



## CITY COUNCIL AGENDA REPORT

DATE: 11/02/2009

AGENDA OF: 11/24/09

DEPARTMENT: Planning

SUBJECT: 2007-2014 Housing Element of the General Plan. (PL)

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**RECOMMENDATION:** Resolution adopting the Negative Declaration, rescinding the 2002-2007 Housing Element and adopting the 2007-2014 Housing Element based on the Findings listed in the resolution.

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**BACKGROUND:** State law requires each jurisdiction to adopt a General Plan as a blueprint for long-range land use decisions. Seven mandated elements must be included in the General Plan, including the Housing Element. Unlike the other elements, the Housing Element has explicit requirements that must be addressed and updated on a five-year cycle. This Housing Element cycle shall be effective from 2007-2014. The two-year time lapse from 2007-2009 is due to delay in the housing needs allocation process.

**DISCUSSION:** Initiation of the five-year update is triggered by the Regional Housing Needs Plan (RHNP) allocation process. The State determines the regional need for each part of California. Each Council of Government (in our case, the Association of Monterey Bay Area Governments) allocates the region's housing need among its member jurisdictions. The City of Santa Cruz received a 672-unit allocation in the current adopted RHNP. The City's last Housing Element was approved and certified by the State's Housing and Community Development Department in 2002.

The Housing Element must make "adequate provision for the existing and projected housing needs of all economic segments of the community." The required content of the Housing Element is dictated by State Government Code Section 65580 et seq. State law has explicit requirements that must be fulfilled for the Housing Element to be certified, which is necessary to maintain a legally adequate General Plan as well as to be eligible for various funding sources. The Housing Element must contain three basic sections:

- 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 relative to the maintenance, preservation, improvement, and development of housing; and
- A five-year program to implement the policies and achieve the goals and objectives.

The element must identify adequate sites with appropriate zoning densities and infrastructure to meet the community's housing needs and address and remove, where "appropriate and legally

possible,” governmental constraints to housing development. The Government Code establishes specific provisions for each of the above requirements.

Jurisdictions in the Association of Monterey Bay Area Governments (AMBAG) region are required to have their Housing Elements adopted and approved by the State Department of Housing and Community Development (HCD) by June 30, 2009.

On April 2 and April 16, 2009, the Planning Commission initiated the Housing Element review process by reviewing the draft and receiving public comment on Chapters 1-6. The staff received comments and has updated the draft to reflect those changes as well as the following:

- Minor edits and corrections throughout the draft
- Corrections to UCSC housing numbers and homeless statistics in Chapter 2
- Update to the housing numbers and opportunity sites in Chapter 4
- Addition of Goals, Policies and Programs to address Climate Change in Chapter 6
- Addition of Appendix A – Inventory of Affordable Units in Santa Cruz
- Addition of Appendix B – Detailed inventory of opportunity sites
- Addition of Appendix C – Accomplishments for the 2002-2006 Housing Element.
- Addition of Appendix D – Housing Element Glossary
- Addition of Exhibit 1 – Vacant Residential Parcels
- Addition of Exhibit 2 – Potential Corridor Reuse Parcels

On May 2, 2009, the Planning Commission held a public hearing, reviewed the draft of the Housing Element and recommended adoption to the City Council. On May 26, 2009, City Council accepted the draft Housing Element and directed staff to submit the draft to the State Department of Housing and Community Development for formal review and certification.

The State Department of Housing and Community Developed (HCD) reviewed the draft Housing Element and provided comments on August 28, 2009 (attached). Most of the comments were technical changes or minor corrections. The changes were made and a final draft was sent to HCD for approval. As the date of this report, a written response from HCD accepting the final draft has not been received. Staff anticipates a written response prior to the November 10 Council meeting. Upon receipt, the response will be forwarded to the Council.

## ENVIRONMENTAL COMPLIANCE

An Initial Study and Negative Declaration have been prepared to evaluate the potential environmental impacts of the proposed 2007-2014 Housing Element in accordance with the California Environmental Quality Act (CEQA) and the City’s CEQA Guidelines. The Initial Study concluded that no potentially significant environmental impacts would result from the Housing Element and no mitigation measures are required. The 30-day public review period for the Negative Declaration ended on June 6, 2009.

## FINDINGS

1. The proposed amendment is deemed to be in the public interest. Availability of housing is a vital issue of local and statewide importance. The Housing Element makes adequate provisions for the existing and projected housing needs for all economic segments of the community. The housing element also is in the public interest since it addresses regional housing needs.

2. The proposed General Plan amendment is consistent and compatible with the rest of the General Plan and any implementation programs that may be affected. The Housing Element replaces the 2002-2007 Housing Element in the General Plan. Most of the policies, programs, and objectives are similar in both elements. The 2007-2014 Housing Element is consistent with the Land Use Element and the proposed General Plan 2030 since no land use amendments will be necessary. The Housing Element is also consistent with the Environmental Quality Element and Circulation Element.

3. The potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare. It is intended to promote the housing needs of the community, including safe housing conditions and vital neighborhoods.

4. The Housing Element was prepared in accordance with California Government Code Sections 65580-65589.8 and will be reviewed by the State Department of Housing and Community Development to ensure compliance with State law. An Initial Study was completed per the requirements of CEQA and the City's CEQA Guidelines. The Planning Commission has considered the Negative Declaration and finds, based on the whole record before it, that there is no substantial evidence that the project will have a significant effect on the environment, and that the Negative Declaration reflects the City's independent judgment and analysis.

#### RECOMMENDATION

That the City Council adopt the Negative Declaration, rescind the 2002-2007 Housing Element and adopt the 2007-2014 Housing Element based on the Findings listed in the attached resolution.

FISCAL IMPACT: None.

Prepared by:  
Michelle King  
Senior Planner

Submitted by:  
Juliana Rebagliati  
Planning Director

Approved by:  
Richard C. Wilson  
City Manager

The Housing Element Document is available for public review at the Planning Department public counter and at the Public Library. Additionally, a link to the Housing Element document is available on the Planning Department's city website.

#### ATTACHMENTS:

Resolution amending the General Plan by adopting the 2007-2014 Housing Element;  
Negative Declaration;  
Initial Study;  
Response to Housing Element Negative Declaration;  
Review letter from the State Department of Housing and Community Development;  
Minutes from the May 7, 2009 Planning Commission meeting.

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ  
ADOPTING THE NEGATIVE DECLARATION AND AMENDING THE CITY'S  
GENERAL PLAN BY RESCINDING THE 2002-2007 HOUSING ELEMENT AND  
ADOPTING THE 2007-2014 HOUSING ELEMENT AND AUTHORIZING AND DIRECTING  
THE CITY MANAGER TO SUBMIT IT TO THE STATE DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT FOR CERTIFICATION.

WHEREAS, the City of Santa Cruz recognizes its responsibility to plan for the housing needs of the community; and

WHEREAS, the Housing Element of the General Plan sets forth City policies that will direct City action toward the provision of housing in the community; and

WHEREAS, Section 65580 of the Government Code of the State of California sets forth the requirements for the preparation and adoption of the Housing Element of the General Plan; and

WHEREAS, a Negative Declaration was prepared for the amendment and circulated for review and comments in accordance with CEQA and City Guidelines; and

WHEREAS, consistent with CEQA and City Guidelines, it was determined that there is no substantial evidence that the 2007-2014 Housing Element will have a significant effect on the environment, and

WHEREAS, the Planning Commission held a public hearing to review and consider the Draft 2007-2014 Housing Element on May 7, 2009 and recommended to the City Council adoption of the Negative Declaration and approval of the Draft Housing Element.; and

WHEREAS, the City Council held a public hearing on May 26, 2009 and accepted the Draft 2007-2014 Housing Element and directed staff to submit it to HCD for review; and

WHEREAS, the Draft 2007-2014 Housing Element was submitted to and reviewed by HCD and subsequently revised to respond to comments submitted to the City by HCD; and

WHEREAS, the City Council held a public hearing on October 27, 2009; and

WHEREAS, The City Council now finds:

1. The proposed amendment is deemed to be in the public interest. Availability of housing is a vital issue of local and statewide importance. The Housing Element makes adequate provisions for the existing and projected housing needs for all economic segments of the community. The housing element also is in the public interest since it addresses regional housing needs.

RESOLUTION NO. NS-

2. The proposed General Plan amendment is consistent and compatible with the rest of the existing General Plan and the Draft General Plan 2030 and any implementation programs that may be affected. The 2007-2014 Housing Element replaces the 2002-2007 Housing Element in the General Plan. Most of the policies, programs, and objectives are similar in both elements. The 2007-2014 Housing Element is consistent with the Land Use Element since no land use amendments will be necessary. The Housing Element is also consistent with the Environmental Quality Element and Circulation Element.
3. The potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare. It is intended to promote the housing needs of the community, including safe housing conditions and vital neighborhoods.
4. The Housing Element was prepared in accordance with California Government Code Sections 65580-65589.8 and reviewed by the State Department of Housing and Community Development to ensure compliance with State law. An Initial Study was completed per the requirements of CEQA and the City's CEQA Guidelines. The Planning Commission has considered the Negative Declaration and finds, based on the whole record before it, that there is no substantial evidence that the project will have a significant effect on the environment, and that the Negative Declaration reflects the City's independent judgment and analysis.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz, with respect to the Negative Declaration, the City Council has considered the Negative Declaration together with supporting documentation provided and finds, based on the basis of the whole record before it, there is no substantial evidence that the amendment will have a significant effect on the environment and that the Negative Declaration reflects the City's independent judgment and analysis; and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Santa Cruz, that it hereby adopts the Negative Declaration; and

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Santa Cruz that the City's General Plan be amended to rescind the 2002-2007 Housing Element and adopt the 2007-2014 Housing Element.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Manager is authorized and directed to submit the 2007-2014 Housing Element to the State Department of Housing and Community Development for final certification.

RESOLUTION NO. NS-

PASSED AND ADOPTED this      day of                      2009, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Mayor

ATTEST: \_\_\_\_\_  
City Clerk

City of Santa Cruz  
**Environmental Checklist Form/Initial Study**

**I. BACKGROUND**

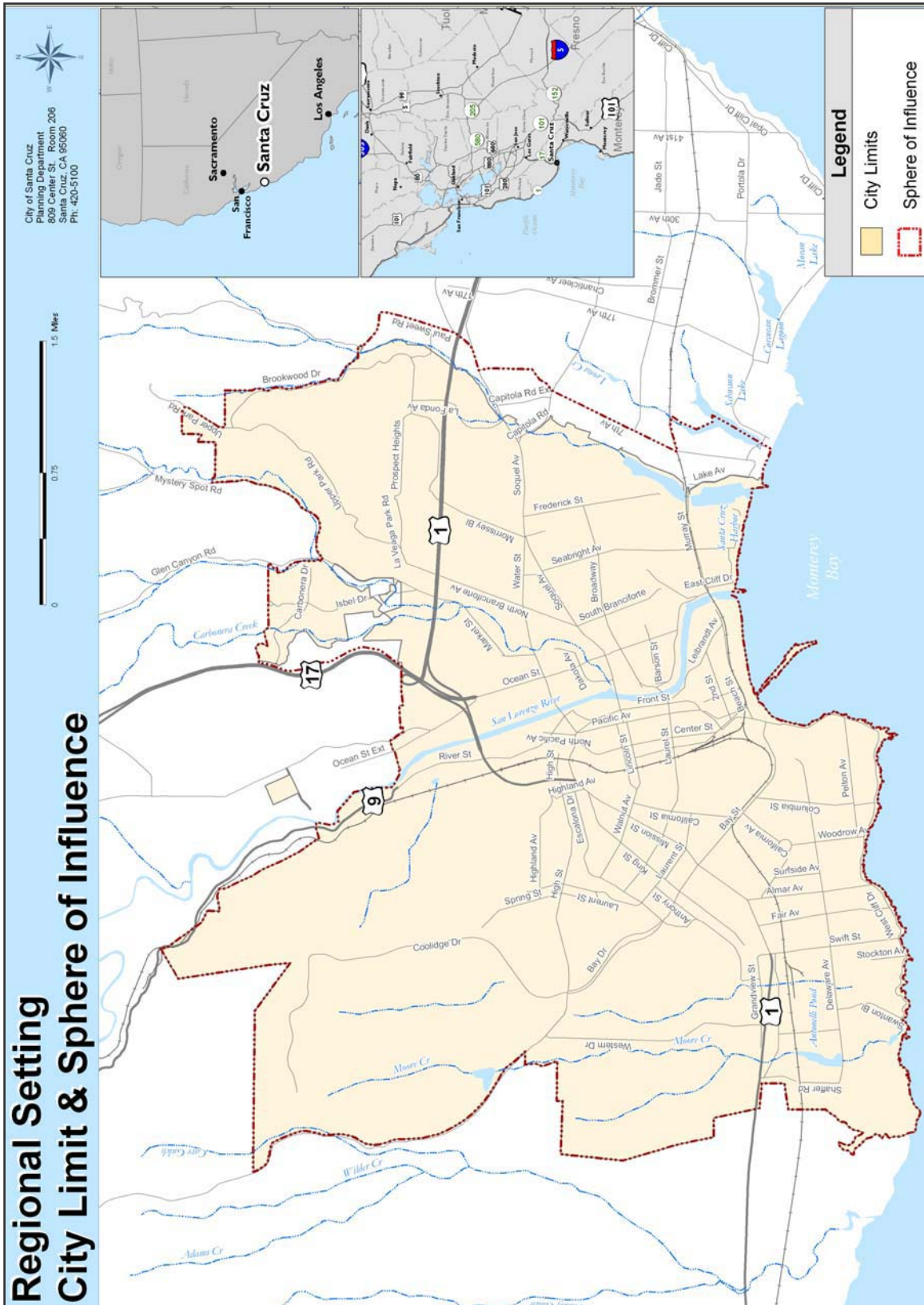
1. **Project Title:** City of Santa Cruz 2007-2014 Draft Housing Element
2. **Lead Agency Name and Address:**  
City of Santa Planning and Community Development Department  
809 Center Street, Room 206, City Hall Annex  
Santa Cruz, CA 95060
3. **Contact Person and Phone Number:** Michelle King, (831) 420-5092
4. **Project Location:** City of Santa Cruz (see Figure 1)
5. **General Plan Designation:** N/A
6. **Zoning:** N/A
7. **Other Public Agencies whose approval is required:**
  - California Department of Housing and Community Development: Review and approval of Housing Element

**II. ENVIRONMENTAL SETTING & PROJECT DESCRIPTION**

**A. PROJECT OVERVIEW**

The proposed project consists of an update to the Housing Element of the City of Santa Cruz General Plan for the years 2007 through 2014. Preparation and updating of a Housing Element is mandated by state law. The Housing Element sets forth goals, policies, quantified objectives and programs for the production, rehabilitation and conservation of housing, and addresses affordable housing and special housing needs. The Housing Element includes objectives to construct 672 new housing units, rehabilitate 50-75 housing units for low income households, and conserve 594 affordable housing units between the years 2007 and 2014. The draft Housing Element indicates that the above housing production goal has almost been met by housing units constructed and approved since January 2007, except 170 additional housing units are needed for extremely low, low and moderate income households to fully meet the above housing production objectives once constructed and approved units are considered. The draft Housing Element further indicates that these units can be constructed on underutilized parcels under existing General Plan and Zoning designations. No specific sites are identified except for two areas south of Laurel Street. Further description of Housing Element components is provided below.

**FIGURE 1 – PROJECT LOCATION**





## **B. ENVIRONMENTAL SETTING**

The City of Santa Cruz is located along the northern shore of Monterey Bay, approximately 75 miles south of San Francisco, 25 miles south of San Jose and 40 miles north of Monterey. The City has a total land area of 12.7 square miles, and is bordered by the Santa Cruz Mountains to the north, open space lands to the west, the Monterey Bay to the south, and a portion of the unincorporated urban community of Live Oak to the east. The City's western and northern borders are mostly defined by publicly- and privately-owned open space, agricultural, and park lands. Within the City, city-owned open space lands help establish a greenbelt around the city.

Santa Cruz is the largest city in Santa Cruz County and serves as the County seat. As of January 1, 2008, the City supported a population of 58,125 (SOURCE V.8) with a mix of residential, commercial, industrial, visitor-serving, recreational, and open space uses. The City's current population represents approximately 22% of the total County population, and the City also accommodates approximately 22% of the County's total housing stock (SOURCE V.7a). Santa Cruz has been the urban center of the County providing employment and commercial, governmental, social, educational and cultural services to the area. The University of California Santa Cruz campus lies mostly within city limits.

## **C. PROJECT DESCRIPTION**

The proposed project consists of an update to the City of Santa Cruz Housing Element of the General Plan for the years 2007 through 2014. The Housing Element is mandated by sections 65580 to 65589 of the Government Code. State law requires that each city and county identify and analyze existing and projected housing needs and develop goals, policies, programs and quantified objectives to further the development, improvement, and preservation of housing. To that end, State law requires that the housing element:

- Identify adequate sites to facilitate and encourage housing for households of all economic levels, including persons with disabilities;
- Remove, as legally feasible and appropriate, governmental constraints to housing production, maintenance, and improvement;
- Assist in the development of adequate housing for low and moderate income households;
- Conserve and improve the condition of housing, including existing affordable housing; and
- Promote housing opportunities for all persons.

## Housing Element Organization

The draft Housing Element contains six chapters that are described below. The initial chapters provide background data and analysis that create a framework for the goals, policies, and programs in the Housing Plan.

- 1. Introduction:** The introduction outlines the critical housing challenges facing the City and contains an overview of the organization of the element and the public participation process.
- 2. Community Profile:** This chapter presents an analysis of the City's demographic, housing, and special needs characteristics and trends. The chapter discusses population characteristics, describes and analyzes housing opportunities available to residents, and also provides a focus on special needs in the community. Special needs groups include seniors, persons with physical or psychiatric disabilities, families with children, homeless persons, and students. The chapter also contains an analysis of affordable housing units that are at risk of converting to market rate.
- 3. Potential Constraints:** As required by Housing Element law, this chapter reviews potential market, governmental, and environmental constraints that could impact the City's ability to address its housing needs. Market constraints reviewed include fees and exactions, financing, and costs associated with construction, land purchase, and labor. Potential governmental constraints considered include the City's land use policies, development standards, building and accessibility codes, permitting procedures, and affordable housing provision, preservation, and replacement. Measures employed to provide flexibility for residential development are discussed, including density bonus provisions and Planned Development permits. Lastly, potential environmental constraints are evaluated including environmental hazards, environmental preservation, infrastructure capabilities, and energy conservation.
- 4. Housing Resources:** This chapter analyzes the resources available for the development, rehabilitation, and preservation of housing in Santa Cruz. The chapter discusses the City's share of the regional housing needs, the availability of land to accommodate new housing, and the availability of financial and administrative resources to assist in implementing housing programs.
- 5. Evaluation of Accomplishments:** This chapter contains an overview of the City's accomplishments in implementing the 2002-2007 Housing Element and examines the progress made in implementing its major housing programs. Also provided is a detailed program by program description of progress.
- 6. Housing Plan:** The Housing Plan presents a strategy to address the City's identified housing needs, and establishes housing goals, policies, quantified objectives, and programs relative to housing production, rehabilitation, conservation, and assistance for all residents in Santa Cruz. The six goals of the current Housing Element are retained for the 2002-2007 Housing Element, while policies and programs are updated to reflect current issues.

## Regional Housing Needs

California law requires each city and county, when preparing its State-mandated Housing Element, to adopt local housing programs to meet its “fair share” of housing needs. Every seven years, the State in concert with the Association of Monterey Bay Area Governments (AMBAG), develops housing need projections for each jurisdiction in Santa Cruz, San Benito and Monterey Counties. This process is called the Regional Housing Needs Allocation Plan (RHNA) and is based on California Department of Finance (DOF) population projections for each region of the state and housing needs estimated by the California Department of Housing and Community Development (HCD) for each region of the State. HCD determined that 15,130 new housing units would be required in the AMBAG region to accommodate population and growth between 2007 and 2014.

AMBAG allocates the region's housing need to each community based on planning factors in the Government Code. These include: 1) market demand for housing; 2) employment opportunities and commuting patterns; 3) availability of suitable sites and public facilities; 4) type and tenure of housing; 5) loss of assisted housing units; and 6) over-concentration of lower income households. Taking these and other factors into account, AMBAG allocated 672 units to the City of Santa Cruz (4.4 percent of the regional housing needs allocation of 15,130 units). The City of Santa Cruz’ regional housing needs outlined in the draft Housing Element are summarized on Table 1.

**Table 1  
Regional Housing Needs Production Goals**

Household Income Group	Affordability Level		Housing Production Goals
	Definition	Income Range	
Very Low	< 50% of AMFI	Up to \$39,150	150
Low	51%-80% of AMFI	up to \$62,650	113
Moderate	81-120% of AMFI	up to \$87,800	127
Above Moderate	121% + of AMFI	Above \$87,800	282
Total			672

**SOURCE:** AMBAG Regional Housing Needs Plan 2007-2014, June 11, 2008, Table 3.1.  
Note: AMFI refers to the Area Median Family Income

While the Housing Element covers a 5-year planning period, the proposed draft Housing Element timeframe was extended to cover a 2007-2014 planning period due to a delay in RHNA distribution from AMBAG. However, jurisdictions may count the number of housing units built since January 1, 2007 toward satisfying their regional housing needs allocation. As shown in Table 2, over 1,000 housing units have been constructed and approved within the City since January 1, 2007.

**Table 2  
Actual and Approved Housing Production,  
January 1, 2007-April 1, 2009**

Type of Project	Zoning Districts			TOTAL
	Residential Zones	Commercial Zones	Industrial Zones	
Single-Family Homes	120	0	0	120
Multifamily	442	211	100	753
SOU units	0	8	0	8
SRO Units	0	97	0	97
Accessory Dwellings	67	0	0	67
<b>Total</b>				1,045
UCSC Housing	898 beds and 84 units			982

Source: Draft Housing Element

### Housing Plan

The proposed Housing Plan component of the Housing Element provides a statement of goals, policies and quantified objectives to address housing production, rehabilitation, conservation and assistance for all residents in Santa Cruz. A series of programs are provided to ensure implementation of the goals and policies. These components are further described below.

#### **GOALS AND POLICIES**

Six primary goals and supporting policies are presented regarding housing production, affordable housing, special housing needs, housing assistance and resource conservation. The Housing Element goals are:

- GOAL 1:** An adequate diversity in housing types and affordability levels to accommodate present and future housing needs of Santa Cruz residents.
- GOAL 2:** Increased and protected supply of housing affordable to extremely low, very low, low, and moderate income households.
- GOAL 3:** Accessible housing and appropriate supportive services that provide equal housing opportunities for special needs populations.
- GOAL 4:** Increased opportunities for low and moderate income residents to rent or purchase homes.
- GOAL 5:** Improved housing and neighborhoods throughout Santa Cruz and in designated target areas
- GOAL 6:** Fulfill the City's housing needs while promoting an environmentally sustainable, compact community with clearly defined urban boundaries.

A series of policies are provided for each goal. Policies for housing production seek to provide an adequate supply and diversity of housing. Policies support concentrating new housing in the central core, along major commercial corridors and on other major sites consistent with land use designations. Production of mixed residential-commercial uses are supported while maintaining the vitality of established neighborhoods. The City seeks to facilitate different housing types (such as co-housing, live-work, accessory units) and a mix of ownership and rental units through City development standards and incentives. Potential conversion of larger homes to multiple units is identified for consideration as a means to expand housing options. Four policies address improving the quality of housing and neighborhoods, including rehabilitation of housing, replacement of substandard housing and promoting neighborhood vitality. Eight policies are provided to ensure that new housing minimizes traffic and other impacts and that adequate services are available. Transit-oriented, mixed use residential developments in proximity to services and businesses are promoted.

The affordable housing policies encourage the production and preservation of affordable housing through City inclusionary requirements, other regulatory incentives, collaboration with other agencies, developers and organizations to develop affordable housing, and conservation of existing affordable housing. Policies are presented to facilitate and encourage housing for “special housing needs” residents, such as senior citizens, families with children, UCSC students, faculty and staff, disabled persons, and homeless people and families. Policies are presented that support housing assistance for renters and homebuyers that are low and moderate income.

#### **QUANTIFIED OBJECTIVES TO MEET HOUSING NEEDS**

The Housing Element establishes quantified objectives for housing production, rehabilitation, and conservation. For housing production, the City has set quantified objectives that mirror those of the RHNA’s goals as shown on Table 1: a total of 672 units distributed among various income groups as follows:

- 150 units for very low income households
- 113 units for low income households
- 127 units for moderate income households and
- 282 units for above-moderate income households

Quantified goals for housing rehabilitation and conservation are shown on Table 3. Housing rehabilitation helps maintain housing conditions, preserve neighborhoods, and contribute to a higher quality of life for residents. The conservation of publicly assisted affordable housing is particularly important given that increasing rents and sales prices in recent years have made it financially infeasible for many low income households to live in Santa Cruz. The City’s goal for the planning period for the 2007-2014 Housing Element is to support and fund the substantial rehabilitation of 50 to 75 housing units. The City will utilize federal funds to support the rehabilitation of units occupied by lower-income households.

**Table 3  
Housing Rehabilitation and Conservation Objectives**

Target Income Affordability Levels	Housing Production Goals (Number of Units)		
	Definition	Rehabilitation	Conservation
Extremely Low	0% to 30% of MFI		
Very Low	31% to 50% of MFI	75 <sup>1</sup>	500
Low	51% to 80% of MFI		94
Moderate	81% to 120% of MFI		n/a
Above-Moderate	More than 120% of MFI	400	n/a
<b>Total</b>		475	594

**Progress In Meeting Housing Production Objective.** The draft Housing Element indicates that the housing production goal can be met by units already constructed and approved in addition to units that can be constructed on underutilized parcels based on existing General Plan and Zoning designations. Between January 2007 and April 2009, 390 residential units were constructed<sup>1</sup> and occupied within the City, thus resulting in a remaining housing production need of 282 units. In addition to constructed units, an additional 566 units have been approved since January 2007, of which City staff has determined that 112 units would meet some of the unmet housing needs. To this end, the City has achieved a substantial portion of its quantified objectives for housing production.

Table 4 compares units constructed with the housing production objectives. To date, the City has met its' objectives for very low and above-moderate income households and partially met its objectives for extremely low, low and moderate income households once constructed and approved housing units are considered. A remaining total of 170 units are needed as follows and summarized on Table 4: extremely low (40), low (60), and moderate (70). Thus, an additional 170 housing units would need to be constructed by the year 2014 to meet the Housing Element production objectives. The draft Housing Element indicates that these units could be constructed on underutilized lands under existing General Plan and zoning designations.

**Housing Sites.** The draft Housing Element indicates that development activity since January 2007 shows that all new multi-family housing is projected to be affordable to lower and moderate income households. The Housing Element also indicates that accessory and single-room occupancy units are typically affordable to lower income households. Assuming these patterns continue, the City expects that it can fully address its remaining housing needs based on available sites as discussed below. All single-family housing sites are likely to be affordable to above-moderate income households, and as indicated above, regional housing needs for this income group have already been met.

<sup>1</sup> This is the net increase in housing units, which accounts for housing demolitions.

**Table 4  
Comparison of RHNP and Adequate Sites**

RHNA Goal vs. Credits	RHNA Goal	RHNA Goals by Affordability Level				
		Extremely Low	Very Low	Low	Moderate	Above Moderate
RHNA Goals (2007-2014)	672	75	75	113	127	282
Housing Production (1/2007 – 4/2009)	1,045	35	164	53	57	736
<b>Remaining Deficit</b>	<b>(373)</b>	<b>40</b>	<b>(89)</b>	<b>60</b>	<b>70</b>	<b>(454)</b>
AVAILABLE SITES						
Single-Family Units	70	0	0	0	0	70
Riverbend	95	23	24	48	0	0
Corridors	133	23	23	40	47	0
Multifamily	25	0	0	0	25	0
<b>TOTAL</b>	<b>323</b>	<b>46</b>	<b>47</b>	<b>88</b>	<b>72</b>	<b>70</b>
<b>Remaining Needs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Overage</b>	<b>696</b>	<b>6</b>	<b>136</b>	<b>28</b>	<b>2</b>	<b>524</b>

Source: City of Santa Cruz, 2009.

The Housing Element provides a review of site availability for new housing, and indicates that approximately 325 housing units could be constructed on residentially-designated sites, on underutilized parcels along major transportation corridors, and in an area south of Laurel Street. An existing parking lot referred to as the “Riverbend” site and a 1.7-acre area of former auto dealers are noted as potential development sites in the south of Laurel area. A site along Pacific Avenue also is noted as having been approved for a 58-unit project. Potential housing opportunities identified in the Housing Element are summarized below. No specific site locations are identified, except for those indicated above and one single-family housing site that is noted as examples of vacant parcels.

- **Single-Family Dwellings:** Approximately 60 vacant parcels, totaling 40 acres, could accommodate approximately 276 homes. The Housing Element estimates that 70 units (25%) would be built in the planning period and would likely be affordable to above-moderate income families. One vacant site is noted for potential single-family housing (the Swenson site). As shown on Table 4, above-moderate income housing goals have been met with housing units constructed and approved since January 1, 2007.

- Multi-Family Dwellings: Development is expected on existing residentially designated parcels that include the “Riverbend Site” for a total of 95 units and 2.11 infill acres that are designated for multi-family residential uses. The draft Housing Element estimates that 48 units could be accommodated; 25 units are anticipated during the Housing Element period.
- Major Corridors: The draft Housing Element indicates that approximately 16 acres of commercially-designated land could accommodate housing. It is estimated that 133 units (approximately 25% of the total) are expected to be constructed in the during the Housing Element timeframe.
- Other Opportunity Sites:
  - ✓ North Pacific site – 58 units approved
  - ✓ South of Laurel – 1.7 acres = 116 units
  - ✓ River-Front and Lower Pacific area offer additional potential housing opportunity sites, and a specific study regarding this area is in progress.

## **HOUSING PROGRAMS**

Major programs to address and implement goals, policies and objectives are presented with five-year objectives. The programs provide further details on actions to implement specified policies. The programs address:

1. *Housing Production* – provision of adequate sites; mixed use development; alternative housing types; planned development permits; development review process; and public education and participation.
2. *Affordable Housing* – affordable housing ordinance; regulatory and financial incentives; density bonus program; public-private housing partnerships; housing preservation opportunities; and preservation of at-risk affordable housing.
3. *Special Needs* – families with children; children and youth development; Continuum of Care (homeless); supportive living housing services; student housing; persons with disabilities; and housing and community development program.
4. *Housing Assistance* – housing choice vouchers; rental assistance; mortgage programs; grant application program; and fair housing services.
5. *Neighborhood Vitality* – code enforcement; housing inspection program; housing rehabilitation; Beach/South of Laurel Comprehensive Area Plan; and housing replacement.
6. *Resource Conservation* – water provision; green building program; and transit oriented development program.



### III. ENVIRONMENTAL CHECKLIST

**Environmental Factors Potentially Affected:** The environmental factors checked below would be potentially affected by this project, involving at least one effect that is a “Potentially Significant Impact” as indicated by the checklist on the following pages.

	Aesthetics		Agricultural Resources	X	Air Quality
	Biological Resources		Cultural Resources	X	Geology/Soils
	Hazards & Hazardous Materials	X	Hydrology/Water Quality		Land Use/Planning
	Mineral Resources		Noise	X	Population/Housing
X	Public Services		Recreation	X	Transportation/Traffic
X	Utilities/Service Systems		Mandatory Findings of Significance		

**Instructions:**

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question (see references in Section V). A "No Impact" answer is adequately supported if the referenced information sources show that the effect simply does not apply to projects like the one involved (the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (the project would not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational effects.
3. Once the lead agency has determined that a particular physical effect may occur, then the checklist answers must indicate whether the effect is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that any effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an Environmental Impact Report is required.
4. “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe

the mitigation measures and briefly explain how they reduce the effect to a less than significant level.

5. Earlier Analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, one or more effects have been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D).
  - a) *Earlier analysis used.* Identify earlier analyses and state where they are available for review.
  - b) *Impacts adequately addressed.* Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) *Mitigation measures.* For effects that are "Less than Significant with Mitigation Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>1. AESTHETICS. Would the project:</b>				
(a) Have a substantial adverse effect on a scenic vista? (V.1- Map CD-3)				X
(b) Substantially damage scenic resources including but not limited to trees, rock outcroppings, and historic buildings within a State scenic highway?				X
(c) Substantially degrade the existing visual character or quality of the site and its surroundings?				X
(d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?				X
<b>2. AGRICULTURE RESOURCES. In determining whether effects to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing effects on agriculture and farmland. Would the project:</b>				
(a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? V.1- Map EQ-5)				X
(b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
(c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?				X
<b>3. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:</b>				
(a) Conflict with or obstruct implementation of the applicable air quality plan?				X
(b) Violate any air quality standard or contribute to an existing or projected air quality violation?				X
(c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable Federal or State ambient air quality standard (including releasing emissions which exceed quantitative			X	

ENVIRONMENTAL EFFECTS (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
thresholds for ozone precursors)?				
(d) Expose sensitive receptors to substantial pollutant concentrations?				X
(e) Create objectionable odors affecting a substantial number of people?				X
<b>4. BIOLOGICAL RESOURCES. Would the project:</b>				
(a) Have a substantial adverse effect, either directly or through habitat modifications, 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?				X
(b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
(c) Have a substantial adverse effect on Federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, and coastal) through direct removal, filling, hydrological interruption, or other means?				X
(d) Interfere substantially 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 wildlife nursery sites?				X
(e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
(f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan?				X
<b>5. CULTURAL RESOURCES. Would the project:</b>				
(a) Cause a substantial adverse change in the significance of a historical resource as defined in section 15064.5? (V.1-Map CD-5)				X
(b) Cause a substantial adverse change in the significance of an archaeological resource pursuant				X

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
to section 15064.5? (V.1-Map CR-2)				
(c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? (V.1-Map CR-2)				X
(d) Disturb any human remains including those interred outside of formal cemeteries?				X
<b>6. GEOLOGY AND SOILS. Would the project expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:</b>				
(a) Rupture of a known earthquake fault as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
(b) Strong seismic ground shaking?			X	
(c) Seismic-related ground failure, including liquefaction?			X	
(d) Landslides?				X
(e) Would the project result in substantial soil erosion or the loss of topsoil?				X
(f) Would the project be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
(g) Would the project be located on expansive soil as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
(h) Would the project have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of wastewater?				X
<b>7. HAZARDS AND HAZARDOUS MATERIALS. Would the project:</b>				
(a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
(b) Create a significant hazard to the public or the				X

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				
(c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-fourth mile of an existing or proposed school?				X
(d) 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?				X
(e) For a project located within an airport land use plan, or where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
(f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
(g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
(h) Expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? (V.1-Map S-11)				X
<b>8. HYDROLOGY AND WATER QUALITY. Would the project:</b>				
(a) Violate any water quality standards or waste discharge requirements?				X
(b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local ground water table level (for example, the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? (V.1)				X
(c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of				X

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?				
(d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
(e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?			X	
(f) Otherwise substantially degrade water quality?				X
(g) Place housing within a 100-year flood-hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?			X	
(h) Place within a 100-year flood-hazard area structures which would impede or redirect floodflows?				X
(i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?			X	
(j) Inundation by seiche, tsunami, or mudflow?			X	
<b>9. LAND USE AND PLANNING. Would the project:</b>				
(a) Physically divide an established community?				X
(b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
(c) Conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan?				X
<b>10. MINERAL RESOURCES. Would the project</b>				
(a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the State? (V.1)				X

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
(b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				X
<b>11. NOISE. Would the project result in:</b>				
(a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance or applicable standards of other agencies?				X
(b) Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?				X
(c) Substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
(d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X
(e) For a project located within an airport land use plan or where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
(f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X
<b>12. POPULATION AND HOUSING. Would the project:</b>				
(a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
(b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
(c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
<b>13. PUBLIC SERVICES. Would the project result in substantial adverse physical effects associated</b>				



ENVIRONMENTAL EFFECTS (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>with the provision of new or physically altered governmental facilities or need for new or physical altered governmental facilities, the construction of which could cause significant environmental effects, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the public services:</b>				
(a) Fire protection?			X	
(b) Police protection?			X	
(c) Schools?			X	
(d) Parks?			X	
(e) Other public facilities?				X
<b>14. RECREATION. Would the project</b>				
(a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
(b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X
<b>15. TRANSPORTATION/TRAFFIC. Would the project:</b>				
(a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (for example, result in a substantial increase in either the number of vehicle trips, the volume-to-capacity ratio on roads, or congestion at intersections)?			X	
(b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?			X	
(c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location, that results in substantial safety risks?				X
(d) Substantially increase hazards due to a design feature (for example, sharp curves or dangerous intersections) or incompatible uses (for example, farm equipment)?				X
(e) Result in inadequate emergency access?				X

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
(f) Result in inadequate parking capacity?				X
(g) Conflict with adopted policies, plans, or programs supporting alternative transportation (for example, bus turnouts and bicycle racks.				X
<b>16. UTILITIES AND SERVICE SYSTEMS. Would the project:</b>				
(a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
(b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction or which could cause significant environmental effects?				X
(c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
(d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			X	
(e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
(f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
(g) Comply with Federal, State, and local statutes and regulations related to solid waste?				X
<b>17. MANDATORY FINDINGS OF SIGNIFICANCE. Does the project:</b>				
(a) 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 or animal, or eliminate important examples of the major periods of California history or prehistory?				X
(b) Have effects that are individually limited, but			X	

<b>ENVIRONMENTAL EFFECTS</b> (Explanation of answers are found in Section 6.6 -Environmental Evaluation)	Potentially Significant Issues	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of the past projects, the effects of other current projects, and the effects of probable future projects.)				
(c) Have environmental effects which would cause substantial adverse effects on human beings, either directly or indirectly?				X

**DISCUSSION OF ENVIRONMENTAL EVALUATION**

See Section VI. ENVIRONMENTAL EVALUATION for discussion.

#### IV. DETERMINATION

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.	X
I find that although the proposed project could have a significant effect on the environment, there would not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.	
I find that the proposed project MAY have a significant effect on the environment and an ENVIRONMENTAL IMPACT REPORT is required.	
I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.	
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.	

\_\_\_\_\_  
Michelle King, Senior Planner

\_\_\_\_\_  
Date

## V. REFERENCES AND DATA SOURCE LIST

1. City of Santa Cruz. October 25, 1994. The City of Santa Cruz General Plan and Local Coastal Program 1990-2005.
2. City of Santa Cruz. Adopted by City Council on February 28, 2006. *City-wide Creeks and Wetlands Management Plan*.
3. City of Santa Cruz, Climate Action Program. August 2008. "City of Santa Cruz Greenhouse Gas Emissions Inventory – 2005 Municipal and Community Emissions."
4. City of Santa Cruz. October 24, 2008. *Storm Water Management Plan*. Revision #4.
5. City of Santa Cruz. Adopted September 11, 2007. *Final City of Santa Cruz Local Hazard Mitigation Plan, 2007-2012*.
6. City of Santa Cruz Water Department.
  - a) June 2003. *City of Santa Cruz Integrated Water Plan Draft Final Report*. Prepared by Gary Fiske & Associates.
  - b) June 2005. *Draft Integrated Water Plan Program Environmental Impact Report*. Prepared by EDAW.
  - c) October 2005. *Final Program Environmental Impact Report, Response to Comments Document*. Prepared by EDAW.
  - d) February 2006. *City of Santa Cruz 2005 Urban Water Management Plan*. Prepared by Toby Goddard, City of Santa Cruz Water Department.
  - e) June 27, 2006. Information Report to City Manager regarding "Annual Report on Water Supply Status and Availability."
7. AMBAG.
  - a) Adopted June 11, 2008. "Monterey Bay Area 2008 Regional Forecast, Population, Housing Unit & Employment Projections for Monterey, San Benito and Santa Cruz Counties to the Year 2035."
  - b) June 11, 2008. "Regional Housing Needs Allocation (RHNA) Plan 2007-2014 for Monterey and Santa Cruz Counties."
8. California Department of Finance. May 2008. "E-5 Population and Housing Estimates for Cities, Counties and the State, 2001-2007 with 2000 Benchmark."
9. Design, Community & Environment. November 16, 2007. "Community Design Background Report."
10. Monterey Bay Unified Air Pollution Control District.
  - a) February 2008. "CEQA Air Quality Guidelines."
  - b) June 2008. *2008 Air Quality Management Plan for the Monterey Bay Region*, as revised August 20, 2008.

11. Global Climate Change References:

- a) California Governor's Office of Planning and Research. June 19, 2008. "CEQA and Climate Change: Addressing Climate Change Through California Environmental Quality Act (CEQA) Review."
- b) California Governor's Office of Planning and Research. April 13, 2009. Proposed SB97 CEQA Guidelines Amendments and Transmittal Letter Submitted to the Natural Resources Agency.
- c) California Air Pollution Control Officers Association. January 2008. "CEQA & Climate Change."
- d) California Air Resources Board. October 2008. *Climate Change Proposed Scoping Plan – A Framework for Change.*"
- e) California Air Resources Board. October 24, 2008. "Preliminary Draft Staff Proposal – Recommended Approaches for Setting Interim Significance Thresholds for Greenhouse Gases under the California Environmental Quality Act."
- f) California Air Resources Board. November 16, 2007. "Staff Report – California 1990 Greenhouse Gas Emissions Level and 2020 Emissions Limit."

INITIAL STUDY PREPARATION: Stephanie Strelow, Strelow Consulting

## VI. ENVIRONMENTAL EVALUATION

### INTRODUCTION & OVERVIEW OF IMPACTS

As defined in the State CEQA Guidelines (section 15382 [pursuant to Public Resources Code sections 21083 and 21068]), a "significant effect on the environment" is:

...a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether a physical change is significant.

Section 15064(d) of the State CEQA Guidelines indicates that an evaluation of significant effects " shall consider direct physical changes in the environment which may be caused by the project and reasonably foreseeable indirect physical changes in the environment which may be caused by the project." This section further specifies that an indirect physical change in the environment is a physical change in the environment which is not immediately related to the project, but which is caused indirectly by the project. An

indirect physical change is to be considered only if that change is a reasonably foreseeable impact which may be caused by the project.

The proposed project consists of an update of the City of Santa Cruz Housing Element of the General Plan in accordance with State law. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units and rehabilitate 50-75 housing units for low income households. As indicated in the draft Element, the new housing production goal has partially been met by 390 housing units that have been constructed since January 2007. This results in the need for construction of an additional 282 units by the year 2014 to meet Housing Element objectives for new housing production, of which 112 residential units have been approved since January 2007. Thus, a majority of the projected new housing production need has been met with residential units that have been constructed or approved and have undergone environmental review, except for 170 additional housing units needed to meet the housing needs for extremely low, low and moderate income households.

The Housing Element site suitability analysis found that 170 units could be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. It was determined that approximately 325 housing units could be constructed on residentially-designated lands, underutilized parcels along major transportation corridors and in an area south of Laurel Street based on existing General Plan designations and zoning regulations.

Two specific development areas are noted in the Housing Element in the area south of Laurel Street: 1) an existing parking lot referred to as the "Riverbend" site that could accommodate 95 units, and 2) a 1.7-acre area of former auto dealers that could accommodate 116 units. One other site was noted (North Pacific), but a residential project at this location has been approved and have undergone environmental review. Another site (Swenson) is noted as vacant and suitable for single-family residential units. However, the Housing Element indicates that single-family homes are likely to be affordable to above-moderate income households, and regional housing needs for this income group have already been met. No other site locations are identified in the draft Housing Element.

Implementation of the Housing Element will not directly result in new development or impacts on the physical environment. However, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. Future housing would be constructed by private and non-profit entities subject to City approvals, including project-specific environmental review.

The following sections review indirect impacts of future housing construction due to implementation of the Housing Element and addresses the two noted housing opportunity sites south of Laurel Street where relevant.

## 1. AESTHETICS

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Eliminate or substantially adversely affect a scenic vista or scenic resources, including visually prominent trees, rock outcrops, or historic buildings along a state scenic highway;*
- *Substantially degrade the existing visual character or quality of the site and surroundings, i.e., be incompatible with the scale or visual character of the surrounding area; or*
- *Create a new source of substantial light or glare.*

**(a-b) Effects on Vistas, Scenic Resources.** Prominent scenic views within Santa Cruz are primarily those that are oriented toward Monterey Bay and the Pacific Ocean or toward the Santa Cruz Mountains that frame the northern boundary of the city. West Cliff Drive is a popular scenic route along the coast and is the primary location that offers prominent and panoramic views of the Monterey Bay. Prominent public ocean views from upper elevations are most predominant at locations on the UCSC campus and segments of city roads. Varied topography shapes the city's character and creates many striking public views throughout the community. Some of these views are focused on particular places within the city, such as Holy Cross Church. Other views provide a sweeping panorama of the entire city or of the Monterey Bay. The UCSC campus and greenbelt lands at the city's northern edge and the Santa Cruz Mountains to the east provide a scenic backdrop from certain viewpoints in the City. In addition, landmarks are distinctive built or natural features that are highly visible or that help to define the identity of a particular place. Because of the city's varied topography, Santa Cruz has a few built landmarks that are visible from many different parts of town, such as the Holy Cross Church on Mission Hill and the Santa Cruz Beach Boardwalk's roller coasters (SOURCE V.9).

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of 282 new housing units over existing conditions (170) units excluding approved projects) . No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto dealerships). Neither of these referenced sites are located in mapped view corridors as designated in the City's General Plan (Map CD-3), and neither site has scenic views or features that would be affected by potential future housing development. Furthermore, future site-specific development would be subject to site-specific environmental review as well as permit and design review.

Thus, the proposed project will not affect scenic views or resources.



**(c-d) Degradation of Surrounding Visual Character.** The visual character of the City of Santa Cruz is influenced by a blend of natural features and historic neighborhoods. Key natural and open space features include the coastline and beaches, the San Lorenzo River and other watercourses, parks and open space, including the City's greenbelt lands, and the background view of the Santa Cruz Mountains. The developed portion of Santa Cruz is a mix of historic buildings and newer buildings. Neighborhoods have a mix of building styles and ages with a more intensely-developed downtown and automobile-oriented commercial corridors. A number of neighborhoods within the city are characterized by older, smaller bungalow and historic structures, which contribute positively to the visual character in those areas (SOURCE V.9).

As indicated above, the proposed Housing Element could indirectly result in construction of 170 new housing units by the year 2014 in order to meet Housing Element objectives for new housing production after constructed and approved housing units are taken in consideration. It is anticipated that these units would be constructed on underutilized parcels along major transportation corridors and in an area south of Laurel Street. An existing parking lot referred to as the "Riverbend" site and a 1.7-acre area of former auto dealers are identified in the Housing Element as potential development sites in the south of Laurel area. These areas are already developed, and new construction that is consistent with the City's General Plan and Zoning designations and regulations, would not be expected to substantially degrade the visual character of areas surrounding major transportation corridors or in the area south of Laurel.

Residential development likely will include exterior lighting that is typical of residential neighborhood an urbanized setting. Future residential development on underutilized parcels would not contain any design elements or features that would result in introduction of a substantial new source of light or glare.

Policies in the draft Housing Element (1.3, 1.4, 5.3, 5.4, 6.3) seek to ensure that the character and design of new housing maintains the character and vitality of existing neighborhoods and that designated visual resources are protected. Furthermore, future site-specific development would be subject to site-specific environmental review as well as permit and design review, including building design, massing and exterior lighting.

Thus, the proposed project will not affect the visual character of surrounding areas or result in substantial new sources of light and glare.

## **2. AGRICULTURAL RESOURCES**

There are limited areas in the City that are designated for agricultural use. Multi-family residential uses are not permitted in agricultural zones. The proposed Housing Element does not include General Plan or Zoning land use designation changes, and

the adoption and implementation of the draft Housing Element and future housing construction would have no direct or indirect effect on agricultural resources.

### 3. AIR QUALITY

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Conflict with or obstruct implementation of the applicable air quality plan;*
- *Violate any air quality standards or contribute substantially to an existing or projected air quality violation, i.e. result in generation of emissions of or in excess of 137 pounds per day for VOC or No<sub>x</sub>, 550 pounds per day of carbon monoxide, 150 pounds per day of sulfur oxides (SO<sub>x</sub>), and/or 82 pounds per day of PM<sub>10</sub> (due to construction with minimal earthmoving on 8.1 or more acres per day or grading/excavation site on 2.2 or more acres per day for PM<sub>10</sub>) pursuant to impact criteria for significance developed by the MBUAPCD (MBUAPCD, "CEQA Air Quality Guidelines," June 2004);*
- *Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors);*
- *Expose sensitive receptors to substantial pollution concentrations; or*
- *Create objectionable odors affecting a substantial number of people.*

**(a) Consistency with Air Quality Plan.** The proposed project consists of an update of the city of Santa Cruz Housing Element of the General Plan in accordance with State law. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units, of which 390 units have been constructed. As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units with resulting population growth. An additional 282 housing units are projected for the housing production objective to be met after accounting for units already constructed.<sup>2</sup>

Construction of 282 dwelling units would result in a population increase of 677 persons based on the City's average household size of 2.4 persons per household. This would result in a total City population of 58,850 persons when added to the existing population (as of January 1, 2008). The future population with additional housing units to meet Housing Element objectives is below and consistent with the *Air Quality Management Plan* population forecasts for the City of 58,919 in the year 2010 and 65,884 in the year 2020. Thus, the proposed project is consistent with the

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<sup>2</sup> It should be noted that 112 units have already been approved that can be applied to the housing production objective in the draft Housing Element.

Air Quality Management Plan, and there would be no conflicts with implementation of the Plan.

**(b,e) Project Emissions & Sensitive Receptors.** The North Central Coast Air Basin (NCCAB), in which the project site is located, is under the jurisdiction of the Monterey Bay Unified Air Pollution Control District (MBUAPCD) and includes Santa Cruz, Monterey and San Benito Counties. In March 1997 the air basin was redesignated from a “moderate non-attainment” area for the federal ozone standards to a “maintenance/attainment” area. Under the Federal Clean Air Act, as of March 2006 the NCCAB is designated an attainment area for the federal 8-hour ozone standard. (The federal 1-hour ozone standard was revoked in the basin on June 15, 2005.) The basin is designated unclassified/attainment for all other Federal standards, including those for carbon monoxide, nitrogen dioxide, inhalable particulates (PM 10), and fine particulates (PM 2.5).

Under the California Clean Air Act, the NCCAB is classified as nonattainment-transitional for the State 1-hour ozone standard. The air basin is also a nonattainment area for the State inhalable particulate (PM10) standard. The basin is an attainment area or is unclassified for all other State standards, including those for carbon monoxide, nitrogen dioxide, sulfur dioxide, and fine particulates (PM2.5).

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units with resulting population growth. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units, of which 390 already have been constructed. This results in a new housing production need of 282 units constructed by the year 2014.

The proposed project would indirectly result in new housing construction that would generate air emissions through new regional vehicle trips. However, the additional amount of housing to fully meet the Housing Element objective (282 units) is far below MBUAPCD thresholds for potential significance according to development thresholds in the MBUAPCD’s “CEQA Air Quality Guidelines”<sup>3</sup> (SOURCE V.10.a). Therefore, indirect emissions resulting from new housing construction supported by the Housing Element would not result in significant emissions or an air quality violation. Furthermore, residential developments typically do not have stationary emission sources that would expose sensitive receptors to substantial pollution concentrations.

Thus, indirect generation of air emissions due to due to housing constructed to achieve Housing Element objectives is considered a less-than-significant impact.

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<sup>3</sup> Table 5-4 of MBUAPCD’s CEQA Guidelines (SOURCE V.10.a).

Site-specific project construction could result in generation of dust and PM<sub>10</sub> emissions, which would be further reviewed during project-specific environmental review at the time a development project is proposed. According to MBUAPCD's "CEQA Air Quality Guidelines" (as updated in February 2008), 8.1 acres could be graded per day with minimal earthmoving or 2.2 acres per day with grading and excavation without exceeding the MBUAPCD's PM<sub>10</sub> threshold of 82 lbs/day. The potential development sites noted in the Housing Element (along transportation corridors and south of Laurel) typically would be below this threshold. Thus, no significant dust generation or PM<sub>10</sub> emissions impacts are expected occur with future housing construction. However, dust-suppression practices would be required as may be determined on a project-by-project basis.

**(c) Cumulative Pollutant Increases.** According to the MBUAPCD CEQA Guidelines, projects that are consistent with the "Air Quality Management Plan" (AQMP) would not result in cumulative impacts as regional emissions have been factored into the Plan. The MBUAPCD prepares air quality plans, which address attainment of the state and federal emission standards. These plans accommodate growth by projecting growth in emissions based on different indicators. For example, population forecasts adopted by AMBAG are used to forecast population-related emissions. These forecasts are then accommodated within the AQMP. As indicated above, the amount of population growth that would be indirectly supported by the Housing Element is consistent with population forecasts in the AQMP. Thus, implementation of the proposed Housing Element would not conflict with the adopted Air Quality Management Plan for the region.

In light of the increasing importance of the issue of global climate change, the City has considered whether the project would cause significant new emissions of greenhouse gases. The proposed Housing Element will not directly result in new housing development, but implementation could indirectly facilitate construction of 170 new housing units (excluding approved units) to meet Housing Element objectives after constructed and approved units are taken into consideration. The Housing Element indicates that these units likely would occur along major transportation corridors and in a mixed-use area adjacent to downtown. Future residential development can be accommodated under existing General Plan land use designation and zoning regulations.

Since the Housing Element does not change General Plan or Zoning land use designations and it would not cause a new significant emissions impact as to the level of indirect housing development falls under MBUAPCD thresholds of significance for project emissions, the City has concluded that implementation of the Housing Element would not result in significant greenhouse gas emissions. Additionally, the draft Housing Element indicates that future residential development is expected along transportation corridors and near downtown, where vehicle trips and emissions would be reduced. The draft Housing Element contains policies (6.1, 6.6) to encourage pedestrian and bicycle trips (6.1), to promote transit-oriented, mixed-use developments to reduce auto use (6.6), and to encourage "green" building

standards (6.7). Construction of the remaining housing units along transportation corridors and in mixed-use areas, which would reduce traffic and emissions. The draft also Housing Element includes one goal to take action in reducing and responding to global warming. One key policy seeks to reduce GHG emissions 30 percent by 2020 and 80 percent by 2050 (compared to 1990 levels) (Policy 7.1). Further, discussion on global climate change is provided below under subsection 17(b)-Cumulative Impacts.

**(e) Odors.** Future construction of housing units supported by the draft Housing Element would not result in the creation of objectionable odors as none are typically associated with residential uses.

#### 4. BIOLOGICAL RESOURCES

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Have a substantial adverse effect, either directly or through habitat modifications on; or substantially reduce the number or restrict the range of 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;*
- *Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service;*
- *Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means;*
- *Interfere substantially 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 wildlife nursery sites;*
- *Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance; or*
- *Conflict with the provisions of an adopted Habitat Conservation Plan (HCP), Natural Community Conservation Plan (NCCP), or other approved local, regional, or state habitat conservation plan;*
- *Substantially reduce the habitat of a fish or wildlife species;*
- *Cause a fish or wildlife population to drop below self-sustaining levels; or*
- *Threaten to eliminate a plant or animal community.*

**(a-d) Special Status Species and Sensitive Habitat Areas.** The City of Santa Cruz is primarily developed, but supports habitat areas primarily within the City-owned and managed greenbelt and open space areas and along creeks and watercourses. Developed areas are mostly occupied by buildings, streets, driveways, parking

areas, lawns, and landscaped areas as well as many landscaped city park areas. Exclusive of landscaped areas and ornamental species, some areas consist of non-native species. In addition, there are non-native stands in some parts of the city, most notably eucalyptus and Monterey pine. Native trees such as coast live oak and redwood are widespread in developed areas.

A number of special status plant and wildlife species are found within the City, typically in managed greenbelt and open space areas. Sensitive habitat areas typically include riparian areas, wetlands and native grassland areas. The City adopted a *Creeks and Wetlands Management Plan* that identifies major resources and provides required development setbacks, standards and guidelines.

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes.

The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street (“Riverbend” and the former auto dealerships). Neither of the referenced sites have biological resources that would be affected by potential future housing development. The referenced sites are developed and are not identified as having sensitive habitat in the City’s General Plan (Map EQ-9) (SOURCE V.1, SOURCE V.2).

Policies in the draft Housing Element (6.4) seek to ensure that wetlands, wildlife habitat area, and sensitive species are protected from impacts of new residential development. Furthermore, future site-specific development would be subject to site-specific environmental review, including review for consistency with City resource management plans, including the *City-wide Creeks and Wetlands Management Plan* and *San Lorenzo River Urban River Plan*, as well as compliance Zoning Ordinance environmental regulations contained in Chapter 24.14 of the city of Santa Cruz Municipal Code.

Thus, the proposed project will not affect biological resources.

**(e-f) Consistency with Plans and Regulations.** There are no Habitat Conservation or Natural Community Conservation Plans within the City. As indicated above in subsection 4(a-d), future site-specific development proposals will be reviewed for compliance with an relevant City regulation including Conservation Regulations contained in Chapter 24.14 of the Santa Cruz Municipal Code and provisions for tree removal.

## 5. CULTURAL RESOURCES

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Cause a substantial adverse change in the significance of an archaeological resource.*
- *Disturb any human remains, including those interred outside of formal cemeteries.*
- *Cause a substantial adverse change in the significance of an historic resource pursuant to Section 15064.5 of the State CEQA Guidelines. A “substantial adverse change in the significance of an historical resource” means physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of an historical resource would be materially impaired. The significance of an historical resource is materially impaired when a project demolishes or materially alters in an adverse manner those physical characteristics of an historical resource that convey its historical significance and that justify its inclusion in, or eligibility for, inclusion in the California Register of Historical Resources or local register of historical places.*

*Pursuant to CEQA Guidelines, historical resources include a resource listed in, or determined to be eligible for listing in the California Register of Historical Resources; a resource included in a local register of historical resources; and any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.*

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street (“Riverbend” and the former auto dealerships). Neither of these referenced sites are located within an archaeological sensitivity area or historic district as designated in the City’s General Plan (Map CR-2 and CR-3, respectively).

Policies in the draft Housing Element (6.3) seek to ensure that historic and cultural resources are protected from impacts of new residential development. Furthermore, future site-specific development would be subject to site-specific environmental review.

Thus, the proposed project will not affect cultural resources.

## 5. GEOLOGY/SOILS

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Expose people or structures to potential substantial adverse effects resulting from the rupture of a known earthquake fault, seismic ground shaking, landslides, or seismic-related ground-failure, including liquefaction, and that cannot be mitigated through the use of standard engineering design techniques.*
- *Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project and potentially result in an onsite or offsite landslide or slope failure.*
- *Result in substantial soil erosion or the loss of topsoil and subsequent sedimentation into local drainage facilities and water bodies.*
- *Be located on an expansive soil, as defined by the Uniform Building Code (1997) or subject to other soil constraints that might result in deformation of foundations or damage to structures, creating substantial risks to life or property.*

**(a-c, f) Seismic and Geologic Hazards.** project site is located in a seismically active region of California, and the region is considered to be subject to very intense shaking during a seismic event. The city of Santa Cruz is situated between two major active faults: the San Andreas, approximately 11.5 miles to the northeast and the San Gregorio, approximately 9 miles to the southwest. There are no faults zones or risk of fault rupture within the city according to the City's General Plan/Local Coastal Plan (Map S-1) (SOURCE V.1). According to the City General Plan, the majority of the downtown and beach areas are subject to very intense shaking during a seismic event (Map S-5) and high liquefaction (Map S-6) (SOURCE V.1).

***Impact Analysis.*** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. Thus, the proposed project will not result in an increase in potential exposure of people or structures to potential substantial adverse effects due exposure to seismic or geologic hazards as no General Plan or Zoning Ordinance land use designations are being changed.

The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto dealerships). Both of these referenced sites are located within high seismic shaking and liquefaction areas, but are not within high erosion-hazard areas (SOURCE V.1).



To prevent or minimize damage associated with earthquakes, the City's existing General Plan Safety Element provides policies, zoning and construction code requirements, and other programs as summarized below:

- Require site specific geologic investigations for residential development of four or more units and require incorporation of recommended mitigations;
- Require that all new construction conform with structural and safety standards in the latest edition of the California Building Codes; and
- Complete the seismic retrofit of unreinforced masonry buildings in accordance with the Uniform Code for the Abatement of Dangerous Buildings.

Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including review for compliance with Zoning Ordinance environmental regulations contained in Chapter 24.14 of the city of Santa Cruz Municipal Code that pertain to slope regulations. Typically, buildings constructed in accordance with Building Code requirements and recommendations of geotechnical reports can withstand major damages.

The project's indirect impacts related to future housing constructed are considered less-than significant with implementation of required Building Code standards and geotechnical report implementation.

**(e, g-h) Soils and Erosion.** Soil conditions vary throughout the City. Based on the Soil Conservation Service "Soil Survey" for Santa Cruz County (U.S. Department of Agriculture, 1980). There are numerous soil types within the City. Erosion potential is rated high to very-high on some soils and in steeper areas. Geotechnical reports are required as noted above, and future residential structures would be required to be designed in accordance with recommendations of geotechnical report. Erosion control plans are required for major grading activities. Properties within the City are served by municipal wastewater treatment and are not on septic systems.

Thus, the proposed project will not result in impacts related to soils and erosion.

## **7. HAZARDS AND HAZARDOUS MATERIALS**

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. However, future residential development would not involve the use, disposal or emission of hazardous materials that would constitute a threat of explosion or other significant release that would pose a threat to neighboring properties. Additionally, Housing Plan Program 5.3 promotes removal of lead-based paint and asbestos hazards as

part of housing rehabilitation efforts. The City of Santa Cruz is not located near an airport or airstrip.

## 8. HYDROLOGY AND WATER QUALITY

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Substantially deplete groundwater supplies or interfere substantially with groundwater recharge;*
- *Substantially alter the existing drainage pattern of the site or area or result in offsite drainage or flood problems;*
- *Substantially increase the rate or amount of surface runoff which would exceed capacity of existing or planned storm drain facilities, cause downstream or offsite drainage problems, or increase the risk or severity of flooding in downstream areas;*
- *Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface water quality;*
- *Result in construction of habitable structures within a 100-year floodplain as mapped on a Federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would expose people or structures to a significant risk of loss, injury or death due to flooding;*
- *Locate structures within a 100-year flood hazard area that would impede or redirect flood flows;*
- *Expose people or structures to a significant risk of loss, injury, or death involving flooding as a result of the failure of a levee or dam; and/or*
- *Expose people or structures to a significant risk of loss, injury or death as a result in inundation by seiche, tsunami, or mudflow.*

**(a, c-f) Storm Drainage and Water Quality.** The City of Santa Cruz encompasses approximately 12 square miles between the Monterey Bay and the Santa Cruz Mountains. A total of 39 miles of watercourses occur within the City *that* support riparian and wetland habitat and/or influencing storm water conveyance and water quality (SOURCE V.2). The San Lorenzo River, the major watercourse through the City, originates in the Santa Cruz Mountains, traverses through the center of the City and forms a major physical feature of the region. The City also supports four other major watersheds and several miscellaneous watercourses, ranging from numerous perennial, spring-fed streams on the west side of the City to intermittent streams located on the east side of the City (Ibid.).

The City's storm drain system is comprised of a wide variety of conveyance systems such as underground pipes, small open drainage channels, creeks, and the San Lorenzo River. There are approximately 50 miles of underground storm drain system pipeline in the City. There are also numerous storm drain inlets and catch basins

(approximately 1,450) throughout the City, and five pump stations that discharge storm water directly into the San Lorenzo River. In addition, along both the east and west sides of the City, there are storm water outfalls that discharge onto the beaches or cliffs, and into Monterey Bay (SOURCE V.4).

The City requires that all new development design their stormwater runoff such that it does not exceed the pre-development peak flows during a 10-year storm event. Similarly, the City also requires that sediment loading in stormwater may not be increased above pre-construction levels.

Urban runoff and other "non-point source" discharges are regulated by the 1972 federal CWA. The City of Santa Cruz has developed a comprehensive Storm Water Management Program (SWMP) to fulfill the requirements for the Phase II NPDES General Permit for Discharges of Storm Water from Small Municipal Separate Storm Sewer Systems and to reduce the amount of pollutants discharged in urban runoff. City Municipal Ordinance section 16.19.140 requires that any construction project, including those undertaken under any permit or approval granted pursuant to Titles 15 (Streets and Sidewalks), 18 (Buildings and Construction), and 24 (Zoning) of the City Code, shall implement best management practices including the City's mandatory BMPs as detailed in the latest BMP manual published by the City's Public Works Department. BMPs are required to be maintained in full force and effect throughout the life of a project.

The City's BMP manual<sup>4</sup> requires a development project to include a structural or treatment control BMP, or a combination of BMPs, to reduce potential pollutant loadings in storm water runoff to the maximum extent practicable. The structural or treatment control BMP shall be designed to keep runoff at pre-development rates and to keep storm water from flowing onto adjacent sites. A structural or treatment control BMP may be used alone or in combination with another BMP, subject to approval by the City.

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes.

Future housing construction would result in increased stormwater runoff. Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including review for compliance with City plans and regulations, including the City's Storm

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<sup>4</sup> City of Santa Cruz. Revised March 2007. "Development and Remodeling Projects, Best Management Practices, Chapter 6 of the Best Management Practices Manual for the City's Storm Water Management Program.

Water Management Plan. Future development will be required to design drainage improvements will be required to be designed in accordance with City standards and Public Works requirements. Furthermore, the Housing Element includes a policy (6.8) to continue to monitor and enforce the Best Management Practices as part of the City's storm water programs.

Thus, the proposed project's indirect impacts to drainage and water quality are considered less-than-significant.

**(g-h) Flood Hazards.** Most of the known floodplains in the United States have been mapped by FEMA, which administers the National Flood Insurance Program. Within the City of Santa Cruz there are several areas subject to flooding. The San Lorenzo River runs through the downtown corridor and the majority of the downtown area is in the San Lorenzo floodplain. Flooding along the coast of Santa Cruz may occur with the simultaneous occurrence of large waves and storm swells during the winter. There are several smaller creeks in the City that are subject to periodic flooding. Flooding is a hazard on the lower reaches of Moore Creek where only shallow stream channels are present, the lower portion of Arana Gulch, north of Santa Cruz Yacht Harbor, and along portions of Branciforte and Carbonera creeks. In these areas there is minimal impact on public structures and facilities and only a few residential structures are within these flood zones (SOURCE V.5).

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. Thus, the proposed project will not result in an increase in potential exposure of people or structures to potential substantial adverse effects due exposure to seismic or geologic hazards as no General Plan or Zoning Ordinance land use designations are being changed.

The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto dealerships). Both of these referenced sites are located within an identified floodplain (General Plan Map S-7) of the San Lorenzo River, as are other downtown areas (SOURCE V.1).

Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including review for compliance with flood regulations. A flood control-levee improvement program along the San Lorenzo River was recently constructed, which changed the flood zone designation for the area to an A—99 zone. Under this zone designation, new buildings and improvements are no longer

mandated to meet FEMA flood elevation construction requirements, but may be followed depending on the wishes of the property owner.

Thus, the proposed project's indirect impacts related to exposure to flood hazards is considered less-than-significant.

**(i-j) Dam Failure/Tsunami Inundation.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto dealerships). According to General Plan maps (Map S-8 and S-9), both of the referenced sites are located within a tsunami area and a potential dam failure inundation area, as is most of the downtown and beach areas of Santa Cruz. The National Oceanic and Atmospheric Administration operates a tsunami warning system, giving several hours notice to allow evacuation of threatened areas to prevent injuries and loss of life.

Thus, the proposed project will not result in significant impacts related to exposure to dam failure or tsunami hazards.

## 9. LAND USE AND PLANNING

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Physically divide an established community;*
- *Conflict with any applicable City land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect; or*
- *Conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan.*

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of 282 new housing units over existing conditions (170 units excluding approved projects) . No specific development proposals are part of the Housing Element. The site availability analysis included in the Housing Element indicate that these units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto dealerships), and both of these sites are

identified for medium and high density residential infill development in the existing General Plan (Map L-2). Thus, the proposed project would not result in development that would physically divide an established community as potential future development would on underutilized and infill sites within the existing developed city.

Policies in the draft Housing Element (6.3, 6.4, 6.5) seek to ensure to protect environmental resources and sensitive areas. Other Housing Element policies (1.2, 1.3, 1.4, 6.7) support concentrating new housing in the central core, along major commercial corridors and on other major sites consistent with land use designations. None of the proposed Housing Element policies conflict with existing General Plan/Local Coastal Plan policies. Furthermore, future site-specific development would be subject to site-specific environmental review, including review for consistency with City plans and policies.

There are no Habitat Conservation or Natural Community Conservation Plans for the project area.

Thus, the proposed project will not result in impacts related to land use.

## 11. NOISE

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Expose persons to or generate noise levels in excess of standards established in the County's "Land Use Compatibility for Community Noise" chart.*
- *Expose persons to or generate excessive groundborne vibration or groundborne noise levels.*
- *Result in a substantial permanent increase in ambient noise levels above existing levels if it will expose outdoor activity areas of noise-sensitive land uses to a 5 dB increase in noise where existing noise levels are below 60 dBA  $L_{dn}$ , a 3 dB increase in noise where existing noise levels are between 60 and 65 dBA  $L_{dn}$ , or a 1.2 dB increase in noise where existing noise levels are above 65 dBA  $L_{dn}$ . An outdoor noise standard of 65 dBA (CNEL) at the property line shall be used in the assessment of operational noise impacts.*
- *Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above existing levels.*

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street ("Riverbend" and the former auto

dealerships). Neither of these referenced sites are located within high noise-level areas (General Plan Map EQ-14) (SOURCE V.1).

Residential development would not result in substantial permanent increases in ambient noise levels as these uses typically are not major generators of noise as compared to some industrial uses or highway noise levels. Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including review for exposure to noise sources. There will be a temporary increase in existing noise levels during construction of subdivision improvements and subsequent future construction of houses. Performance standards contained in the City's Zoning Ordinance will be followed to ensure that noise-related impacts are minimized.

Thus, the proposed project will not result in impacts related to generation of or exposure to noise.

## 12. POPULATION AND HOUSING

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure); or*
- *Result in removal of housing and displacement of residents.*

**(a) Population Growth.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units with resulting population growth. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units, of which 390 already have been constructed. This results in a new housing production need of 282 units constructed by the year 2014 (included 112 units that have already been approved). This would result in a population increase of 677 persons based on the City's average household size of 2.4 persons per household. This would result in a total City population of 58,850 persons when added to the existing population. This is below and consistent with the AMBAG's population forecasts for the City of 58,919 in the year 2010 and 63,480 in the year 2020 (SOURCE V.7a). Thus, the amount of new housing that would be indirectly facilitated by the proposed Housing Element update would not be considered to induce substantial population growth.

**(b-c) Removal of Housing and/or Displacement of Residents.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized

lands in accordance with existing General Plan and Zoning designations. Any removal of housing or displacement of residents for future residential development projects would be subject to pertinent regulations. The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street (“Riverbend” and the former auto dealerships), and neither of these referenced sites are have existing housing units.

Thus, the proposed project will result in a less-than-significant impact related to population and will not result in impacts related to displacement of housing or residents.

## 13-14. PUBLIC SERVICES & RECREATION

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Result in substantial adverse physical impacts associated with provision of new or physically altered facilities, the construction of which could cause significant impacts, in order to maintain acceptable service for fire protection, police protection, schools and parks.*
- *Increase the use of existing parks or recreational facilities such that substantial physical deterioration would occur or be accelerated; or*
- *Include recreational facilities or require construction or expansion of recreational facilities which might have an adverse physical effect on the environment.*

Future residential projects would be served by existing services and utilities.

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units with resulting population growth. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units, of which 390 already have been constructed. This results in a new housing production need of 282 units constructed by the year 2014. This would result in a population increase of 677 persons based on existing City average household sizes. As discussed in section 12 (Population and Housing) above, this population increase is well within the range of regional population projections developed by AMBAG.

Future housing construction and associated population increases would result in minor increase in demand for public services. With the estimated level of population growth and as new residential infill development, future residential development would have no measurable effect on existing public services in that the increase will not require expansion of any services to serve the project. The population increase represents approximately 1% of



the existing City population level and would not substantially affect parks or recreational facilities such that substantial physical deterioration would occur or be accelerated.

Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including review for compliance with conditions imposed by the Fire and Police Department regarding access a safety.

Thus, the proposed project's indirect impacts on public services and recreation are considered less-than-significant.

## 15. TRANSPORTATION/TRAFFIC

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *The project would result in a traffic increase that is substantial in relation to the existing traffic load and capacity of the street system, which is defined as causing an existing acceptable intersection or roadway level of service to drop to unacceptable levels (generally below "D" or as otherwise identified in the City's General Plan) or; contribute traffic increases of more than 3% at intersections currently operating at unacceptable levels;*
- *The addition of project-generated trips would change the peak hour level of service of a State Highway roadway segment from acceptable operation (LOS A, B, or C) to deficient operation (LOS D, E or F);*
- *Result in potentially unsafe conditions or inadequate internal circulation to accommodate project traffic;*
- *Result in a roadway design that would increase traffic hazards to motor vehicles, bicycles, or pedestrians;*
- *Provide inadequate amount of parking; or*
- *Conflict with adopted policies, plans, programs that support supporting alternative transportation (for example, bus turnouts, bicycle racks).*

Future housing projects could occur anyway in the City, although two specific sites south of Laurel Street are noted. According to traffic counts conducted by the City in 2006 and 2007, most City and neighborhood intersections operate at acceptable levels of service (LOD), except for the following locations:

- ◆ Highway 1 / Highway 9-River Street (E)
- ◆ Highway 9-River / Street-Encinal (E)
- ◆ Ocean Street / San Lorenzo Blvd. -East Cliff Drive (E)
- ◆ Ocean Street / Water Street (E)
- ◆ Morrissey Blvd. / Water Street-Soquel Avenue (E)
- ◆ Bay Street / Escalona Drive (F)
- ◆ Bay Street / California Street (F)

- ◆ High Street / Laurent (F)
- ◆ Mission Street / Miramar Drive (F)
- ◆ Seabright Avenue / Water Street (F)

The city is not located near an airport. Site-specific project review would review access, parking and consistency with adopted plans and policies.

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. The additional units would be constructed on underutilized lands in accordance with existing General Plan and Zoning designations, and there are no proposed land use or zone designation changes.

Future development would result in increased trips, although the Housing Element indicates that future residential development is expected along transportation corridors and near downtown, where vehicle trips and emissions would be reduced. The draft Housing Element contains policies (6.1, 6.7) to encourage pedestrian and bicycle trips and to promote transit-oriented, mixed-use developments to reduce auto use. Construction of the remaining housing units along transportation corridors and in mixed-use areas, which would reduce traffic.

The draft Housing Element identifies two specific development opportunity sites in the area south of Laurel Street (“Riverbend” and the former auto dealerships). Neither of these referenced sites are located where intersections in the immediate area are operating at unacceptable levels according to traffic counts taken by the City Public Works Department in 2006 and 2007.

The City implements a Traffic Impact Fee (TIF) program, which was adopted in June 2005. The TIF program evaluated over 60 intersections, identified numerous projects within the City which were needed to address the effects of cumulative development, and developed an impact fee program. The fees are used to fund planned improvements at those intersections and roadways included in the program. All new development projects are required to pay traffic impact fees, which are calculated at the time of building permit issuance. The TIF includes Highway intersections on Mission (Highway 1) and at the Highway 1 / Highway 9 intersection.

Future site-specific development would be subject to site-specific environmental review as well as permit and design review, including access, traffic and circulation review. Traffic impact fees would be collected at the time of building permit issuance.

Thus, the proposed project will result in a less-than-significant indirect impacts related to traffic.

## 16. UTILITIES AND SERVICE SYSTEMS

*In accordance with the California Environmental Quality Act (CEQA), State CEQA Guidelines, City of Santa Cruz plans and policies, and agency and professional standards, a project impact would be considered significant if the project would:*

- *Result in a water demand that exceeds water supplies available from existing entitlements and resources, and new or expanded supplies may be needed.*
- *Result in water demand that exceeds capacity of the water supply or infrastructure system or would require expansion of water supply, treatment or distribution facilities, the construction of which could cause significant environmental effects.*
- *Result in wastewater flows that exceed treatment plant capacity or require expansion of existing facilities.*

As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units with resulting population growth. For the years 2007 to 2014, the draft Housing Element includes objectives to construct 672 new housing units, of which 390 already have been constructed and an additional 112 units have been approved and undergone environmental review.

**(a-b, e) Wastewater Collection and Treatment.** Wastewater treatment is provided by the City's wastewater treatment plant that has adequate capacity to serve planned growth in the City. The plant has an average dry weather flow capacity of 17 million gallons per day (mgd) and currently operates at approximately 62% of its capacity with a remaining capacity of approximately 10.5 mgd. The treatment plant has adequate capacity to serve additional housing units that would be constructed in the future to meet Housing Element objectives, which is estimated to generate approximately 0.06 mgd of wastewater.

**(b, d) Water Supply.** The City of Santa Cruz Water Department provides water service to the project site. The Water Department serves approximately 24,000 connections in an approximate 30 square mile area that includes lands within existing City limits, a portion of UCSC, a portion of Live Oak in the unincorporated area of Santa Cruz County, a small part of the City of Capitola and coastal agricultural lands outside City limits (SOURCE V.6d). The City of Santa Cruz Water Department is a municipal utility that is owned and operated by the City of Santa Cruz; the governing body is the City Council.

The City of Santa Cruz water system is comprised of four main sources of supply: North Coast sources; San Lorenzo River diversions; Loch Lomond Reservoir; and Live Oak wells. On average, about 79% of the City's annual water supply needs are met by surface diversions from the coastal streams and San Lorenzo River, while approximately 17% is supplied by Loch Lomond Reservoir and 4% of the supply is

derived from the Live Oak Well system (SOURCE V.6d). Major facilities include a 24 million-gallon per day (mgd) water treatment plant, several pump stations and 16 distribution reservoirs storing almost 50 million gallons of treated water. There are also about 300 miles of water pipelines throughout the service area (Ibid.).

Existing water supply availability totals approximately 4,300 million gallons per year (MGY) under normal supply conditions (SOURCE V.6d). The City's Integrated Water Plan (IWP) and Urban Water Management Plan (UWMP) forecast a total water demand of approximately 4,900 MG/YR in the year 2005, although recent actual water demand has been much less (approximately 3,900 MG/YR averaged for 2002, 2003 and 2004) (Ibid.). In average conditions, there appears to be approximately 300 MGY of remaining water supply capacity with existing sources and operations (Ibid.). At some time between 2015 and 2020, it is estimated that water demand under normal conditions will exceed water system capacity (Ibid.).

The City's water supply system is able to meet 100% of the existing water demand in about 7 out of every 10 years and at least approximately 90% of existing demand in about 9 out of 10 years. A significant shortage occurs on average about 1 out of every 10 years (Ibid.). The total water supply estimated to be available to the City in single dry years (i.e., 1994) is 3,800 MG or approximately 12% less than is available in normal years (SOURCE V.6d). According to the City's Urban Water Management Plan, there would be a relatively small supply deficit in single dry years under current demand conditions. However, during an extreme two-year drought similar to the 1976-77 event, the estimated water supply available to the City in the second year of that event is 2,700 MG, or about 37% less than available during a normal year. Under this scenario, the City would experience a 46% peak season shortage in the second year (Ibid.). The peak season is between April and October since this is the period that would be most affected by a supply shortage due to peak water demand.

The City of Santa Cruz has been actively considering possible new water supplies for the past 17 years due to chronic, insufficient water supplies to meet existing demand during drought events (SOURCE V.6a). In 2005, the City adopted an Integrated Water Plan (IWP), which provides water demand forecasts and identifies potential approaches to drought-year water supply options, including development of supplemental water sources. Pursuant to State Water Code requirements, the City prepared the *2005 Urban Water Management Plan* (UWMP) in 2006. The plan evaluates and describes water resource supplies and projected needs over a twenty year planning horizon, and is updated every five years (SOURCE V.6d).

The IWP provides water demand forecasts and identifies potential approaches to drought-year water supply options, including development of supplemental water sources. The purpose of the IWP is to help the City reduce drought year water shortages and provide a reliable supply that meets long-term needs while ensuring protection of public health and safety. The IWP consists of three major components:

- Water conservation programs.
- Customer use curtailment (water use cutback) in times of shortage.
- Supplemental water supply for drought protection provided by a 2.5 million-gallon-per-day (mgd) desalination plant with potential for expansion up to 4.5 mgd in increments of 1 mgd (SOURCE V.6d).

The City is actively implementing water conservation programs. Additionally, the City recently completed a pilot desalination plant with a year of testing and favorable results. The City intends to pursue regulatory approvals for a permanent, 2.5 mgd (with potential for expansion to 4.5 mgd) desalination plant for operation by the year 2015. Design plans have not yet been prepared. The likelihood of construction of a permanent plant, however, is currently uncertain due to the need to prepare design plans and conduct environmental review, as well as uncertainty as to whether the Coastal Commission would issue the necessary approvals.

**Impact Analysis.** As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of 282<sup>5</sup> new housing units by the year 2014 with resulting increased water demand after constructed and occupied units are considered. Construction of these additional housing units would result in an increased water demand of approximately 14 MGY based on the City's residential water use rate of 138 gpd/unit for multi-family homes. The project water demand would be within remaining capacity for average years (300 MG). Thus, there are sufficient existing water supplies available to serve the project. The proposed Housing Element timeframe is from 2007-2014 prior to the year 2015 when the City anticipates that the current surplus water supplies under normal conditions may not be adequate to accommodate additional demands. (See discussion below regarding cumulative and future conditions and facilities.)

During periods of drought, water customers would be subject to water curtailment as enacted by the City. During a single dry year, water deficits are currently on the order of approximately 100-150 MG, which, when spread throughout the service area would result in less than a 5% curtailment, which is within the level anticipated in the IWP (15%). The minimal increased water demand associated with the proposed project (one half of one percent of the City's total water demand) would not cause any noticeable effects on the level of curtailment that would be required of all water customers in a single dry year scenario. As indicated above, a multiple dry year scenario would occur approximately once in ten years and require more substantial curtailment of all water customers. However, the proposed project's increased demand is considered minimal and would not have significant effects on the levels of curtailment that would be required throughout the service area.

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<sup>5</sup> It should be noted that of this total, 112 units have been approved.

Thus, the indirect increased water demand due to housing constructed to achieve Housing Element objectives is considered a less-than-significant impact.

(c) Storm Drainage Facilities. See discussion above under subsection 8—Hydrology.

(f) Solid Waste Disposal. The City is in the process of implementing improvements of at the landfill to expand the life to approximately 2038. Design, permitting and construction of the third of five planned line refuse disposal cells are included in the City's current CIP for the year 2008.

## 17. MANDATORY FINDINGS OF SIGNIFICANCE

(a) Degradation of the Environment. Implementation of the proposed Housing Element would not have the potential to degrade the quality of the environment and would have no effect on biological or cultural resources as discussed in this Initial Study.

(b) Cumulative Effects. Cumulative development in the City within the next 5 years would contribute to the following cumulative impacts: traffic, water supply and global climate change impacts. Cumulative traffic impacts are addressed through the City's Traffic Impact Fee program. Cumulative water and global climate change impacts are discussed below. There are no other known significant cumulative impacts to which the project would contribute. A list of cumulative projects throughout the City is shown on Table 1 at the end of this section.

**Water Supply.** The proposed project will contribute to cumulative water demand under normal conditions in which supplies are limited, and under drought conditions in which there are existing water shortages. In recent years, system water demand has consistently averaged between 3.9 and 4.0 billion gallons (SOURCE V.6e). In average conditions, there appears to be approximately 300 million gallons per year (MG/YR) of remaining water supply capacity with existing water sources and operations (SOURCE V.6e).

As previously indicated, the City's IWP and UWMP forecast a total water demand of approximately 4,900 MG/YR in 2005, although actual water demand has been much less (approximately 3,900 MG/YR for 2004) (SOURCE V.6d). The IWP further estimated that water demand in the City's water service area would increase to 5,094 MG/YR in the year 2010 and to 5,157 MG/YR in the year 2020.

Cumulative development within the City's water service area, could result in a cumulative water demand of approximately 344 MG/YR based on known approved and pending development projects and growth in the service area (see Table 6 below). Approximately 17 MGY of the cumulative estimate for the City are constructed units accounted for in the Housing Element housing production need.

The proposed Housing element would result in an indirect increased water demand of approximately 14 MGY for future construction of 282 units, although some of this demand may already be accounted for in the cumulative projects that have been approved to date.

Thus, total cumulative water demand based on currently known projects and growth is estimated at approximately 344 MGY as shown on Table 6, which exceeds 300 MG/YR, the approximate surplus during normal conditions. It should also be noted that estimated cumulative water demand includes pending use permit applications before the City Planning Department that if approved would result in construction of 130 multi-family residential units, some of which may meet the City's unmet housing need, and thus the cumulative demand estimate may be conservatively high.

<b>Table 5</b> <b>Cumulative Water Use Summary</b> <b>(In Million Gallons Per Year [MGY])</b>		
<b>Area</b>	<b>Subtotal</b>	<b>TOTAL</b>
City Projects (See Table 6)		102.0
City Housing Element		14.0
Capitola Projects [1]		2.6
County Projects [2]		52.0
UCSC		
Ranch View Terrace	10.7	
Growth Per LRDP	148.5	
UCSC Growth (2005-2020) w/summer	10.5	
UCSC Marine Science Campus	3.4	
2300 Delaware		
UC TOTAL		173.4
<b>TOTAL</b>		<b>344</b>
[1] Includes 82-room hotel and 2 SFD [2] Includes 68 SFD/Lots; 146 MFD, 215,276 sf commercial, 100,452 sf low use (church and storage); 2 parks and Rolling Woods service		

The cumulative analysis is based on a list of approved, pending and under construction projects as permitted under State CEQA Guidelines section 15130(b) and a review of pending development outside city limits but within the City's water service area. The water demand was calculated based on City water usage rates or

project-specific water demand that was identified in project environmental review documents. UCSC demand was based on UCSC growth projections in its' adopted "2005 – 2020 Long Range Development Plan" (LRDP) and Final EIR. This cumulative water demand estimate does not include any additional growth that may be anticipated in the City's General Plan, which is being updated and growth within the portions of the County and City of Capitola that are within the City Water Department's service area.

Additionally, cumulative water demand would also increase during drought periods in which City supplies cannot meet water demand under existing conditions. Thus, cumulative development and growth would result in a significant cumulative water impact as it results in additional demand in a system that does not currently have adequate water supplies during a drought condition and in the long-term (2015 and beyond) may not have adequate supplies in normal years.

As previously indicated in subsection 16 above, the City has been actively considering possible new water supplies for the past 17 years, and prepared an *Integrated Water Plan (IWP)* in 2005 and the *2005 Urban Water Management Plan (UWMP)* in 2006. The IWP provides water demand forecasts and identifies potential approaches to drought-year water supply options, including development of supplemental water sources. Pursuant to State Water Code requirements, the City prepared the *2005 Urban Water Management Plan (UWMP)* in 2006. The plan evaluates and describes water resource supplies and projected needs over a twenty year planning horizon, and addresses a number of related subjects including water conservation, water service reliability, water recycling, opportunities for water transfers, and contingency plans for drought events (SOURCE V.6d).

Through the IWMP process, a set of water strategies was evaluated to meet two fundamental goals: reduction of near-term drought shortages and provision of a reliable water supply that meets long-term needs while ensuring protection of public health and safety. The IWP consists of three major components:

- Water conservation programs to maximize the use of the existing water resources with a goal of reaching approximately 300 MG per year by the year 2010.
- Customer use curtailment (water use cutback) of up to 15% in times of shortage.
- Supplemental water supply for drought protection provided by a 2.5 million-gallon-per-day (mgd) desalination plant with potential for expansion up to 4.5 mgd in increments of 1 mgd. The desalination plant would likely be operated in a cooperative agreement with the Soquel Creek Water District, which is looking for a secure supplemental water source to reduce reliance on groundwater and avert the threat of seawater intrusion into the local aquifer (SOURCE V.6d).



The City is actively implementing water conservation programs. Additionally, in adopting the IWP, the City Council also approved a contract for construction of a pilot desalination plant. The City recently completed a one-year operation of the pilot plant that started operation in early 2008. The purpose of this “pilot project” was to gather sufficient information to establish the optimal design and operating parameters for the most cost effective treatment process in terms of treated water quality, operational reliability, and cost for the future construction and operation of a 2.5 mgd seawater desalination plant. The City currently imposes a “System Development Charge” on all new connections, based on meter size that is used to fund conservation programs and partially offset the desalination plant’s costs.

Design plans for a permanent facility are likely to begin in 2010, and a permanent desalination plant is expected to be constructed and in operation by the year 2015, pending completion of project-level environmental review and acquisition of necessary regulatory approvals (e.g., from the California Coastal Commission). The desalination facility would provide a supplemental water supply during periods of drought and could be expanded at a future time to provide additional supply after additional environmental review and permitting.

The desalination concept adopted by the City involves constructing a seawater intake system using an existing, abandoned wastewater outfall, building a new desalination plant and installing the associated pipelines and pump stations for delivering treated water to the Bay Street Reservoir and conveying seawater concentrate to the City’s wastewater facilities, where it would be blended with municipal wastewater flows and disposed via a deep ocean outfall (SOURCE V.2d). A desalination facility site was identified adjacent to the existing UCSC Long Marine Lab. The certified IWP EIR evaluates impacts of the construction of a desalination facility and associated pipelines on a programmatic level. Construction could have physical environmental effects, and the EIR identified potentially significant impacts that could be mitigated to a less-than-significant level, except for temporary construction noise. The EIR also includes further review of population projections and City/County land use planning documents prior to any expansion of a plant in ensure that development of an additional water supply is consistent with planned growth projections (SOURCE V.2b).

The City acknowledges some uncertainty related to the approval of and timing for construction of the permanent desalination plan. The likelihood of construction of a permanent plant is currently uncertain due to the need to prepare design plans as well as uncertainty as to whether the Coastal Commission would issue the necessary approvals. The project would be subject to further environmental review and permit approvals, including a coastal permit from the California Coastal Commission.

The City’s adopted IWP and UWMP identified seawater desalination as the only feasible alternative for a backup supply of drinking water during a drought. Several possible options were carefully evaluated, including drilling more wells, upgrades to the north coast system, and a water transfer involving exchange of groundwater with recycled wastewater for agricultural use on State Park lands north of the City. Both

the wells and groundwater exchange concept ultimately proved infeasible, leaving seawater desalination as the only practicable solution available to the City (SOURCE V.6d). Recycled wastewater was determined to be potentially feasible for agricultural irrigation, but would produce high cost, limited yields that were considered too small to meet the City's drought year needs (Ibid.). The City's UWMP indicates that in addition to pursuing desalination, the City remains open to exploring other water supply alternatives that would not be feasible to develop in the short-term, but may be useful to consider over a 20-year timeframe, such as water recycling, groundwater recharge, reservoir expansion, aquifer storage and recovery and off-stream storage (Ibid.).

Another consideration is that the adopted IWP includes cooperation with the Soquel Creek Water District (SCWD), which is also looking for a long-term supplemental water source to reduce its reliance on well water and avert the threat of seawater intrusion in local groundwater aquifers. The SCWD would use some or all of the future plant's capacity when the City doesn't need it, and would share in the cost of building and operating the plant. In 2006, the SCWD Board adopted its updated Integrated Resource Plan, which identifies this regional desalination plan as its preferred use alternative, and the District has provided assistance with funding for the pilot desalination plant. In adopting the IWP, the City left open the possibility that it would move forward to build and operate the desalination facility independently if an agreement with the SCWD cannot be reached (SOURCE V.2d).

**Cumulative Impact Analysis.** Cumulative development and growth would result in a significant cumulative water impact as it results in additional future demand in a system that does not have adequate existing or long-term water supplies during drought conditions and may not have adequate supplies in normal years within the next 8-13 years. As indicated above in the INTRODUCTION to this section, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of 282<sup>6</sup> new housing units by the year 2014 with resulting increased water demand after constructed and occupied units are considered. However, the project would not directly result in new construction. A policy (6.2) included in the Housing Element seeks to ensure that adequate water supplies continue to be available.

Furthermore, future site-specific development projects will be required to include water conserving fixtures and landscaping in accordance with building code and City requirements. In addition, the future residential projects will pay the required "System Development Charge," which is used in part to implement conservation and desalination plant costs planned under the IWP. Under drought conditions, the future residential projects, like other City customers, would be required to curtail water use by varying amounts, depending on the severity of the drought. The minor

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<sup>6</sup> It should be noted that of this total, 112 units have been approved.

increase in project water demand would not substantially exacerbate water supply reliability during a drought or in the future due to cumulative growth because, as explained above (in section 16b,d), it is not expected to result in any noticeable increase in the curtailment in customer use that would be implemented during drought conditions. Thus, the incremental effects of the proposed project would not be cumulatively considerable.

Additionally, the City's adopted Integrated Water Plan includes a supplemental future supply of 2.5 MG/year from the proposed, but not yet approved or constructed desalination plant. The facility would provide a supplemental water supply during periods of drought and could be expanded in the future to provide additional water to accommodate growth planned within the City's water service area. As indicated above (in section 16b,d), the pilot plant was in operation for one year and was found to be successful, and the City intends to move forward with completion of design plans, environmental review and permitting. The City also regularly monitors water demand and water supply options via preparation of annual water demand reports to the City Council and 5-year updates of the UWMP, which includes a 20-year planning horizon for water supply management.

Lastly, in light of the increasing attention paid to the issue of global climate change and its potential effects on existing development and resources, including water supplies, the City has considered whether the project could be subject to any particular effects of climate change, such as decreased water supplies. However, the State's best available information in this area does not provide sufficient or specific information with respect to predicted effects on coastal water supplies to allow the City to reach a conclusion. Moreover, any such effects would be felt by all development on the coast, with no individual specific effect on this project, i.e., any curtailment of customer water services would be broadly applied, not to this project individually.

**Global Climate Change.** The subject of global climate change has gained increasing statewide, national and international attention. Reports released by the State of California indicate that climate change could have profound impacts on California's water supply and usage in addition to other environmental and ecosystem effects. In the recent report prepared by the California Climate Change Center, "Our Changing Climate: Assessing the Risks to California" (2006), the state's top scientists consider global warming to be a very serious issue requiring changes in resource, water supply and public health management. Natural processes and human activities such as fossil fuel combustion, deforestation and other changes in land use are resulting in the accumulation of greenhouse gases (GHGs) such as carbon dioxide (CO<sub>2</sub>) in the atmosphere. An increase in GHG emissions is said to result in an increase in the earth's average surface temperature, commonly referred to as global warming, which

is expected to affect weather patterns, average sea level, ocean acidification and precipitation rates.<sup>7</sup>

California is a substantial contributor of global greenhouse gases, emitting over 400 million tons of carbon dioxide (CO<sub>2</sub>) a year.<sup>8</sup> Greenhouse gases are global in their effect. Because primary greenhouse gases have a long lifetime in the atmosphere, accumulate over time, and are generally well mixed, their impact on the atmosphere is mostly independent of the point of emission. Although GHG emissions are not currently addressed in federal regulations, the State of California recently passed the Global Warming Solutions Act of 2006 (AB32), which seeks to reduce GHG emission generated by California. The Governor's Executive Order S-3-05 and AB 32 (Health & Safety Code, § 38501 et seq.) both seek to achieve 1990 emissions levels by the year 2020. Executive Order S-3-05 goes even further than AB 32, and requires that by 2050 California's GHG emissions be 80% below 1990 levels. AB 32 defines GHGs to include carbon dioxide, methane, nitrous oxide, hydrocarbons, perfluorocarbons and sulfur hexafluoride.

The California Air Resources Board (CARB) is the lead agency for implementing AB32. CARB identified 36 "early actions to mitigate climate change in California" in April 2007 as required by AB 32. These actions relate to low carbon and other fuel standards, improved methane capture at landfills, agricultural measures, reduction of hydrocarbons and perfluorocarbons from specified industries, energy efficiency, and a variety of transportation-related actions.

In accordance with provisions of AB 32, CARB has completed a statewide Greenhouse Gas (GHG) Inventory that provides estimates of the amount of GHGs emitted to, and removed from, the atmosphere by human activities within California. The inventory includes estimates for carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), which often are referred to as the "six Kyoto gases." The current GHG Inventory covers years 1990 to 2004. Based on review of this inventory, in December 2007 CARB approved a 2020 emissions limit of 427 million metric tons, which is equivalent to the 1990 emissions level. A preliminary estimate of approximately 600 million metric tons has been estimated for 2020 without reductions. However, the preliminary numbers indicate that the difference between 1990 emissions level and ARB's preliminary estimate for 2020 emissions is 172 million metric tons (SOURCE V.11f).

In accordance with requirements of AB32, a Scoping Plan was released in October 2008 and adopted by CARB in December 2008. Key elements for reducing the state's greenhouse emissions to 1990 levels by 2020 include:

- Expanding and strengthening existing energy efficiency programs as well as building and appliance standards;

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<sup>7</sup> Jones & Stokes. August 2007. "Addressing Climate Change in NEPA and CEQA Documents."

<sup>8</sup> Air Resources Board 1990 to 2004 State Inventory (November 2007).

- Achieving a statewide renewables energy mix of 33 percent;
- Developing a California cap-and-trade program that links with other Western Climate Initiative partner programs to create a regional market system;
- Establishing targets for transportation-related greenhouse gas emissions for regions throughout California, and pursuing policies and incentives to achieve those targets; a
- Adopting and implementing measures pursuant to existing State laws and policies, including California’s clean car standards, goods movement measures, and the Low Carbon fuel Standard; and
- Creating targeted fees, including a public goods charge on water use, fees on high global warming potential gases, and a fee to fund the administrative costs of the State’s long-term commitment to AB 32 implementation (SOURCE V.11e).

The Scoping Plan identifies 18 emissions reduction measures that address cap-and-trade programs, vehicle gas standards, energy efficiency, low carbon fuel standards, renewable energy, regional transportation-related greenhouse gas targets, vehicle efficiency measures, goods movement, solar roofs program, industrial emissions, high speed rail, green building strategy, recycling, sustainable forests, water and air (SOURCE V.11e).

Final CARB regulations are not due until January 1, 2011, and will not be operative until January 1, 2012. By the former date, CARB must adopt “greenhouse gas emissions limits and emissions reductions measures ... to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit[.]” (Health & Safety Code, § 38562(a).)

The City of Santa Cruz has been developing emissions strategies to reduce greenhouse gas (GHG) emissions to 1990 levels. In June 2007, the city council adopted a set of General Plan goals and policies on climate change; including reducing community-wide greenhouse gas emissions thirty percent by 2020, reducing eighty percent by 2050 (compared to 1990 levels), and for all new buildings to be emissions neutral by 2030. In August 2008, the City completed an Emissions Inventory., which provides information regarding municipal and community wide emissions. This document provides the data and guidance to city staff and council to direct future program implementation. Specifically, 2005 emissions levels have been quantified for each community sector (business, residential, municipal, and transportation) and by fuel source (natural gas, electricity, petroleum, other). Benchmark emissions for 1990 have been estimated to prioritize reduction opportunities. This inventory also establishes a standard reporting procedure that can be replicated periodically to meet State requirements and demonstrate the feasibility and effectiveness of the various city programs (SOURCE V.3).

The City's Emissions Inventory estimated residential emissions to be 74,769 metric tons in 2005, equaling 3.5 tons per residence. This number is below previous estimates of 4.19 metric tons per household in 2000 and 4.6 metric tons in 1996. While these numbers are estimates, the data suggests increased efficiency and conservation in Santa Cruz homes. County data suggests similar trends in enhanced efficiency, specifically between 2000 and 2003, immediately after the "energy crisis" of 2000 and 2001 (County PG&E Records). While trends are once again increasing (1% annually) the significant reductions between 2000 and 2005 demonstrate the potential opportunities if energy conservation and efficiency continue to be considerations in the home (SOURCE V.3).

The City of Santa Cruz is in the process of preparing Climate Action Plan based on the results of the emissions inventory. In November 2007, the City of Santa Cruz hired a Climate Action Coordinator to help facilitate the multitude of actions and programs related to climate change currently underway as well as provide a point of contact for local interest and regional partnerships. In October 2007, the County of Santa Cruz, the City of Santa Cruz and the University of California Santa Cruz partnered to create a *Climate Action Compact (CAC)*. The compact signatories realized that while climate change is a global issue, the causes and effects of those changes must be addressed locally. The goal of the CAC is to achieve meaningful and measurable progress towards lowering our local greenhouse gas emissions through the implementation of cooperative programs. To that end, the CAC partners initiated a process to develop actions necessary to accomplish the goals outlined in the compact. Two of the most important goals are to develop partnerships with other local jurisdictions and to design a portfolio of potential cooperative projects to significantly lower GHG emissions and climate change impacts in our region (SOURCE V.3).

**Cumulative Impact Analysis.** Global climate change impacts are a result of cumulative emissions from human activities in the region, the state and the world. Cumulative development and growth in the area would contribute primarily indirect emissions of GHGs that in conjunction with other global emissions, would contribute to global climate change. Given international concerns and the state of California's recent laws and indication of the serious nature of this issue, cumulative impacts related to global climate change are considered significant.

Cumulative development and growth in the project region would primarily contribute indirect emissions of GHGs, which in conjunction with other global emissions, would contribute to global climate change. As indicated above in the INTRODUCTION to this section, implementation of the Housing Element will not directly result in new development or impacts on the physical environment. However, implementation of the Housing Element policies and programs and efforts to meet quantified housing objectives may indirectly result in construction of new housing units. No specific development proposals are part of the Housing Element. Future

housing would be constructed by private and non-profit entities subject to City approvals, including project-specific environmental review.

The draft Housing Element indicates that future residential development is expected along transportation corridors and near downtown, where vehicle trips and emissions would be reduced. The draft Housing Element contains policies (6.1, 6.6) to encourage pedestrian and bicycle trips (6.1), to promote transit-oriented, mixed-use developments to reduce auto use (6.7, and to encourage “green” building standards (6.7). In furtherance of these policies, two programs in the Housing Element seek to continue to facilitate the development of transit-oriented housing projects. The draft Housing Element also includes two goals to take action in reducing and responding to global warming and reducing energy use. One key policy seeks to reduce GHG emissions 30 percent by 2020 and 80 percent by 2050 (compared to 1990 levels) (Policy 7.1). Additionally, Housing Element Program 7.1 indicates that green building policies and actions will incorporate energy efficiency measures, water stewardship, use of sustainable building materials derived from renewable resources, reduction of waste through recycling and reuse, and smart growth and sustainable development practices. This program also identifies measures to reduce GHG emissions including implementation of the City’s Climate Action Plan and continued support and implementation of the Santa Cruz Regional Compact on Climate Change. Furthermore, future site-specific development will be subject to measures adopted by the state and City related to transportation, energy, and site planning.

Policies and programs outlined in the Housing Element and future construction of the remaining housing production need along transportation corridors and in mixed-use areas would reduce traffic and emissions. Thus, the proposed project’s incremental effects would not be cumulatively considerable as the Housing Element includes goals and policies to promote efficient land use siting, green building design, energy efficiency and other measures to reduce vehicle trips and greenhouse house emissions. Future housing projects would be subject to local, state and regional measures developed to reduce GHG emissions. Therefore, the project’s incremental effect on global climate change would not be cumulatively considerable, and no further analysis or quantification of GHG emissions was deemed warranted.

**(c) Substantial Adverse Effects on Human Beings.** No environmental effects have been identified that would have direct or indirect adverse effects on human beings.

**TABLE 6  
CUMULATIVE PROJECTS - APRIL 2009**

	<b>NAME/ADDRESS</b>	<b>DESCRIPTION</b>	<b>STATUS</b>
<b>City Cumulative Projects</b>			
▪ <b>Recently Constructed</b>			
	2027 N. Pacific	3,720 square feet commercial & 4 condo units	Units Being Occupied
	125 River Street / N. Pacific	70 condos & 5,522 sf commercial	Units Being Occupied
	108-122 Second Street	Demolish 17 apts. and construct 44 SRO units	Units Being Occupied
	250 Cardiff	23 MFR units	Units Being Occupied
	1606 Soquel Avenue	36 SROs, 1 manager unit	Units Being Occupied
	1375 Pacific Avenue	36,177 sf retail & 54,265 sf office	Being Occupied
	Tannery Arts Center	100 residential units & 120,000 sf Art Center	Being Occupied
	New Leaf Market-1101 Fair Ave.	17,778 square feet grocery store; attached 3,000 square foot tenant space	Occupied
	211 Grant Street	4 townhouses	Units Being Occupied
▪ <b>Under Construction</b>			
	Ocean Street Hotel – 1410 Ocean	100 hotel rooms	Under Construction
	121, 131, 134 Kennan St	14 townhouses/Demo. three units	Under Construction
	132 Clay	16 condos	Under Construction
	Metro Base	Transit Facility at two sites	Under Construction
	1804 Mission Street	18 MFD & 1,617 sf commercial	Under Construction
	229 Encinal	New Industrial Building (5,376 sf)	Under Construction
	Almar Center Expansion	Proposal to demolish and replace Safeway (27,000 sf)	Under Construction
	2200 Delaware	395,400 sf industrial; 248 maximum residential units	Under construction
	224 Laurel	16 MFD & 10,150 sf commercial	Under construction
	555 Pacific Avenue	82 room hotel	Under construction
	636 Pacific Ave	9 unit hotel and tea room	Under construction
	Misty Court -114 Rapetta Rd	4-lot minor land division	Under construction
	605 Pacific	8 SOU's and 344 sf commercial	Under construction
	Sea and Sand	Remodel with 2 new motel rooms	Approved
▪ <b>Approved</b>			
	1547 Pacific	58 residential units and 11,500 square feet commercial-restaurant	Approved
	408 Broadway	2 Townhouses	Approved
	706-708 Frederick St	22 Condos & 1,600 sf office	Approved
	716-720-724 Seabright	12 condominiums	Approved
	527 Sumner Avenue	3 townhouses and SFD demo	Approved
	550 Second	13-room addition to existing 21-room hotel	Approved
	119 Ortolon Circle	8-lot subdivision & demolition of 1 SFD	Approved
	627-629 Seabright	6 townhouse units & demolition of 2 SFD	Approved
	Branciforte Creek Subdivision	40 SFD	Approved
	313-321-325 Riverside Ave.	155-room hotel with 200-seat banquet hall, café, pool, exercise room - replace 3 existing motels (64 rooms and manager unit) for net increase in 91 rooms	Approved
	611 Broadway	3 condo units	Approved
	170 Frederick	9 SFD & 3 ADU	Approved
	1101 Ocean Street	975 sf commercial; 6 1-br & 3 studio units	Approved
	111 Frederick Street	Demolish SFD and construct 4 townhouses	Approved
	1024 Soquel Avenue	2 commercial condos with 4 residential condos above	Approved
	410 Dakota Avenue	Demolish SFD and construct 4 townhouses	Approved
	1016 West Cliff Drive	3-lot minor land division	Approved
	555 Meder Street	3-lot minor land division	Approved
	2232 Mission Street	11 MFD & 574 sf commercial	Approved
	110 Lindberg Street	21 MFD	Approved



**TABLE 6  
CUMULATIVE PROJECTS - APRIL 2009**

	<b>NAME/ADDRESS</b>	<b>DESCRIPTION</b>	<b>STATUS</b>
	Marine Sanctuary Exploration Center	Public education/visitor center, approx. 10,000 sf	Approved
	517 Cedar	17 SROs	Approved
	719 Darwin	Demo SFD and construct 3 condos	Approved
	212 Mora	4 Townhouses	Approved
	150 Fernside Street	Demolish SFD and construct 6 townhouses	Approved
	215 Beach-La Bahia	Convert 44 unit apts. to 125 hotel units	Approved
	710 Soquel Avenue	9 apartment units, 5,300 sf commercial	Approved
	44 Front Street	2 condos and 400 sf commercial	Approved
<b>▪ Pending Applications</b>			
	1412 – 16 Seabright	10 condo units	Pending Application
	340 Highland Ave.	Demo 13 MFD and replace with 18 townhouse units	Pending application
	Blackburn	9 condo/townhouse units	Pending application
	1314 Ocean Street	14 condos, 4 townhouses, 1 SFD, 1591 sf commercial	Pending application
	350 Ocean Street	82 condo units (with demolition of 24 existing MFD & 2 SFD) and 8,870 sf retail and 7,495 sf spa	Pending application
	1224 Escalona	Two-lot tentative map; net increase of 1 SFD	Pending application
	1013 Pacific Avenue	Demolish existing mixed-use building and construct 17 condos	Pending application
	433 Ocean	Demo gas station and construct 45 hotel rooms/restaurant	
	352 Market Street	4 townhouses	Pending application
	725 Ocean Street	Chipolte Restaurant	Pending
<b>UCSC – On-Campus 2007 Five-Year Major Capital Improvements</b>			
	UCSC Ranch View Terrace	84 SFD	Under Construction-1 <sup>ST</sup> Phase (45 units); occupancy in 2008-2009 planned – 2 <sup>nd</sup> Phase (39 units), approval and timeline pending
	McHenry Library	Renovation and 85,400 new asf	Under Construction; occupancy in 2008-2009
	Digital Arts Facility	Teaching, research labs, offices – 24,000 new asf	Under Construction; occupancy in 2008-2009
	Cowell Student Health Center	Renovation and 7,600 new asf	Under Construction, occupancy in 2008-2009
	Biomedical Sciences Facility	Research labs and offices: 57,200 asf	Approved; estimated occupancy in 2011-12
	Porter B Student Residence Hall Addition/Dining	Student housing (120 beds) and dining hall	Approved; estimated occupancy in 2009-10
	Porter A Student Residence Addition	Student Housing (178 beds)	Planned, estimated occupancy 2010-11
	East Campus Infill Housing	About 100 student apartments (550-600 beds)	Planned, estimated occupancy 2011-12
	Social Sciences Facility Phase 1	Teaching, research labs & offices – 25,000 new sf	Planned; estimated occupancy in 2015-16
<b>UCSC – Off-Campus 2007 Five-Year Major Capital Improvements</b>			
	Environmental Sciences 1 – Marine Sciences Campus	Research labs and offices – new 25,000 asf	Planned; estimated occupancy in 2011-12

**TABLE 6  
CUMULATIVE PROJECTS - APRIL 2009**

	NAME/ADDRESS	DESCRIPTION	STATUS
<b>UCSC – Long-Term Growth</b>			
	UCSC Campus Growth to 2020	Estimate approximate enrollment increase from 14,619 in 2006/2007 to 19,500 in 2020 per adopted 2005 LRDP.	Approved - The actual growth would be in conjunction with annual enrollment growth as it occurs and with approval of projects proposed under the LRDP.
	UCSC Marine Sciences Campus	Long Term: 322,825 sf (NOTE: 80 housing units were eliminated by Coastal Commission and this square footage includes Env Sci 1, above]	Approved - The actual growth would be in conjunction with annual enrollment growth as it occurs and with approval of projects proposed under the LRDP and CLRDP.
	2300 Delaware	<ul style="list-style-type: none"> <li>▪ Occupation of existing 56,700 sf office (Bldgs A &amp; B) with 246 estimated employees</li> <li>▪ Occupation of existing building (Bldg C)—73,000 sf lab and office space and 19,000 sf service and storage space—with 482 estimated faculty, staff, students</li> </ul>	<p>Occupied with approx. 200 people</p> <p>Approved, but not occupied</p>

CITY OF SANTA CRUZ  
**Negative Declaration**

The Administrator of Environmental Quality of the City of Santa Cruz has prepared this Negative Declaration for the following described project:

**Project:** Housing Element of the General Plan

**Application No:** 09-059

**Project Location:** City-wide

**Project Description:** Comprehensive update of the City of Santa Cruz General Plan Housing Element 2007-2014.

**Project Applicant:** City of Santa Cruz

**Applicant Address:** 809 Center Street, Room 107  
Santa Cruz, CA 95060

The City of Santa Cruz Planning and Community Development Department has reviewed the proposed project and has determined that the project, based on the Initial Study attached hereto, will not have a significant effect on the environment. An Environmental Impact Report is not required pursuant to the California Environmental Quality Act of 1970. This environmental review process and Negative Declaration have been completed in accordance with the State CEQA Guidelines and the local City of Santa Cruz CEQA Guidelines and Procedures. No mitigation measures will be incorporated into the project design or as conditions of approval, to ensure that any potential significant environmental impacts will not be significant.

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Juliana Rebagliati  
Director of Planning and Community Development

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Date



# MONTEREY BAY

Unified Air Pollution Control District  
serving Monterey, San Benito, and Santa Cruz counties

Air Pollution Control Officer  
Richard Stedman

24580 Silver Cloud Court • Monterey, California 93940 • 831/647-9411 • FAX 831/647-8501

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May 11, 2009

Ms. Michelle King, Project Planner  
City of Santa Cruz  
Planning and community Development Department  
809 Center Street, Room 107  
Santa Cruz, CA 95060

SUBJECT: GENERAL PLAN HOUSING ELEMENT 2007-2014

Dear Ms. King:

The Air District submits the following comments on the Housing Element:

Consistency with 2008 Air Quality Management Plan

Please request a formal consistency determination from AMBAG for the 170 additional housing units needed for extremely low, low and moderate income households.

Thank you for the opportunity to review the document.

Sincerely,

Jean Getchell  
Supervising Planner  
Planning and Air Monitoring Division

cc: David Roemer, AMBAG



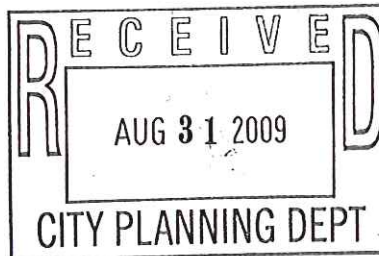
**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

1800 Third Street, Suite 430  
P. O. Box 952053  
Sacramento, CA 94252-2053  
(916) 323-3177 / FAX (916) 327-2643  
www.hcd.ca.gov



August 28, 2009

Ms. Juliana Rebagliati, Director  
Planning and Community Development  
City of Santa Cruz  
809 Center Street, Room 206  
Santa Cruz, CA 95060



Dear Ms. Rebagliati:

**RE: Review of the City of Santa Cruz's Draft Housing Element**

Thank you for submitting Santa Cruz's draft housing element received for review on June 30, 2009. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation with Ms. Michelle King, Senior Planner, facilitated the review.

The Department commends Santa Cruz on its recent collaboration with ARTSPACE to develop live-work spaces (studios) affordable to very low-income artists. The Department also commends the City for its support in developing the Paul Lee Loft Shelter which provides 14 beds for women and 32 beds for men and the City's adoption of its Green Building ordinance. The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). In particular, the element must include a complete analysis of sites included in the inventory and potential governmental constraints. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

The Department is committed to assist Santa Cruz in addressing all statutory requirements of housing element law. If you have any questions or need additional assistance, please contact James Johnson, of our staff, at (916) 323-7271.

Sincerely,

Handwritten signature of Cathy E. Creswell in cursive.

Cathy E. Creswell  
Deputy Director

Enclosure



**APPENDIX**  
**CITY OF SANTA CRUZ**

The following changes would bring Santa Cruz's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at [www.hcd.ca.gov/hpd](http://www.hcd.ca.gov/hpd). Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at [www.hcd.ca.gov/hpd/housing\\_element2/index.php](http://www.hcd.ca.gov/hpd/housing_element2/index.php), the Government Code addressing State housing element law and other resources.

**A. Housing Needs, Resources, and Constraints**

1. *Include an analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected needs for all income levels, including extremely low-income households (Section 65583(a)(1)).*

In accordance with Chapter 891, Statutes of 2006 (AB 2634), the element must quantify existing and projected extremely low-income households (ELI) and analyze their housing needs. While the element quantifies projected ELI households, it should include an estimate of existing ELI households and analyze their housing needs. For your information, Comprehensive Housing Affordability Strategy (CHAS) data indicates there are 3,046 ELI households in Santa Cruz. This analysis is essential to formulating specific policies and programs to assist in the development of housing for ELI households. To assist the analysis, see the enclosed CHAS data and Department's sample analysis from the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/EHN\\_extremelylowincome.php](http://www.hcd.ca.gov/hpd/housing_element2/EHN_extremelylowincome.php).

2. *Include an analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition (Section 65583(a)(2)).*

While the element provides some information on the age of housing stock in Santa Cruz, it should estimate the number of units in need of rehabilitation or replacement. For example, the element could include estimates from a recent windshield survey, sampling, code enforcement agency or redevelopment agencies. For additional information, refer to the housing stock characteristic section of the *Building Blocks'* technical assistance tool at [http://www.hcd.ca.gov/hpd/housing\\_element2/HN\\_EHN\\_home.php](http://www.hcd.ca.gov/hpd/housing_element2/HN_EHN_home.php).

3. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Santa Cruz has a regional housing need allocation (RHNA) of 672 housing units, of which 263 are for lower-income households. To address this need, the element relies on recently built units as well as vacant and underutilized sites. However, to demonstrate the adequacy of these sites to accommodate the City's RHNA, the element must include complete analyses, as follows:



Progress in Meeting the RHNA: Table 4-28 indicates 35 units affordable for extremely low-, 164 units for very low-, and 53 units for low-income households have been built, are under construction or approved. While the element provides information demonstrating affordability of 119 very low- and nine lower-income units built or permitted (Grace Commons, Redwood Commons and the Tannery projects), it must demonstrate how the affordability of the remaining units was determined. In particular, the element should discuss the affordability of the units described as "Other Multifamily Developments" (page 4-5). As you know, the City's RHNA may be reduced by the number of new units built since January 1, 2007; however, the element must describe the City's methodology for assigning these units to the various income groups based on actual or projected sales price, rent level or other mechanism ensuring affordability and demonstrate their availability within the planning period.

Sites Inventory: The element identifies the 1.7-acre Riverbend site as having potential to accommodate a portion of the City's remaining regional housing need for lower-income households (page 4-9). The element should include relevant information about the site pursuant to Section 65583.2, such as a discussion of the existing uses briefly described (page 4-9) and how they might impact residential development. In addition, the element should include a discussion on the potential of consolidation of the two parcels (see underutilized sites finding for additional information – next page).

Realistic Capacity: The element must describe the methodology for determining the residential development capacity of sites listed in Appendix B. The element indicates the estimate is based on maximum buildout allowed under the current General Plan designation. However, the estimate of potential unit capacity must consider land-use controls and site improvements, including height limits, floor area ratio and could reflect recently built densities. For non-residentially or vacant zoned sites, the capacity estimate must account for existing uses and potential for new non-residential development.

In addition, the element indicates the City is assuming 25 percent of the sites will develop during the planning period (page 4-8). However, this assumption is not consistent with "Expected Units in the Planning Period" listed in Appendix B. The element should clarify the number of units estimated to be available for development within the planning period.

Suitability of Small Lots: Many of the higher density multifamily residential sites listed in Appendix B are small (less than a half acre). While it may be possible to build housing on a very small parcel, the nature and conditions necessary to construct the units often render the provision of affordable housing infeasible. For example, assisted housing developments utilizing State or federal financial resources typically include 50-80 units. Therefore, the element must include a complete analysis that demonstrates these sites can realistically accommodate new residential development, particularly new multifamily rental development and housing affordable to lower-income households. The analysis should describe existing and/or proposed policies or incentives the City will offer to facilitate small lot development or lot consolidation and include an evaluation of the financial feasibility of development for lower-income households on smaller sites, given necessary economies of scale. The element could also include a description of recent residential development trends.



Underutilized Sites: If relying on sites within the Corridor Opportunity areas to accommodate potential lower need, the element should describe the existing uses of non-vacant sites and evaluate the extent to which existing uses may impede additional residential development. The evaluation could include a description, relative to identified sites, of development trends, market conditions and regulatory incentives and standards to facilitate redevelopment or reuse. For sites with residential uses, the inventory should generally describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For non-residential sites, the inventory should generally describe whether the use is operating, marginal or discontinued, and the condition of the structure or could describe any expressed interest in redevelopment. Refer to the sample analysis on the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/SIA\\_home.php](http://www.hcd.ca.gov/hpd/housing_element2/SIA_home.php).

#### Sites with Zoning for a Variety of Housing Types

Emergency Shelters: Program 3.3 proposes to "specify a zone and permitting process to facilitate and encourage the development of emergency shelters" (page 6-24). Pursuant to Chapter 633, Statutes of 2007 (SB 2), the element must specifically identify at least one zone which will allow for the development of emergency shelters without a conditional use permit (CUP) or other discretionary action within one year of adoption of the housing element. The element must describe the zone(s) under consideration and demonstrate sufficient capacity to accommodate the City's need for emergency shelters. For additional information, see the Department's SB 2 technical assistance memo at [http://www.hcd.ca.gov/hpd/sb2\\_memo050708.pdf](http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf).

Transitional Housing and Supportive Housing: The element indicates transitional housing is usually developed by buying an existing multi- or single-family home and converting the existing use to transitional living (page 3-22) and indicates Program 3.3 will amend zoning to allow transitional housing in a specified zone (page 3-12). Please note, pursuant to SB 2, transitional and supportive housing must be treated as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone without undue special regulatory requirements. The element must demonstrate compliance with statutory requirements or include programs as appropriate.

4. *Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), 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, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Land-Use Controls: Table 3-5 should be updated to include development standards for residential/mixed-use projects in commercial zones. This is particularly important within the Corridor Opportunity Areas identified in the inventory as having potential to accommodate a portion of the City's need for lower-income households.



Local Processing and Permit Procedures: While the element includes Table 3-7 which provides some information on permit types and processing times, it must also specifically describe and analyze the type of permits and process required for typical single- and multi-family projects.

In addition, the element provides some information on the City's use determination process (page 3-21) and includes information on the Homeless Services campus. The element should further describe the types of projects that require and analyze this process as a potential constraint. Refer to the sample analysis on the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/CON\\_permits.php](http://www.hcd.ca.gov/hpd/housing_element2/CON_permits.php).

Fees and Exactions: Table 3-1 includes total typical fees for single- and multi-family units (page 3-4). The element, however, should provide a specific listing of individual planning and impact fees and analyze their impact on housing costs, including total effect or proportion of these fees on development costs for typical single- and multi-family housing. This is particularly important since building and planning fees appear to represent a significant portion of total fees for single-family housing. Refer to the sample analysis on the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/CON\\_fees.php](http://www.hcd.ca.gov/hpd/housing_element2/CON_fees.php).

Site Improvements: While the element notes sidewalks, curbs and other improvements are required (page 3-15), it should identify the actual standard (i.e., 40-foot minimum street width) and analyze potential impacts on the cost and supply of housing. Refer to the sample analysis on the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/CON\\_permits.php](http://www.hcd.ca.gov/hpd/housing_element2/CON_permits.php).

5. *Analyze any special housing needs of farmworkers (Section 65583(a)(7)).*

Farmworkers: The element did not address this requirement. The element should be revised to include information on farmworkers (seasonal and permanent) and analyze their housing needs. In addition, the element should consider how zoning encourages and facilitates a variety of housing types for farmworkers and include program actions as appropriate to address identified farmworker needs. Refer to the sample analysis on the *Building Blocks'* website at [http://www.hcd.ca.gov/hpd/housing\\_element2/SHN\\_farmworkers.php](http://www.hcd.ca.gov/hpd/housing_element2/SHN_farmworkers.php). Other resources for farmworker housing in the Santa Cruz area can be found at <http://www.midpen-housing.org/>, <http://www.chispahousing.org/>, and <http://www.ruralisc.org/sch.htm>.

## **B. Housing Programs**

1. *Include 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. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions (Section 65583(c)).*

To address the program requirements of Government Code Section 65583)(c)(1-6), and to facilitate implementation, programs should include: (1) definitive implementation timelines; and (2) objectives, quantified where appropriate. Examples of programs to be revised include, but are not limited to the following:



Program 1.5: When will the City complete the review process of its existing development fee structure and make recommendations for City Council consideration?

Program 2.3: When will the City complete its evaluation of residential development standards to ensure housing projects can be built at maximum densities allowed under the underlying district?

Program 3.6: The City could commit to revising guidelines to allow tenants to apply for grants to retrofit their residence.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites 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)).*

As noted in Finding A-3, the element does not include a complete site analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

3. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of extremely low-, low- and moderate-income households (Section 65583(c)(2)).*

Pursuant to AB 2634, existing programs should either be expanded or new programs added to specifically assist in the development of a variety of housing types to meet the housing needs of ELI households. To address this requirement, the element could revise programs to prioritize some funding for the development of housing affordable to ELI households, and/or offer financial incentives or regulatory concessions to encourage the development of housing types, such as single-room occupancy units, which address the needs of this income group.

4. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

Per a phone call with City staff, the element should include a program to develop a reasonable accommodation procedure to accommodate persons with disabilities.

Affordable Housing Ordinance: While the element acknowledges the need to reexamine the inclusionary requirements, in light of current market conditions and past performance, Program 2.1 does not commit to complete this evaluation by a specific date. The Program should commit to complete the evaluation by a date certain

(e.g., within one year of adoption of the element). In addition, while the requirement is under evaluation, the Department recommends the City provide flexibility in meeting the requirements as well as additional incentives or regulatory concessions to encourage compliance and ensure overall housing production and supply is not unduly impacted.

**C. Consistency with General Plan**

As you are aware, Government Code Section 65302 requires cities and counties in California to amend the safety and conservation elements of their general plan to include analysis and policies regarding flood hazard and flood management information upon the next revision of the housing element on, or after, January 1, 2009. Government Code Section 65302 also requires cities and counties in California, effective January 1, 2008, to annually review the land-use element for those areas subject to flooding identified by flood plain prepared by the Federal Management Agency or the State Department of Water Resources (DWR).

Any amendments to the safety, conservation, and land-use elements, based on the requirements of Government Code Section 65302, will require a review of the housing element for internal consistency, which may in turn, require amendments to the housing element. Local jurisdictions should contact DWR's Department of Flood Management for assistance in obtaining the most current floodplain mapping information needed for the analysis. Contact information is available on the DWR's website at <http://www.dwr.water.ca.gov/floodmgmt/lrafmo/fmb/>.



### Housing Problems Output for -All Households

Household by Type, Income, & Housing Problem	Name of Jurisdiction: Santa Cruz city, California		Source of Data: CHAS Data Book		Data Current as of: 2000						
	Renters			Owners				Total Owners Households	Total Households		
	Elderly 1 & 2 member households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 member households (F)	Small Related (2 to 4) (G)			Large Related (5 or more) (H)	All Other Households (I)
1. Household Income <=50% MFI	569	799	239	2,485	4,092	514	247	59	219	1,039	5,131
2. Household Income <=30% MFI	364	465	116	1,615	2,560	194	118	55	119	486	3,046
3. % with any housing problems	58.8	87.1	96.6	86.7	83.2	74.2	88.1	100	96.6	86	83.7
4. % Cost Burden >30%	58.8	84.9	93.1	85.1	81.7	74.2	88.1	81.8	88.2	81.9	81.7
5. % Cost Burden >50%	19	73.1	69	74.3	66	48.5	79.7	81.8	88.2	69.5	66.5
6. Household Income >30% to <=50% MFI	205	334	123	870	1,532	320	129	4	100	553	2,065
7. % with any housing problems	65.9	83.5	91.9	88.5	84.7	53.1	57.4	100	100	62.9	78.9
8. % Cost Burden >30%	61	80.5	55.3	82.8	77.2	53.1	57.4	100	100	62.9	73.4
9. % Cost Burden >50%	22	44.6	3.3	40.8	36.1	26.6	38.8	100	80	39.6	37
10. Household Income >50 to <=80% MFI	159	700	274	1,205	2,338	500	349	56	289	1,194	3,532
11. % with any housing problems	66	75	89.4	65.6	71.2	31	82.8	85.7	87.9	62.5	68.3
12. % Cost Burden >30%	66	66.4	29.2	58.5	58	31	79.9	60.7	87.9	60.5	58.8
13. % Cost Burden >50%	31.4	20	5.5	23.2	20.7	13	45.6	26.8	41.5	30.1	23.9
14. Household Income >80% MFI	240	1,765	240	2,209	4,454	1,324	3,875	470	1,549	7,218	11,672
15. % with any housing problems	22.9	23.5	64.6	16.9	22.4	10.9	25.7	39.4	31.2	25	24
16. % Cost Burden >30%	22.9	14.4	4.2	12.6	13.4	10.9	24.4	24.5	31	23.3	19.6
17. % Cost Burden >50%	0	0.8	0	0.9	0.8	1.8	3.9	2.1	4.2	3.4	2.4
18. Total Households	968	3,264	753	5,899	10,884	2,338	4,471	585	2,057	9,451	20,335
19. % with any housing problems	52.6	49.8	83	56.5	56	26.2	32.7	49.9	46.3	35.1	46.3
20. % Cost Burden >30	51.5	42.4	35.3	52.2	48	26.2	31.4	33.8	45.6	33.4	41.2
21. % Cost Burden >50	16.9	19.7	13.1	31.4	25.4	11.5	10.1	12.6	18	12.3	19.3

**Excerpts of the Action Minutes  
of the Planning Commission  
Meeting of May 7, 2009**

- 3. Draft 2007-2014 Housing Element of the General Plan 09-059 City-wide**  
Amendment to the General Plan/Local Coastal Plan to adopt the 2007-2014 Housing Element. (Environmental Determination: Negative Declaration) (City of Santa Cruz, applicant / filed: 4/15/09)

**RECOMMENDATION:** That the Planning Commission hold a public hearing and recommend to the City Council: 1) adoption of the Negative Declaration and; 2) approval of the draft Housing Element as an amendment to the General Plan/Local Coastal Plan.

Senior Planner, Michelle King, presented the staff report.

The Public Hearing was opened.

The following members of the public spoke:

John Swift spoke regarding the Golf Club Drive area plan.

Peter Pethoe spoke regarding the need for low cost visitor accommodations.

The Public Hearing was closed.

The commissioners asked questions of staff and made comments regarding:

- Low cost transient accommodations were not relevant to the Housing Element, but would be addressed in the new General Plan.
- The purpose of the Housing Element is to comply with State law and obtain funding.
- Golf Club Drive was included in the Housing Element narrative but not possible housing sites because it cannot be developed without a specific plan for the whole area.

**ACTION:** Commissioner Schultz moved, and Commissioner Kasparowitz seconded, that the Planning Commission recommend that the City Council adopt the Negative Declaration and approve the draft Housing Element as an amendment to the General Plan/Local Coastal Plan. The motion was approved by a vote of 5-0 with Commissioners Quartararo, Daly, Kasparowitz, Schultz and Warner voting in favor of the motion.