopted across the State.

By the 1980s, cities had shifted their focus away from growth control and towards growth management strategies. In place of absolute caps on annual growth or limits on growth rates, growth management efforts focus on containing leapfrog-style development through tools such as urban service boundaries and impact fees. Another growth management tool is to require that developers provide needed public infrastructure and services, such as improved transit, schools, water supply, sewer lines and wastewater treatment plant, be provided concurrently with development.

In the early 1990s, a faltering economy slowed growth across California, and growth management fell off the public policy agenda. In addition, while growth-control efforts—and local land use planning in general—have traditionally enjoyed strong judicial support, judicial decisions during the 1990s began to limit local regulation. In 1994, for instance, the growth-management system of the City of Oceanside was struck down; a court found that it vio-

lated State housing law by limiting local and regional supplies of affordable housing. Beyond the obvious implications for local growth management regulations, this decision also reinforced the idea that growth management is a regional issue.

In recent years, as the economy and the housing market have gained strength, growth management has returned with a new focus. Current thinking recognizes the increasingly regional context in which growth decisions must be made, as well as the failure of past ordinances to effectively achieve their goals. Rather than seeking to drastically limit or halt growth, many communities have begun to focus on guiding and leveraging growth for community benefit.

2. Effectiveness

Planning literature is skeptical at best regarding the efficacy of local growth control and management measures. The primary criticism has been that local growth controls have tended to be reactive in nature and have not proven that they actually reduce growth.

Three reasons are cited for the failure of local growth control measures:

- ◆ Ordinances tend to be enacted in response to extremely rapid growth over a relatively brief period. These rapid growth rates are unlikely to be maintained over an extended period. Thus, in the long term, annual caps tend to be set too high.
- ◆ Local growth control and growth management methods are typically concerned only with the quantity and location of growth, and fail to consider how some new growth could be beneficial if phased, directed or otherwise used to improve or contribute to overall community quality. For example, the Petaluma management system, which evaluated projects based on architectural merit, failed to fully consider broader issues of community design.
- ◆ As metropolitan areas have expanded and decentralized, local growth has occurred as a result of regional forces and trends. Local controls often

have little effect in addressing regional growth issues and may simply displace a problem from one location to another.

D. Existing Growth Management Policies in the City of Santa Cruz

Santa Cruz's current General Plan includes several effective growth management strategies. By encouraging the acquisition of new lands for the City's Greenbelt, the current General Plan has helped to protect open space surrounding the City, while focusing growth within the boundary created by these open spaces. Reinforcing the Greenbelt's function as a growth boundary, the current General Plan sets a physical boundary for new sewer services, which effectively limits growth outside of this area.

In addition to these limitations on growth outside the City's boundary, the current General Plan's policies promote growth in specific locations, notably in the Downtown area and along transit corridors. These policies increase the ability of new development to use existing infrastructure. The policies are supported by the current General Plan's concurrency policy, which says that development may proceed only if there are adequate facilities to serve it. On a regional level, the current General Plan has policies that promote a jobs/housing balance and consultation with regional agencies on related planning issues.

The current General Plan also attempts to protect Santa Cruz's natural resources by restricting growth that is not within the city's "carrying capacity." However, the General Plan also provides multiple conflicting definitions of this term. According to one definition, Santa Cruz's carrying capacity is the amount of growth that will not permanently damage the "quality of air, water, land, or plant and animal habitats."¹⁵ A second definition states that the carrying capacity is "the maximum level of development allowable under cur-

¹⁵ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume III: pages 78 to 79.

rent zoning.”¹⁶ This second definition does not help Santa Cruz manage its growth, since virtually all new development must follow the current zoning requirements.

There are other ways to define and measure the carrying capacity of a city, county or region. One increasingly common measure is the “ecological footprint,” which attempts to measure the demands that humanity places on natural resources. Some of these resources are materials such as wood, oil and metal that are used for consumer products. Other resources are used in the course of supplying these materials, or to absorb the negative effects of consuming certain resources. For example, if groundwater is pumped from the earth to create a water supply, it must also be replenished by storms, or it will run dry. The “ecological footprint” of a human population is the number of acres of land that are needed to support that population’s lifestyle.

Researchers have estimated that the United States has an ecological footprint that is five times larger than the amount of land in the entire country.¹⁷ This means that the current ecological footprint of the United States is not sustainable—it is the result of depleting resources more quickly than they can be replaced.

It is likely that Santa Cruz already has a larger ecological footprint than the land available within the city, and thus has already exceeded its carrying capacity. Urban areas have especially large ecological footprints when measured by themselves, since they depend on raw materials from elsewhere; for example, most of the food for a city’s residents comes from large farms outside of the city. The region around Vancouver, British Columbia—an area with relatively compact patterns of development and an environmentally-

¹⁶ City of Santa Cruz, 1992, *General Plan and Local Coastal Program 1990-2005*, Volume III: page 79.

¹⁷ Wackernagel, Mathis and William Rees, 1996, *Our Ecological Footprint: Reducing Human Impact on the Earth*, Gabriola Island, British Columbia: New Society Publishers, page 85.

aware population—has an ecological footprint that is 19 times larger than the size of the region.¹⁸

This example suggests that it is not appropriate to protect Santa Cruz’s natural resources by prohibiting any growth beyond the city’s carrying capacity; based on one widespread measure of carrying capacity, this policy would prevent any growth within the city whatsoever. Instead, the community may wish to set policies that protect the natural environment by moving the city closer to its carrying capacity, while ensuring that Santa Cruz’s residents and the city’s economy continue to thrive.

E. Potential Growth Management Policies

California’s cities and counties have used a wide variety of policies to manage growth. This list describes several growth management policies that could complement Santa Cruz’s existing policies. While this list is not exhaustive, it includes the tools that are best suited to Santa Cruz’s unique context and land use issues.

1. Urban Growth Boundaries

An urban growth boundary is an officially adopted and mapped boundary between a city’s urbanized area and the undeveloped areas that surround it. While the City’s Greenbelt already acts as a less formal urban growth boundary, Santa Cruz could adopt such a boundary to close gaps in the Greenbelt where open space is no longer available. Petaluma is one example of a city that has adopted a formal urban growth boundary.

2. Density Adjustments

Selective changes to the maximum densities for new development can help the community retain and enhance its existing character. For example, in a

¹⁸ Wackernagel, Mathis and William Rees, 1996, *Our Ecological Footprint: Reducing Human Impact on the Earth*, Gabriola Island, British Columbia: New Society Publishers, page 87.

traditionally small-scale residential neighborhood where higher-density development is allowed by the current General Plan, the higher development densities can be shifted to locations such as major transit corridors. This change would accommodate new housing while retaining the overall character of the neighborhood.

3. Community Participation

Community participation is an important component of well-managed growth; the public is more likely to accept growth when it has a chance to say what sort of growth is appropriate and where it should occur. Although Santa Cruz already relies on community involvement to guide its planning efforts, including General Plan 2025, there may be appropriate opportunities for residents to take an even more active role in determining the city's future. For example, visioning workshops could be used to allow residents to identify the type of growth they would like in their neighborhoods.

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