

CITY OF SANTA CRUZ  
809 Center Street  
Santa Cruz, California 95060



**JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AGENDA**

Regular Meeting

March 22, 2011

3:00 P.M.	CLOSED LITIGATION SESSION, COURTYARD CONFERENCE ROOM
4:00 P.M.	CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS, COUNCIL CHAMBERS
5:00 P.M.	ORAL COMMUNICATIONS, COUNCIL CHAMBERS
7:00 P.M.	GENERAL BUSINESS, PRESENTATIONS AND MATTERS OF PUBLIC INTEREST, COUNCIL CHAMBERS

Council will receive e-mail regarding items on the agenda during the meeting at [citycouncil@cityofsantacruz.com](mailto:citycouncil@cityofsantacruz.com).

**Written correspondence and telephone calls received after 5:00 p.m. on the Monday immediately preceding a Council meeting may not have time to reach Councilmembers, nor be read by them prior to consideration of an item. Please make any communication to Councilmembers regarding Council meeting items prior to 5:00 p.m. Monday.**

Council meetings are cablecast on Comcast Channel 25.

Written material for every item listed in the open sessions is available for review at the Central Branch Library Reference Desk.

Time limits set by Council Policy are guidelines. Unless otherwise specified, procedures for all items, except those approved in one motion on the Consent Agenda, are:

- Oral staff report
- Public comment - 2 minutes each; maximum total time may be established by the Presiding Officer at the beginning of the item
- Council/Agency deliberation and action

**Closed Litigation Session****3:00 PM**

The Presiding Officer will open the City Council and Redevelopment Agency Closed Litigation Sessions in a public meeting in the Courtyard Conference Room, for the purpose of announcing the agenda and considering public testimony. Thereafter, the meeting will be closed to the public.

**Referral to Closed Session.**

1. Referral to Closed Session: 2 Municipal Wharf (Venture Quest), APN 005-381-10. (ED)

Motion to refer to closed session for discussion of a new Municipal Wharf license agreement with the kayak rental business known as Venture Quest, and to provide instructions to the Director of Economic Development regarding same.

- A. Conference with Legal Counsel – Liability Claims (Government Code §54956.95).

1. Claimant: Thomas Raphael Pazo
2. Claimant: Ron Wilkerson
3. Claimant: Osbaldo Zambrano

Claims Against: City of Santa Cruz

- B. Labor Negotiations (Government Code §54956.6).

Lisa Sullivan—Negotiator

- Employee Organizations—
1. SEIU-Temporary Employees
  2. Santa Cruz Police Officers' Association

- C. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).

2 Municipal Wharf - License Negotiations (Venture Quest - Licensee;  
City of Santa Cruz - Licensor)

City Negotiator—Bonnie Lipscomb  
APN 005-381-10

**Joint City Council/Redevelopment Agency**

**4:00 PM**

Call to Order

Roll Call

Pledge of Allegiance

Presiding Officer's Announcements

Statements of Disqualification

Additions and Deletions

**Consent Agenda**

2. Minutes of the March 1, 2011 Special and March 8, 2011 Regular City Council Meetings. (CC)

Motion to approve as submitted.

3. Minutes of the March 1, 2011 Special and March 8, 2011 Regular Redevelopment Agency Meetings. (CC)

Motion to approve as submitted.

4. Sister Cities Committee Bylaws Revision (PK)

Motion to adopt the amended bylaws setting forth said amendment to the days of the Sister Cities Committee meetings.

**Consent Agenda (continued)**

5. Assembly Bill 579: Litigation Regarding Mobilehome Rent Control – Resolution of Support. (CN)

Resolution supporting Assembly Bill 579 and directing the Mayor to transmit copies of the resolution to Governor Brown, the City's State representatives and to the Judiciary Committee of both houses of the State Legislature.

6. City/County/UCSC/CLUE Comprehensive Settlement Agreement – Budget Adjustment for Legal Defense and LAFCO Application Fees - FY 2011. (CM)

Resolution amending the Fiscal Year 2011 Budget to appropriate funds in the amount of \$125,000 for City/County/UCSC/CLUE Comprehensive Settlement Agreement legal defense and LAFCO application fees, half of which are reimbursable.

7. City Attorney Legal Expenses – Budget Adjustment – FY 2011. (CM)

Resolution amending the Fiscal Year 2011 Budget to appropriate funds in the amount of \$100,000 to pay for additional City Attorney legal expenses pertaining to Municipal Code enforcement actions.

8. 57 Municipal Wharf (APN 005-401-09) - Municipal Wharf Lease Agreement with Dohna Dunderdale. (ED)

Motion to authorize the City Manager to execute a Municipal Wharf Lease Agreement and any amendments thereto of a non-substantive nature, in a form approved to the City Attorney, with Dohna Dunderdale for the operation of a retail clothing and gift store at 57 Municipal Wharf.

9. Liability Claims Filed Against City of Santa Cruz. (HR)

Motion to reject liability claims: a) Thomas R. Pazo, b) Ron Wilkerson, and c) Osbaldo Zambrano; based on staff investigation.

**Consent Agenda (continued)**

10. Request from E Clampus Vitas Branciforte Chapter 1797- Placing a Historical Marker in San Lorenzo Park. (PK)

Motion to authorize the installation of a historical marker in San Lorenzo Park noting the location of a former bear and bull ring per the recommendations of the Parks and Recreation Commission and the Historic Preservation Commission.

11. Beltz Treatment Plant Driveway Project – Earthworks Paving Contractors, Inc. – Notice of Completion. (WT)

Motion to ratify Contract Change Order No. 1 (\$10,323) and Contract Change Order No. 2 (\$734) with Earthworks Paving Contractors, Inc. for additional work on the Beltz Treatment Plant Driveway Project.

Motion to accept the work done by Earthworks Paving Contractors, Inc. (Capitola, CA) as complete per the plans and specifications and authorize the filing of a Notice of Completion for the Beltz Treatment Plant Driveway Project.

**End Consent Agenda****General Business**

12. Introduction of Ordinance Repealing Section 10.40.060 of the Santa Cruz Municipal Code, Parking for Demonstration. (CN)

Introduction of an ordinance to repeal Section 10.40.060 of the Municipal Code, Parking for Demonstration.

13. Sister Cities Committee Appointments (Two Vacancies, One with a Term Expiration of 1/1/12, and One with a Term Expiration of 1/1/13) (CC)

Motion to appoint two Sister Cities Committee members.

**General Business (continued)**

14. CDBG and HOME Funding - Housing and Community Development Program Discussion for 2011–2012 Program Year. (ED)

Motion to determine appropriate funding levels for CDBG and HOME activities for the 2011 – 2012 program year; and

Motion to direct staff to complete the draft Action Plan for 2011–2012 program year and determine environmental review requirements for those applications recommended for funding.

15. Residential Rental Inspection Program Fees (PL)

Resolution adopting a new Department of Planning and Community Development Fee Schedule creating fees for the Residential Rental Inspection Program, and rescinding Resolution No. NS-28,316.

16. Re-adoption of the 2007-2014 Housing Element, #09-059, City-Wide. (PL)

Resolution to revise the previous General Plan Amendment approving the 2007-2014 Housing Element to include non-substantive changes, rescind Resolution No. NS-28,148 and re-adopt the Negative Declaration and the reformatted and updated 2007-2014 Housing Element.

17. Council Meeting Calendar. (CC)

That the City Council review the meeting calendar attached to the agenda and revise it as necessary.

18. City Attorney Report on Closed Session. (CA)

19. Council Memberships in Outside Groups and Outside Agencies. (CC)

The Presiding Officer will provide Councilmembers with the opportunity to update Council and the public regarding City Groups and Outside Agencies.

**Joint City Council/Redevelopment Agency**

**5:00 PM**

**Joint City Council/Redevelopment Agency Oral Communications - 30 Minutes**

**Recess**

The City Council will recess to the 7:00 p.m. session.

**Adjournment**

The Redevelopment Agency will adjourn from the regular meeting of March 22, 2011 to the next regularly scheduled meeting on April 12, 2011, for a Closed Litigation Session at 1:30 p.m., followed by Open Sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m.

**City Council**

**7:00 PM**

Call to Order

Roll Call

Presentation - Student Art Exhibit

Presentation - Santa Cruz Little League

Presentation - Earned Income Tax Credit Assistance Workshops

**Adjournment**

The City Council will adjourn from the regularly scheduled meeting of March 22, 2011 to a Special Closed Litigation Session on April 5, 2011 at 2:00 p.m. in the Courtyard Conference Room, followed by an Open Special Study Session at 4:00 p.m. in Council Chambers, and then to the next regularly scheduled City Council Meeting on April 12, 2011 for a Closed Litigation Session on or after the hour of 1:30 p.m., followed by Open Sessions at the approximate hours of 3:00 p.m., 5:00 p.m., and 7:00 p.m.



**Advisory Body Appointments**

The following positions are vacant. Council will make appointments at a future meeting.

Measure K Oversight Committee	Three (3) vacancies
Planning Commission	One (1) vacancy
Sister Cities Committee	Two (2) vacancies

**Public Hearing:** If, in the future, you wish to challenge in court any of the matters on this agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing.

Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that action either 60 days or 90 days following the date on which the decision becomes final as provided in Code of Civil Procedure Section 1094.6 Please refer to code of Civil Procedure 1094.6 to determine how to calculate when a decision becomes “final.” The 60-day rule applies to all public hearings conducted pursuant to the City’s Zoning Ordinance, Title 24, Santa Cruz Municipal Code. The 90-day rule applies to all other public hearings.

**City Council Agenda Legislative History Addendum**

No information was submitted.

City staff is responsible for providing the City Clerk with such documentation and information for the Legislative History Addendum. The information will be on file in the City Clerk’s Department.

The Addendum is a listing of information specific to City Council business, but which does not appear on a Council meeting agenda. Such entities would include, but not be limited to:

- Court decisions
- Coastal Commission Appeals of City Council actions
- Closed Session Agreements/Settlements, which are public record
- Association of Monterey Bay Area Governments
- Local Agency Formation Commission

ADDENDUM TO CITY COUNCIL AGENDA – March 22, 2011  
**INFORMATION ITEMS PREVIOUSLY DISTRIBUTED TO CITY COUNCILMEMBERS**  
 (Copies available in the Central Branch Library at the Reference Desk)

City Manager	Monthly Camping Incident and Homeless Shelter Attendance Reports 3/8/11 (CM FYI 155)
Economic Development Department	See Scopes – Renewal of the Municipal Wharf License for the Viewing Telescopes Located on the Municipal Wharf and at Lighthouse Point 3/7/11 (ED FYI 005)  Surflife – Renewal of the Municipal Wharf License for the Webcam Located on the Roof of 49-B Municipal Wharf 3/7/11 (ED FYI 006)
Water Department	Newell Creek Road Trespass 3/10/11 (WT FYI 041)

ADDENDUM TO CITY COUNCIL AGENDA – March 22, 2011  
**MAYOR’S PROCLAMATIONS**

1. Proclaiming Saturday, March 12, 2011 as “The Plageman Family Day” and encouraging all citizens to join in congratulating the Plagemans for being named the Special Parents Information Network’s Distinguished Family of 2011 and applauding them for their contributions to the people of the Santa Cruz community.
2. Proclaiming Saturday, March 12, 2011 as “The Miracle Chase Day” and encouraging all citizens to join in honoring Mary Beth Phillips, Katie Mahon, and Joan Luise Hill for their contributions to the people of this City and applauding the efforts of these three miraculous women.
3. Proclaiming Wednesday, March 16, 2011 as “Santa Cruz County University of California Cooperative Extension Service Day” and encouraging all citizens to join in congratulating it as the recipient of the 2011 Al Smith Friend of Agriculture Award for its contributions to local agriculture.
4. Proclaiming March 18, 2011 as “Dr. Maya Angelou Day” and urging all citizens to join in expressing deep admiration and appreciation to her for a lifetime of excellence and dedicated service to humanity.



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Economic Development

SUBJECT: Referral to Closed Session: 2 Municipal Wharf (Venture Quest), APN 005-381-10. (ED)

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**RECOMMENDATION:** Motion to refer to closed session for discussion of a new Municipal Wharf license agreement with the kayak rental business known as Venture Quest, and to provide instructions to the Director of Economic Development regarding same.

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**BACKGROUND:** The subject property and building thereon are owned by the City of Santa Cruz. Dave Johnston operates the kayak rental business known as Venture Quest under a license agreement with the City. The present license expires on April 14, 2011 and Mr. Johnston has indicated that he would like a new license.

**DISCUSSION:** Staff recommends that the Redevelopment Agency refer this matter to closed session for discussion regarding the desirability of negotiating and executing a new license and providing instructions to the Director of Economic Development regarding same.

**FISCAL IMPACT:** None at this time.

Prepared by:  
Norman Daly  
Wharf Property Manager

Submitted by:  
Bonnie Lipscomb  
Director of Economic Development

Approved by:  
Martín Bernal  
City Manager

**ATTACHMENTS:** None

**MINUTES ARE UNOFFICIAL UNTIL APPROVED**

**JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AND  
PUBLIC FINANCING AUTHORITY MEETING MINUTES**

Special Meeting

March 01, 2011

**Closed City Council Litigation Session**

**4:00PM**

Mayor Coonerty opened the City Council Closed Litigation Session in a public meeting in the Courtyard Conference Room, for the purpose of announcing the agenda; thereafter, the meeting was closed to the public.

A. Labor Negotiations (Government Code §54956.6).

Lisa Sullivan—Negotiator

- Employee Organizations—
1. SEIU temps
  2. Police Officers' Association
  3. OE3, Mid-Managers
  4. Unrepresented

Council received status reports and instructed the negotiator.

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY/  
PUBLIC FINANCING AUTHORITY MEETING  
MARCH 1, 2011

**Joint City Council/Redevelopment Agency and Public Financing Authority**

**7:00 PM**

**Call to Order** – 7:03 p.m.

**Roll Call** – Councilmembers/Members Robinson, Beiers, Madrigal (arrived 7:18 p.m.), Terrazas, Bryant, Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty (arrived 7:08 p.m.).

**General Business**

1. Approval of Redevelopment Agency Loan. (RDA, FN, Public Financing Authority)

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR IN SUPPORT AND/OR EXPRESSING CONCERNS:

Kathleen Crocetti  
Bill Tysseling

SPEAKING FROM THE FLOOR IN OPPOSITION AND/OR EXPRESSING CONCERNS:

Ron Pomerantz  
Mike Boyd  
Steve Pleich

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY/  
PUBLIC FINANCING AUTHORITY MEETING  
MARCH 1, 2011

**General Business (continued)**

1. Approval of Redevelopment Agency Loan. (RDA, FN, Public Financing Authority)  
(continued)

Action

Councilmember/Member Robinson moved, seconded by Councilmember/Member Beiers, to adopt Redevelopment Agency Resolution No. 1519 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto; and to adopt City Council Resolution No. NS-28,330 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto; and to adopt Santa Cruz Public Financing Authority Resolution No. 4 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto. The motion carried unanimously.

**Adjournments**

At 8:18 p.m. the Redevelopment Agency adjourned from the special meeting of March 1, 2011 to the next regularly scheduled meeting of March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers; and the City Council adjourned from the special meeting of March 1, 2011 to the next regularly scheduled meeting on March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers; and the Public Financing Authority adjourned in accordance with Public Financing Authority Resolution 2, which states that no meeting is required to be held unless there is business to be conducted.

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Tom Graves  
Interim City Clerk Administrator

Approved

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Ryan Coonerty  
Mayor

**MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL**

CITY OF SANTA CRUZ  
809 Center Street  
Santa Cruz, California 95060

**MINUTES OF A REGULAR JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING**

MARCH 8, 2011

**3:00 P.M. SESSION**

Mayor Coonerty opened the Closed Litigation Session at 3:07 p.m. in a public session in the Courtyard Conference Room, for the purpose of announcing the agenda. No members of the public were present.

Council closed the session to the public at 3:08 p.m. All Councilmembers were present. (See pages 1431 through 1432 for report on closed session.)

**4:30 P.M. SESSION**

Mayor/Chair Coonerty called the meeting to order at 4:32 p.m. in the Council Chambers.

**Roll Call**

Present: Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas; Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Absent: None.

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Staff: City Manager M. Bernal, City Attorney J. Barisone, Director of Economic Development and Redevelopment B. Lipscomb, Director of Finance J. Dilles, Chief of Fire R. Oliver, Director of Administrative Services L. Sullivan, Director of Parks and Recreation D. Shoemaker, Director of Public Works M. Dettle, Records Coordinator N. Patiño, Office Supervisor L. Camarie.

**Pledge of Allegiance**

**Statements of Disqualification** – None.



**Additions and Deletions** – Item 4 was removed from the Consent Agenda and put into a public hearing, and the recommendations and actions were changed for items 7 and 11, after findings were made that the need to act arose after the posting of the agenda and action is required prior to the next meeting.

**Presentation** - Caltrans Median Project - Mission & Highway 9

### **Consent Agenda**

Items 4, 5, 10 and 13 were removed from the Consent Agenda.

#### Action

Vice Mayor/Vice Chair Lane moved, seconded by Councilmember/Member Terrazas, to approve the remaining items of the Consent Agenda.

1. Minutes of the February 22, 2011 Regular City Council Meeting. (CC)

Motion carried to approve as submitted.

2. Minutes of the February 22, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion carried to approve as submitted.

3. Minutes of the February 25, 2011 Council Retreat. (CC)

Motion carried to approve as submitted.

4. Zero Motorcycles Loan and Grant Agreement. (ED)

Mayor Coonerty opened the public hearing at 5:19 p.m.

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING SUPPORT:

Mike Tomasi

Mayor Coonerty closed the public hearing at 5:20 p.m.

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

4. Zero Motorcycles Loan and Grant Agreement. (ED) (continued)

Action

Member Terrazas moved, seconded by Member Robinson, to adopt Redevelopment Agency Resolution No. 1520 authorizing the Executive Director to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) for a \$177,906 AB2766 grant for the Zero Motorcycles Electric Powertrain facility in Harvey West Business Park, and to adopt Resolution No. 1521 authorizing the Executive Director to execute a Loan and Grant Agreement, in a form approved by the Agency Attorney, with Zero Motorcycles, Inc. in an amount up to \$352,906 to provide matching funds for the California Energy Commission's 2010 Alternative and Renewable Fuel and Vehicle Grant to Zero Motorcycles, and to adopt Redevelopment Agency Resolution No. 1522 amending the Agency's FY 2011 budget to accept and appropriate the \$177,906 of grant revenue, to appropriate up to \$175,000 of funds from the Debt Service fund for a loan to Zero Motorcycles, Inc., and to transfer \$25,000 of in-kind professional and technical services to provide a grant match for Zero Motorcycles, Inc. The motion carried unanimously.

5. Citywide Wayfinding Project – Authorization to Contract. (ED)

Director of Economic Development and Redevelopment B. Lipscomb and Arts Program Coordinator C. Birns presented oral reports and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING CONCERNS:

Reed Searle

Action

Councilmember/Member Beiers moved, seconded by Councilmember/Member Bryant, to authorize the Executive Director to execute a contract in the amount of up to \$313,038 with the City of Santa Cruz, in a form to be approved by the City Attorney, for design, fabrication and installation of priority Wayfinding project elements. The motion carried unanimously.

**Consent Agenda (continued)**

6. Lower Pacific Avenue Parking Study – Authorization for Consultant Services. (ED)

Redevelopment Agency Resolution No. 1523 was adopted authorizing the Executive Director to award and execute a contract, in a form approved by the Agency Attorney, with a consultant firm specializing in transportation and/or parking analysis and planning to carry out a Lower Pacific Avenue Parking Study.

Redevelopment Agency Resolution No. 1524 was adopted appropriating funds and amending the FY 2011 budget in the amount of up to \$155,500 to fund the Lower Pacific Avenue Parking Study.

7. 110 Lindberg Street Project – Budget Adjustment. (ED)

Note: Written material was provided prior to the meeting.

Redevelopment Agency Resolution No. 1525 was adopted appropriating funds and amending the FY11 budget in the amount of up to \$2,200,000 to fund the 110 Lindberg Street Project from the Merged Project Area Capital Fund and decreasing the appropriation in the amount of \$2,200,000 from the Agency Capital Housing Fund.

8. Mercy Housing California – Development Agreement. (ED)

Note: Written material was provided prior to the meeting.

Redevelopment Agency Resolution No. 1526 was adopted authorizing the Executive Director to enter into a Development Agreement, subject to approval by the Agency Attorney, with Mercy Housing California, a California limited partnership, in the amount of \$1,170,000 for the purposes of constructing a senior housing project and certifying the Environmental Review process under CEQA for the proposed project;

Redevelopment Agency Resolution No. 1527 was adopted appropriating funds and amending the FY11 budget in the amount of \$1,170,000 to fund the Mercy Housing Project.

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

9. Riverside Avenue Improvements Phase II Project – Cooperation Agreement. (ED)

Note: Written material was provided prior to the meeting.

Resolution No. NS-28,331 was adopted authorizing the City Manager to execute a Cooperation Agreement with the Redevelopment Agency through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Redevelopment Agency Resolution No. 1528 was adopted authorizing the Executive Director to execute a Cooperation Agreement with the City through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Resolution No. NS-28,332 was adopted amending the FY11 budget to accept and appropriate Redevelopment funding in the amount of up to \$2,850,000 to fund the Riverside Avenue Utility Undergrounding and Streetscape Improvements.

Redevelopment Agency Resolution No. 1529 was adopted appropriating funds and amending the FY11 budget in the amount of up to \$2,850,000 to fund the Riverside Avenue Improvements Phase II Project.

10. Acquisition of Santa Cruz METRO Trolley. (ED)

Note: Written material was provided prior to the meeting.

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION:

Mike Tomasi  
Reed Searle

**Consent Agenda (continued)**

10. Acquisition of Santa Cruz METRO Trolley. (ED) (continued)

Action

Member Robinson moved, seconded by Vice Chair Lane, to adopt Redevelopment Agency Resolution No. 1530 authorizing the Executive Director to enter into a Purchase Agreement and/or Loan Agreement with the Santa Cruz METRO for the acquisition of a trolley and trolley shelter, and to adopt Redevelopment Agency Resolution No. 1531 appropriating funds and amending the FY11 budget in the amount of up to \$110,000 to fund acquisition of the Santa Cruz METRO trolley and shelter. The motion carried unanimously.

11. Redevelopment Agency Owned Property (APNs attached). (ED)

Resolution No. NS-28,333 was adopted accepting the potential transfer of Agency-owned property and authorizing the City Manager to execute all documents necessary to facilitate the transfer of the property.

Redevelopment Agency Resolution No. 1532 was adopted approving the potential transfer of Agency-owned property to the City of Santa Cruz and authorizing the Executive Director to execute all documents necessary to facilitate the transfer of the property.

12. Resolution Selecting Vendor for the Virtualization Project and Energy Efficiency Improvements for the Data Communications Center. (IT)

Note: Written material was provided prior to the meeting.

Resolution No. NS-28,334 was adopted authorizing the City Manager to execute a contract agreement in a form approved by the City Attorney with contractor to be determined upon proposal review on March 3, 2011 in the amount of \$271,000 for the procurement of hardware and professional services associated with virtualizing the City's data communications center.

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

13. Authorization to enter into a Memorandum of Understanding (MOU) with Harvey West Community Pool (HWCP) in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. (PK)

Director of Parks and Recreation D. Shoemaker presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING SUPPORT:

Jim Booth  
Mike Tomasi

Action

Councilmember Bryant moved, seconded by Councilmember Terrazas to adopt Resolution No. NS-28,335 authorizing and directing the City Manager to enter into a MOU with Harvey West Community Pool in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. The motion carried unanimously.

14. Bicycle Transportation Account Grant Applications. (PW)

Resolution No. NS-28,336 was adopted authorizing the City Manager to submit a grant application to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Mission Street Extension Multiuse Path Project.

Resolution No. NS-28,337 was adopted authorizing the City Manger to submit a grant application on behalf of the University of California at Santa Cruz to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Campus Facilities Bicycle Lockers Project.

**Consent Agenda (continued)**

15. North Coast System Rehabilitation Project - Harvey West Segment – Adoption of Mitigated Negative Declaration, Approval of Plans and Specifications, Authorization to Advertise for Bids and Award Contract. (WT)

Resolution No. NS-28,338 was adopted adopting the Mitigated Negative Declaration for the North Coast System Rehabilitation Project, Harvey West Segment; and

Motion carried to approve the construction plans and specifications for the North Coast System Rehabilitation Project, Harvey West Segment and to authorize staff to advertise for bids for construction. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

16. Bay Street Reservoir Reconstruction Project – Engineering Design and Construction Support Services - Contract Amendment No. 2. (WT)

Motion carried to authorize the City Manager to execute Contract Amendment No. 2 in the amount of \$760,865 with AECOM Technical Services, Inc. (formerly AECOM USA, Inc. and Boyle Engineering Corporation) for additional engineering design and construction support services for the Bay Street Reservoir Reconstruction Project.

**End of Consent Agenda**

JOINT CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**General Business**

17. Advisory Body Nomination—Santa Cruz County Hazardous Materials Advisory Commission (One Reappointment, with a Term Expiration of 4/1/15). (CC)

Motion carried to nominate Fire Battalion Chief Mike Venezia for reappointment by the County Board of Supervisors to the County Hazardous Materials Advisory Commission.

18. Council Meeting Calendar. (CC)

City Manager M. Bernal announced that there will be a Special Closed Session Meeting on April 5 at 2:00 p.m. and a Study Session on the Habitat Conservation Plan at 4 p.m. instead of the Capital Improvement Programs hearing.

19. City Attorney Oral Report on Closed Session.

- A. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).

1. Transfer of Redevelopment Agency Owned Properties to City City Negotiator—Martin Bernal; Redevelopment Negotiator- Bonnie Lipscomb  
See attached list for properties and APNs

This item was not discussed and moved to the Open Session.

- B. Conference With Legal Counsel - Existing Litigation (Government Code §54956.9).

1. California Native Plant Society v. City of Santa Cruz  
(Branciforte Creek Subdivision)  
Santa Cruz Superior Court Case No. CV157292

Council received a status report and instructed the City Attorney.



**General Business (continued)**

19. City Attorney Oral Report on Closed Session. (continued)
- C. Conference With Legal Counsel - Anticipated Litigation (Government Code §54956.9).
- 1 case was discussed.
- D. Initiation of Litigation by City (Government Code §54956.9(c)).
1. City v. Gravago – Violation of City “Going Out of Business” Ordinance.
  2. City v. Howard – Violation of Accessory Dwelling Unit Ordinance.
- 2 cases were discussed. Council instructed the City Attorney.  
No reportable action was taken.
20. Council Memberships in Outside Groups and Outside Agencies.
- Councilmember Terrazas informed Councilmembers that the Library Joint Powers Board met on March 7, 2011 and will meet again on April 5, 2011 to review the final plan for the Library.

## **Joint City Council/Redevelopment Agency**

**5:00 P.M.**

### **Joint City Council/Redevelopment Agency Oral Communications**

Steve Pleich spoke regarding Project Homeless Connect and other resources and services for homeless people.

Ed Davidson spoke regarding his rent being raised to cover costs to the landlord in increased utilities costs and the new Rental Inspection Program.

Mike Tomasi spoke regarding veterans and senior citizens.

Peter Pethoe spoke regarding the Water Commission meeting, the desalination project costs and the increasing water rates.

Councilmember Madrigal reminded the public about the prom dress give-away at the Walnut Avenue Women's Center.

**Recess** - At 5:52 p.m. the City Council recessed to the 7:00 p.m. session.

**Adjournment** - At 5:52 p.m. the Redevelopment Agency adjourned from the regular meeting of March 8, 2011 to the next regularly scheduled meeting of March 22, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

CITY OF SANTA CRUZ  
809 Center Street  
Santa Cruz, California 95060

## MINUTES OF A CITY COUNCIL MEETING

MARCH 8, 2010

### 7:00 P.M. SESSION

Mayor/Chair Coonerty called the meeting to order at 3:02 p.m. in the Council Chambers.

#### Roll Call

Present: Councilmembers Robinson, Beiers, Madrigal, Terrazas, Bryant, Vice Mayor Lane; Mayor Coonerty.

Absent: None.

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Staff: City Manager M. Bernal, City Attorney J. Barisone, Associate Planner M. Ferry, Assistant Director of Planning A. Khoury, Assistant Director of Public Works C. Schneiter, Records Coordinator N. Patiño, Office Supervisor L. Camarie.

**Presentation** - Hope Services – Sally French

#### Public Hearing

21. 5 Isbel Drive, CP10-0120, APN 008-491-14,15– Demolition Authorization and a Major Modification to Application No. 04-270; an Approved Planned Development Including Modified Site Area Standards, Lot Standards, Design Permit, Road Abandonment, Heritage Tree Removal Permit and a Tentative Subdivision Map for a 40 Unit Subdivision at the Corner of Market and Isbel in the R-1-5 Zone District. (Environmental Determination: EIR Addendum). (PL)

Mayor Coonerty opened the public hearing at 8:39 p.m.

Associate Planner M. Ferry, Assistant Director of Planning A. Khoury and Assistant Director of Public Works C. Schneiter presented oral reports and responded to Council's questions.

CITY COUNCIL MEETING  
MARCH 8, 2011  
7:00 P.M. SESSION

**Public Hearing (continued)**

20. 5 Isbel Drive, CP10-0120, APN 008-491-14,15– Demolition Authorization and a Major Modification to Application No. 04-270; an Approved Planned Development Including Modified Site Area Standards, Lot Standards, Design Permit, Road Abandonment, Heritage Tree Removal Permit and a Tentative Subdivision Map for a 40 Unit Subdivision at the Corner of Market and Isbel in the R-1-5 Zone District. (Environmental Determination: EIR Addendum). (PL) (continued)

**SPEAKING FROM THE FLOOR EXPRESSING CONCERNS:**

Jim Strickland  
Micah Posner  
Dustin Dennis  
Kathy Ferraro  
Vince Cheap  
Tawn Kennedy  
Zoe Altenberg  
Debbie Bulger  
Mike Nardel  
Linda Locatelli  
Dan Lovejoy  
Sean Ferraro  
Brian Mayer  
Ryan Lovejoy  
Ed Silveira  
Nicolas Phan  
Gordon Lyon

Mayor Coonerty closed the public hearing at 9:12 p.m.

**Recess** – At 9:12 p.m. Council took a 10-minute recess.

At 9:26 p.m. Council reconvened.

1436  
CITY COUNCIL MEETING  
MARCH 8, 2011  
7:00 P.M. SESSION

**Public Hearing (continued)**

21. 5 Isbel Drive, CP10-0120, APN 008-491-14,15– Demolition Authorization and a Major Modification to Application No. 04-270; an Approved Planned Development Including Modified Site Area Standards, Lot Standards, Design Permit, Road Abandonment, Heritage Tree Removal Permit and a Tentative Subdivision Map for a 40 Unit Subdivision at the Corner of Market and Isbel in the R-1-5 Zone District. (Environmental Determination: EIR Addendum). (PL) (continued)

APPLICANTS/CONTRACTORS/CONSULTANTS SPEAKING IN  
SUPPORT OF THE PROJECT:

Norman Schwartz  
Julia Morarity  
Ray Panick  
Ross Wells

Councilmember Beiers moved to amend the main motion to conduct a solar study on Lot 31 and paid by the applicant.

The motion failed for lack of a second.

CITY COUNCIL MEETING  
 MARCH 8, 2011  
 7:00 P.M. SESSION

### **Public Hearing (continued)**

21. 5 Isbel Drive, CP10-0120, APN 008-491-14,15– Demolition Authorization and a Major Modification to Application No. 04-270; an Approved Planned Development Including Modified Site Area Standards, Lot Standards, Design Permit, Road Abandonment, Heritage Tree Removal Permit and a Tentative Subdivision Map for a 40 Unit Subdivision at the Corner of Market and Isbel in the R-1-5 Zone District. (Environmental Determination: EIR Addendum). (PL) (continued)

#### Action

Councilmember Madrigal moved, seconded by Councilmember Robinson, to adopt Resolution No. NS-28,339 approving the Demolition Authorization and Major Modification to Application No. 04-270 consistent with the certified EIR and EIR Addendum based upon the Findings, Conditions and Mitigation Monitoring Plan; eliminating condition #12; and requiring the applicant to revise the layout of lot 31 to preserve oak no. 94 and to move the house an additional six feet to the south to create a 14-foot setback from the north property line; and that construction hours be limited to 8:00 a.m. to 6:00 p.m. Monday through Friday and 9 a.m. to 5:00 p.m. Saturday; and requiring applicant to revise the plans to include a seven-foot wide sidewalk on the Market Street frontage. The revised plans shall be reviewed and approved by the Department of Public Works; and the curb radii at the Market Street entrance shall meet the minimum required for fire apparatus access and shall be approved by the Fire Department; and requiring applicant to contribute \$20,000 at the time of building permit issuance for infrastructure improvements on the east side of Market Street south of Goss to provide a northbound bike lane and sidewalk; and the remedial grading and other site work shall be limited to the hours of 8:00 a.m. to 6:00 p.m. Monday through Friday, and require that construction and contractor personal vehicles shall park on site. Coordination and approval of the Public Works Department is required for an alternative parking arrangement, and to expand condition #49 to include the words, "...brochure and a historical plaque with the final determination to be made by staff, reviewed and approved by the Historic Preservation Commission." The motion carried unanimously.

**Adjournment** - At 10:30 p.m. the City Council adjourned from the regularly scheduled meeting of March 8, 2011 to the next regular meeting on March 22, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

1438  
CITY COUNCIL MEETING  
MARCH 8, 2011  
7:00 P.M. SESSION

Respectfully submitted

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Nydia Patiño  
Records Coordinator

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Tom Graves  
Interim City Clerk Administrator

Approved

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Ryan Coonerty  
Mayor

**MINUTES ARE UNOFFICIAL UNTIL APPROVED**

**JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AND  
PUBLIC FINANCING AUTHORITY MEETING MINUTES**

Special Meeting

March 01, 2011

**Joint City Council/Redevelopment Agency and Public Financing Authority**

**7:00 PM**

**Call to Order** – 7:03 p.m.

**Roll Call** – Councilmembers/Members Robinson, Beiers, Madrigal (arrived 7:18 p.m.), Terrazas, Bryant, Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty (arrived 7:08 p.m.).

**General Business**

1. Approval of Redevelopment Agency Loan. (RDA, FN, Public Financing Authority)

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR IN SUPPORT AND/OR EXPRESSING CONCERNS:

Kathleen Crocetti  
Bill Tysseling

SPEAKING FROM THE FLOOR IN OPPOSITION AND/OR EXPRESSING CONCERNS:

Ron Pomerantz  
Mike Boyd  
Steve Pleich



REDEVELOPMENT AGENCY/  
PUBLIC FINANCING AUTHORITY MEETING  
MARCH 1, 2011

**General Business (continued)**

1. Approval of Redevelopment Agency Loan. (RDA, FN, Public Financing Authority) (continued)

Action

Councilmember/Member Robinson moved, seconded by Councilmember/Member Beiers, to adopt Redevelopment Agency Resolution No. 1519 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto; and to adopt City Council Resolution No. NS-28,330 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto; and to adopt Santa Cruz Public Financing Authority Resolution No. 4 authorizing the issuance and sale of tax allocation bonds and authorizing actions related thereto. The motion carried unanimously.

**Adjournments**

At 8:18 p.m. the Redevelopment Agency adjourned from the special meeting of March 1, 2011 to the next regularly scheduled meeting of March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers; and the City Council adjourned from the special meeting of March 1, 2011 to the next regularly scheduled meeting on March 8, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers; and the Public Financing Authority adjourned in accordance with Public Financing Authority Resolution 2, which states that no meeting is required to be held unless there is business to be conducted.

Approved

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Ryan Coonerty  
Chair

Attest

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Bonnie Lipscomb  
Executive Director

**MINUTES ARE UNOFFICIAL UNTIL APPROVED BY COUNCIL**

CITY OF SANTA CRUZ  
809 Center Street  
Santa Cruz, California 95060

**MINUTES OF A REGULAR  
REDEVELOPMENT AGENCY MEETING**

MARCH 8, 2011

**4:30 P.M. SESSION**

Mayor/Chair Coonerty called the meeting to order at 4:32 p.m. in the Council Chambers.

**Roll Call**

Present: Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas; Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Absent: None.

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Staff: City Manager M. Bernal, City Attorney J. Barisone, Director of Economic Development and Redevelopment B. Lipscomb, Director of Finance J. Dilles, Chief of Fire R. Oliver, Director of Administrative Services L. Sullivan, Director of Parks and Recreation D. Shoemaker, Director of Public Works M. Dettle, Records Coordinator N. Patiño, Office Supervisor L. Camarie.

**Pledge of Allegiance**

**Statements of Disqualification** – None.

REDEVELOPMENT AGENCY MEETING  
 MARCH 8, 2011  
 4:30 P.M. SESSION

**Additions and Deletions** – Item 4 was removed from the Consent Agenda and put into a public hearing, and the recommendations and actions were changed for items 7 and 11, after findings were made that the need to act arose after the posting of the agenda and action is required prior to the next meeting.

**Presentation** - Caltrans Median Project - Mission & Highway 9

**Consent Agenda**

Items 4, 5, 10 and 13 were removed from the Consent Agenda.

Action

Vice Mayor/Vice Chair Lane moved, seconded by Councilmember/Member Terrazas, to approve the remaining items of the Consent Agenda.

1. Minutes of the February 22, 2011 Regular City Council Meeting. (CC)

Motion carried to approve as submitted.

2. Minutes of the February 22, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion carried to approve as submitted.

3. Minutes of the February 25, 2011 Council Retreat. (CC)

Motion carried to approve as submitted.

4. Zero Motorcycles Loan and Grant Agreement. (ED)

Mayor Coonerty opened the public hearing at 5:19 p.m.

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING SUPPORT:

Mike Tomasi

Mayor Coonerty closed the public hearing at 5:20 p.m.

**Consent Agenda (continued)**

4. Zero Motorcycles Loan and Grant Agreement. (ED) (continued)

Action

Member Terrazas moved, seconded by Member Robinson, to adopt Redevelopment Agency Resolution No. 1520 authorizing the Executive Director to enter into a Grant Acceptance Agreement with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) for a \$177,906 AB2766 grant for the Zero Motorcycles Electric Powertrain facility in Harvey West Business Park, and to adopt Resolution No. 1521 authorizing the Executive Director to execute a Loan and Grant Agreement, in a form approved by the Agency Attorney, with Zero Motorcycles, Inc. in an amount up to \$352,906 to provide matching funds for the California Energy Commission's 2010 Alternative and Renewable Fuel and Vehicle Grant to Zero Motorcycles, and to adopt Redevelopment Agency Resolution No. 1522 amending the Agency's FY 2011 budget to accept and appropriate the \$177,906 of grant revenue, to appropriate up to \$175,000 of funds from the Debt Service fund for a loan to Zero Motorcycles, Inc., and to transfer \$25,000 of in-kind professional and technical services to provide a grant match for Zero Motorcycles, Inc. The motion carried unanimously.

5. Citywide Wayfinding Project – Authorization to Contract. (ED)

Director of Economic Development and Redevelopment B. Lipscomb and Arts Program Coordinator C. Birns presented oral reports and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING CONCERNS:

Reed Searle

Action

Councilmember/Member Beiers moved, seconded by Councilmember/Member Bryant, to authorize the Executive Director to execute a contract in the amount of up to \$313,038 with the City of Santa Cruz, in a form to be approved by the City Attorney, for design, fabrication and installation of priority Wayfinding project elements. The motion carried unanimously.

REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

6. Lower Pacific Avenue Parking Study – Authorization for Consultant Services. (ED)

Redevelopment Agency Resolution No. 1523 was adopted authorizing the Executive Director to award and execute a contract, in a form approved by the Agency Attorney, with a consultant firm specializing in transportation and/or parking analysis and planning to carry out a Lower Pacific Avenue Parking Study.

Redevelopment Agency Resolution No. 1524 was adopted appropriating funds and amending the FY 2011 budget in the amount of up to \$155,500 to fund the Lower Pacific Avenue Parking Study.

7. 110 Lindberg Street Project – Budget Adjustment. (ED)

Note: Written material was provided prior to the meeting.

Redevelopment Agency Resolution No. 1525 was adopted appropriating funds and amending the FY11 budget in the amount of up to \$2,200,000 to fund the 110 Lindberg Street Project from the Merged Project Area Capital Fund and decreasing the appropriation in the amount of \$2,200,000 from the Agency Capital Housing Fund.

8. Mercy Housing California – Development Agreement. (ED)

Note: Written material was provided prior to the meeting.

Redevelopment Agency Resolution No. 1526 was adopted authorizing the Executive Director to enter into a Development Agreement, subject to approval by the Agency Attorney, with Mercy Housing California, a California limited partnership, in the amount of \$1,170,000 for the purposes of constructing a senior housing project and certifying the Environmental Review process under CEQA for the proposed project;

Redevelopment Agency Resolution No. 1527 was adopted appropriating funds and amending the FY11 budget in the amount of \$1,170,000 to fund the Mercy Housing Project.

REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

9. Riverside Avenue Improvements Phase II Project – Cooperation Agreement. (ED)

Note: Written material was provided prior to the meeting.

Resolution No. NS-28,331 was adopted authorizing the City Manager to execute a Cooperation Agreement with the Redevelopment Agency through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Redevelopment Agency Resolution No. 1528 was adopted authorizing the Executive Director to execute a Cooperation Agreement with the City through which the Agency will contribute to the Riverside Avenue Improvements Phase II Project.

Resolution No. NS-28,332 was adopted amending the FY11 budget to accept and appropriate Redevelopment funding in the amount of up to \$2,850,000 to fund the Riverside Avenue Utility Undergrounding and Streetscape Improvements.

Redevelopment Agency Resolution No. 1529 was adopted appropriating funds and amending the FY11 budget in the amount of up to \$2,850,000 to fund the Riverside Avenue Improvements Phase II Project.

10. Acquisition of Santa Cruz METRO Trolley. (ED)

Note: Written material was provided prior to the meeting.

Director of Economic Development and Redevelopment B. Lipscomb presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING OPPOSITION:

Mike Tomasi  
Reed Searle

REDEVELOPMENT AGENCY MEETING  
 MARCH 8, 2011  
 4:30 P.M. SESSION

**Consent Agenda (continued)**

10. Acquisition of Santa Cruz METRO Trolley. (ED) (continued)

Action

Member Robinson moved, seconded by Vice Chair Lane, to adopt Redevelopment Agency Resolution No. 1530 authorizing the Executive Director to enter into a Purchase Agreement and/or Loan Agreement with the Santa Cruz METRO for the acquisition of a trolley and trolley shelter, and to adopt Redevelopment Agency Resolution No. 1531 appropriating funds and amending the FY11 budget in the amount of up to \$110,000 to fund acquisition of the Santa Cruz METRO trolley and shelter. The motion carried unanimously.

11. Redevelopment Agency Owned Property (APNs attached). (ED)

Resolution No. NS-28,333 was adopted accepting the potential transfer of Agency-owned property and authorizing the City Manager to execute all documents necessary to facilitate the transfer of the property.

Redevelopment Agency Resolution No. 1532 was adopted approving the potential transfer of Agency-owned property to the City of Santa Cruz and authorizing the Executive Director to execute all documents necessary to facilitate the transfer of the property.

12. Resolution Selecting Vendor for the Virtualization Project and Energy Efficiency Improvements for the Data Communications Center. (IT)

Note: Written material was provided prior to the meeting.

Resolution No. NS-28,334 was adopted authorizing the City Manager to execute a contract agreement in a form approved by the City Attorney with contractor to be determined upon proposal review on March 3, 2011 in the amount of \$271,000 for the procurement of hardware and professional services associated with virtualizing the City's data communications center.

REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

13. Authorization to enter into a Memorandum of Understanding (MOU) with Harvey West Community Pool (HWCP) in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. (PK)

Director of Parks and Recreation D. Shoemaker presented an oral report and responded to Council's questions.

SPEAKING FROM THE FLOOR EXPRESSING SUPPORT:

Jim Booth  
Mike Tomasi

Action

Councilmember Bryant moved, seconded by Councilmember Terrazas to adopt Resolution No. NS-28,335 authorizing and directing the City Manager to enter into a MOU with Harvey West Community Pool in association with Jim Booth Swim Schools to memorialize City Council's support of HWCP's proposal to operate the large pool at Harvey West Pool from June 15, 2011 through September 15, 2011 once funds are raised to cover associated costs. The motion carried unanimously.

14. Bicycle Transportation Account Grant Applications. (PW)

Resolution No. NS-28,336 was adopted authorizing the City Manager to submit a grant application to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Mission Street Extension Multiuse Path Project.

Resolution No. NS-28,337 was adopted authorizing the City Manger to submit a grant application on behalf of the University of California at Santa Cruz to the Bicycle Transportation Account (BTA) FY 2011/2012 Program for the Campus Facilities Bicycle Lockers Project.



REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**Consent Agenda (continued)**

15. North Coast System Rehabilitation Project - Harvey West Segment – Adoption of Mitigated Negative Declaration, Approval of Plans and Specifications, Authorization to Advertise for Bids and Award Contract. (WT)

Resolution No. NS-28,338 was adopted adopting the Mitigated Negative Declaration for the North Coast System Rehabilitation Project, Harvey West Segment; and

Motion carried to approve the construction plans and specifications for the North Coast System Rehabilitation Project, Harvey West Segment and to authorize staff to advertise for bids for construction. The City Manager is hereby authorized and directed to execute the contract as authorized by Resolution No. NS-27,563.

16. Bay Street Reservoir Reconstruction Project – Engineering Design and Construction Support Services - Contract Amendment No. 2. (WT)

Motion carried to authorize the City Manager to execute Contract Amendment No. 2 in the amount of \$760,865 with AECOM Technical Services, Inc. (formerly AECOM USA, Inc. and Boyle Engineering Corporation) for additional engineering design and construction support services for the Bay Street Reservoir Reconstruction Project.

**End of Consent Agenda**

REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**General Business**

17. Advisory Body Nomination—Santa Cruz County Hazardous Materials Advisory Commission (One Reappointment, with a Term Expiration of 4/1/15). (CC)

Motion carried to nominate Fire Battalion Chief Mike Venezia for reappointment by the County Board of Supervisors to the County Hazardous Materials Advisory Commission.

18. Council Meeting Calendar. (CC)

City Manager M. Bernal announced that there will be a Special Closed Session Meeting on April 5 at 2:00 p.m. and a Study Session on the Habitat Conservation Plan at 4 p.m. instead of the Capital Improvement Programs hearing.

19. City Attorney Oral Report on Closed Session.

- A. Conference with Real Property Negotiator- Real Property Negotiations (Government Code §54956.8).

1. Transfer of Redevelopment Agency Owned Properties to City City Negotiator—Martin Bernal; Redevelopment Negotiator- Bonnie Lipscomb  
See attached list for properties and APNs

This item was not discussed and moved to the Open Session.

- B. Conference With Legal Counsel - Existing Litigation (Government Code §54956.9).

1. California Native Plant Society v. City of Santa Cruz  
(Branciforte Creek Subdivision)  
Santa Cruz Superior Court Case No. CV157292

Council received a status report and instructed the City Attorney.

REDEVELOPMENT AGENCY MEETING  
MARCH 8, 2011  
4:30 P.M. SESSION

**General Business (continued)**

19. City Attorney Oral Report on Closed Session. (continued)
- C. Conference With Legal Counsel - Anticipated Litigation (Government Code §54956.9).
- 1 case was discussed.
- D. Initiation of Litigation by City (Government Code §54956.9(c)).
1. City v. Gravago – Violation of City “Going Out of Business” Ordinance.
  2. City v. Howard – Violation of Accessory Dwelling Unit Ordinance.
- 2 cases were discussed. Council instructed the City Attorney.  
No reportable action was taken.
20. Council Memberships in Outside Groups and Outside Agencies.
- Councilmember Terrazas informed Councilmembers that the Library Joint Powers Board met on March 7, 2011 and will meet again on April 5, 2011 to review the final plan for the Library.

## REDEVELOPMENT AGENCY MEETING

### 5:00 P.M. SESSION

#### Joint City Council/Redevelopment Agency Oral Communications

Steve Pleich spoke regarding Project Homeless Connect and other resources and services for homeless people.

Ed Davidson spoke regarding his rent being raised to cover costs to the landlord in increased utilities costs and the new Rental Inspection Program.

Mike Tomasi spoke regarding veterans and senior citizens.

Peter Pethoe spoke regarding the Water Commission meeting, the desalination project costs and the increasing water rates.

Councilmember Madrigal reminded the public about the prom dress give-away at the Walnut Avenue Women's Center.

**Recess** - At 5:52 p.m. the City Council recessed to the 7:00 p.m. session.

**Adjournment** - At 5:52 p.m. the Redevelopment Agency adjourned from the regular meeting of March 8, 2011 to the next regularly scheduled meeting of March 22, 2011, for a closed litigation session at 1:30 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in Council Chambers.

Approved

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Ryan Coonerty  
Chair

Attest

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Bonnie Lipscomb  
Executive Director



## CITY COUNCIL AGENDA REPORT

DATE: March 14, 2011

AGENDA OF: March 14, 2011

DEPARTMENT: Parks and Recreation

SUBJECT: Sister Cities Committee Bylaws Revision (PK)

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RECOMMENDATION: Motion to adopt the amended bylaws setting forth said amendment to the days of the Sister Cities Committee meetings.

---

BACKGROUND: The Sister Cities Committee is an 11-member advisory body appointed by the City Council. The Committee fosters international understanding through its five sister cities: Shingu, Japan; Alushta, Ukraine; Sestri Levante, Italy; Jinotepe, Nicaragua and Puerto La Cruz, Venezuela. The committee meets the 4<sup>th</sup> Monday of every other month.

DISCUSSION: At the February 28, 2011 Sister Cities Committee meeting members voted unanimously to recommend that City Council authorize a change to the Committee bylaws to meet the 2<sup>nd</sup> Monday every other month (January, March, May, July, September and November) effective the May 9, 2011 meeting.

Prepared by:  
Lisa McGinnis  
Recreation Supervisor

Submitted by:  
Dannettee Shoemaker  
Director of Parks and Recreation

Approved by:  
Martin Bernal  
City Manager

Attachments: Amended Bylaws  
Sister Cities Committee meeting minutes February 28, 2011



BYLAWS

of the

Sister Cities Committee  
City of Santa Cruz, California

Under authority of applicable statutes of the State of California, and the City Charter of the City of Santa Cruz, California, for the purpose of establishing rules and regulations governing the organization and procedures of the Sister Cities Committee of the City of Santa Cruz, CA

Adopted February 28, 2011

Approved by City Council March 22, 2011

Amended this 28<sup>th</sup> day of March, 2011

APPROVED:

\_\_\_\_\_  
Enda Brennan, Chair

\_\_\_\_\_  
Martha Mangan

\_\_\_\_\_  
Bill Denevan

\_\_\_\_\_  
Rick Miritz

\_\_\_\_\_  
Nancy Eidam

\_\_\_\_\_  
Jade Taylor

\_\_\_\_\_  
Jennifer Hodges

\_\_\_\_\_  
Raisa Kikteva

\_\_\_\_\_  
Deborah Luhrman

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

Lisa McGinnis, Staff

*[Handwritten Signature]*  
APPROVED TO FORM  
3-8-11  
CITY ATTORNEY

**Sister Cities Committee Bylaws**

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# **Sister Cities Committee Bylaws**

## **ARTICLE I – NAME AND/OR AUTHORITY**

The Name of this organization shall be the Sister Cities Committee of the City of Santa Cruz, California; hereinafter referred to as the Committee or the Advisory Body.

## **ARTICLE II – PURPOSE**

The Sister Cities Committee was first established to coordinate activities with the Sister Cities of Santa Cruz per Resolution NS-13,962, adopted on August 5, 1980. The Sister Cities Committee was re-established to coordinate activities with the Sister Cities of Santa Cruz per Resolution NS-15,537A, adopted on October 25, 1983. The objects and purposes of the Committee shall be:

1. To encourage the people of the City of Santa Cruz and the people of its Sister Cities to understand one another as individuals, as members of their community, as citizens of their country, and as part of the family of nations.
2. To foster continuing relationships of mutual concern between the people of the City of Santa Cruz and the people of its Sister Cities.

## **ARTICLE III – DUTIES AND RESPONSIBILITIES**

The Sister Cities Committee shall have the ability, as vested by the City Council, and be required to:

- Make recommendations concerning proposed Sister Cities;
- Undertake studies in the area of international relations;
- Act in an advisory capacity to the City Council in all matters pertaining to Sister Cities;
- Receive complaints pertaining to Sister Cities;
- Review and make recommendations to the City Council pertaining to Sister Cities;
- Review, monitor, and make long-range recommendations concerning Sister Cities;
- Hear and decide matters relating to Sister Cities; and
- Perform other duties as may from time to time be prescribed by the City Council.

## **ARTICLE IV – MEMBERSHIP**

### **Section 1. Membership**

The Sister Cities Committee shall consist of eleven (11) Sister Cities Committee members, hereinafter referred to as members.

Membership, term of office, and procedures for removal of members and the filling of vacancies shall be as established by City Ordinance or by the City Council.

### **Section 2. Qualifications**

Committee members shall be residents of the City of Santa Cruz with the exception of a maximum of three (3) members who may be non-residents of the City provided that the non-

resident committee members have experience in international affairs, business, education or cultural pursuits.

### Section 3. Application for Membership

Prospective members shall file an application in the office of the City Clerk.

### Section 4. Method of Appointment

Committee members shall be appointed at-large by the City Council.

### Section 5. Good Standing and Reporting of Absences

Councilmembers shall receive annual attendance reports prepared in the City Clerk's Department. Absences will be identified as "with notification" or "without notification." An absence is considered as "with notification" if the member notifies the chairperson or the staff prior to the meeting. If there has been no prior notification, the absence is considered "without notification." It is important to notify staff of any absences for the purposes of determining a quorum. Advisory body members are expected to attend meetings regularly.

Each member of the Committee is allowed one absence per calendar year, with the exception of meetings missed while conducting Sister Cities business.

It is the responsibility of staff of an advisory body to bring serious attendance issues to the attention of the Mayor or City Clerk prior to reaching the limit, if possible. If either through study of the annual attendance report or through other channels, the Mayor learns that a member has more than the allowable number of absences, the Mayor may notify the member or chairperson, that action may be initiated by Council to remove the member from the advisory body. The Mayor may choose to postpone or withhold notification to Council in unusual circumstances: for example, if the member is actively performing work for the advisory body outside of the regular meetings or is involved in subcommittee work.

### Section 6. Termination

After three meetings following appointment to the Advisory Body, each member shall be subject to removal by motion of any Councilmember, adopted by at least four affirmative votes.

### Section 7. Ex-Officio Membership "Optional"

The Sister Cities Committee may find that, because of the complexity of its work, it is desirable to add member(s) at-large to the Advisory Body to serve as non-voting ex-officio members to lend other opinions or expertise to the work of the Advisory Body. The City Council will authorize the Chair of the Advisory Body to nominate member(s)-at-large for Council approval to be non-voting ex-officio members for a determined period of time.

## **ARTICLE V – TERM OF OFFICE**

### Section 1. Term

Term of office for each member shall be four years. A member may be appointed to complete an unexpired term. A Member may continue to serve until his/her successor has been appointed.

## Section 2. Membership Year

A membership year shall be from January 1 – December 31.

## Section 3. Length of Term

A member shall not serve more than two consecutive full four-year terms. Upon completion of a member's eighth consecutive year of service, that member will be ineligible for reappointment for a period of two years. Members who have six years or less at the time their term expires are eligible for reappointment.

## Section 4. Dual Service

No member shall be eligible to serve on two Advisory Bodies unless one is established for less than 13 months.

# **ARTICLE VI – OFFICERS AND ELECTIONS**

## Section 1. Officers

Officers of the Advisory Body shall consist of a Chair and Vice Chair.

## Section 2. Election of Officers

As soon as is practicable following the first day of January of every year, there shall be elected from among the membership of the Advisory Body a Chair and Vice Chair.

## Section 3. Term of Office

The term of office for the Chair and Vice Chair is one calendar year. Officers may not serve in the same position for more than two consecutive years.

## Section 4. Nominations

The Chair will open the floor to nominations. Any member may nominate a candidate from the membership for the position of Chair or Vice Chair; nominations need not be seconded.

A member may withdraw his/her name if placed in nomination, announcing that, if elected, s/he would not be able to serve; but s/he shall not withdraw in favor of another member.

Once the nominations are complete, the Chair will ask for a motion to close the nominations; a second of, and vote on, the motion is required.

The Chair then declares that it has been moved and seconded that the nominations be closed, and the members proceed to the election.

#### Section 5. Voting

Voting may be by voice vote or by roll call vote.

The candidate who receives a majority of the votes is then declared to be legally elected to fill the office of Chair, and will immediately chair the remainder of the meeting.

The same procedure is followed for the election of Vice Chair.

#### Section 6. Vacancy of an Officer

Should a vacancy occur, for any reason, in the office of Chair or Vice Chair prior to the next annual election, a special election shall be held to fill the vacant office from among the membership. That member shall serve until a new appointment has been made.

#### Section 7. Removal of Elected Officers

The Chair or Vice Chair may be removed by a majority vote of the full Advisory Body at a regularly scheduled meeting of the Advisory Body, when all appointed members are present, or at a special meeting convened for that purpose at which a quorum is present. Any officer removed ceases to hold the office once the vote has been tallied and announced. If the Chair is removed, the Vice Chair shall become the new Chair. An election for the Vice Chair shall then be agendized for the next meeting.

#### Section 8. Duties of the Chair

The Chair shall preside at all regular meetings and may call special meetings. The Chair shall decide upon all points of order and procedure during the meeting; his/her decision shall be final unless overruled by a vote of the Advisory Body, in compliance with Article IX, Section 2, "General Conduct of Meetings." The Chair may not make motions, but may second motions on the floor. The Chair acts as primary contact for staff and shall represent the Advisory Body before City Council whenever the Advisory Body or Council considers it necessary. The Chair and staff shall jointly set the meeting agenda.

#### Section 9. Duties of the Vice Chair

The Vice Chair shall assume all duties of the Chair in the absence or disability of the Chair.

#### Section 10. Duties of the Acting Chair

In case of absence of both the Chair and the Vice Chair from any meeting, an Acting Chair shall be elected from among the members present, to serve only during the absence of the Chair and Vice Chair.

## **ARTICLE VII – STAFF SUPPORT**

### **Section 1. Staff**

Staff support and assistance is provided, but advisory bodies do not have supervisory authority over City employees. While they may work closely with advisory bodies, staff members remain responsible to their immediate supervisors and ultimately to the City Manager and Council.

The Director of Parks and Recreation shall designate appropriate staff to act as staff person(s) to assist and support the Advisory Body. Staff shall attend all regular and special Advisory Body meetings. Staff shall be responsible for coordination of such reports, studies, and recommendations as are necessary to assist the Advisory Body in the conduct of its business according to City Council policy and the Brown Act. Staff may enlist the assistance of other departments as required. Staff shall be responsible for all public notification regarding all regular and special Advisory Body meetings.

Staff shall record the minutes of the meetings in accordance with the guidelines established in the “Preparation of Minutes” section of the City Councilmembers' Handbook, shall supervise volunteers and interns, shall work closely with the Chair between meetings, shall make recommendations, prepare reports and proposals to the Advisory Body, may represent the Advisory Body at other meetings, presentations, and other public functions as requested, and shall perform administrative tasks.

Staff shall be responsible for the maintenance of proper records and files pertaining to Advisory Body business. Staff shall receive and record all exhibits, petitions, documents, or other materials presented to the Advisory Body in support of, or in opposition to, any question before the Advisory Body. Staff shall sign all notices prepared in connection with Advisory Body business, shall attest to all records of actions, transmittals, and referrals as may be necessary or required by law, and shall be responsible for compliance with all Brown Act postings and noticing requirements.

### **Section 2. Staff Relationship to the Advisory Body**

Given limited staff resources, the Chair or individual members shall not make separate requests of staff without approval of the Advisory Body. If a member has a research or report request, it shall be brought to the Advisory Body for discussion, consideration, and recommendation prior to making the request of staff. If not approved by the Advisory Body, the individual member shall be responsible for his/her own research or report.

Staff and the Chair shall jointly set the meeting agenda.

## **ARTICLE VIII – MEETINGS**

### **Section 1. Time and Location of Meetings**

The Advisory Body will hold its regular meeting on the **2nd Monday** of January, March, May, July, September and November, which shall begin at 7:00 p.m. in the Council Chambers and will adjourn no later than 9:00 p.m., unless the Chair, with concurrence of the Advisory Body, extends the time of adjournment.

If the scheduled date for a regular meeting falls on a holiday, such meeting shall be rescheduled in accordance with Council policy.

### **Section 2. Cancellation**

If a majority of the membership deems it necessary or desirable, a scheduled regular meeting may be cancelled or rescheduled upon giving notice, unless a public hearing has previously been noticed.

### **Section 3. Special Meetings**

The Chair of the Advisory Body, staff, or a majority of the membership of the Advisory Body may call a special meeting. Notice of such meeting shall state the purpose or the business to be transacted during such special meeting. No other business may be transacted at such special meeting other than as stated in the notice. Oral Communications are not required at special meetings as long as a statement appears on the agenda identifying that there will be no Oral Communications, but that members of the public will have the opportunity to address the Advisory Body on item(s) on the agenda.

## **ARTICLE IX – CONDUCT OF MEETINGS**

### **Section 1. Compliance with the Brown Act and Council Policies**

All regular, special, and adjourned meetings of the Advisory Body shall be open meetings to which the public and the press shall be admitted in compliance with the Brown Act. Meetings will be held at City facilities which are accessible to persons with disabilities.

### **Section 2. General Conduct of Meetings**

Points of order and conduct, including those not addressed by these Bylaws, shall be settled by the Chair, unless overruled by a majority vote of the Advisory Body. Points of order and conduct shall comply with the Brown Act, these Bylaws, and the City Councilmembers' Handbook. The Chair will consult with staff as necessary. Unresolved issues shall be referred to the City Attorney and continued to a future meeting.

### **Section 3. How Items Are Placed on the Agenda**

A request to have an item placed for consideration on a future agenda may be made by staff, any Advisory Body member or a member of the public. The Chair and staff will consider the validity (within the approved scope of work) and urgency of the request and determine when and if that item should be placed on an Advisory Body agenda. Issues can be referred to an advisory body by the City Council and may have time sensitive deadlines. The items must comply with the procedures in Article XII, Section 1, "Agenda Reports to Advisory Body."

#### Section 4. Quorum

A quorum of the Sister Cities Committee shall consist of six (6) whether or not there are vacancies on the Advisory Body.

#### Section 5. Absence of a Quorum

In the absence of a quorum at any meeting, such meeting shall be adjourned to the next regular meeting date by the Chair, Vice Chair, or staff.

A meeting may be declared adjourned for lack of a quorum after a 15-minute period has elapsed from the scheduled time of the start of the meeting. A meeting may also be declared adjourned in advance, if absence notifications received by staff provided for lack of a quorum. Adjournment may be declared by any member or staff.

#### Section 6. Agenda

The Chair and staff shall jointly set the meeting agenda and its format shall conform to the template set by Council Policy.

#### Section 7. Order of Business

The Chair or a majority vote of the Advisory Body may change the order of business.

### **ARTICLE X – MOTIONS**

#### Section 1. Call for Motion

Upon conclusion of preliminary discussion, any member other than the Chair may place a motion on the floor. The motion shall contain the proposed action.

#### Section 2. Seconding a Motion

The Chair shall receive all motions and shall call for a second to each motion. The Chair may second a motion.

#### Section 3. Lack of a Second

If, after a reasonable time, no second has been made, the motion shall be declared dead for lack of a second, and the Chair shall state this. This shall not be considered an action of the Advisory Body and shall not be included in the minutes.

#### Section 4. Discussion/Debate

After a motion has been made and seconded, the Chair shall call for a discussion of the question. All discussion shall be limited to the motion on the floor. At the close of the discussion, the Chair shall put the matter to a vote.

#### Section 5. Time Limits on Discussion/Debate

The Chair may, at his/her discretion, limit debate of any motion; except that each member shall have the opportunity to speak.

### Section 6. Amending a Motion

A motion to amend may be made by any member to revise a motion on the floor; but it cannot be a freestanding motion on its own, nor can it substitute for a main motion. The motion to amend must be voted upon, unless the maker and the second accept it as a friendly amendment, and, if it passes, it then becomes part of the main motion.

### Section 7. Withdrawing a Motion

Any motion may be withdrawn by the maker and the second and shall not be included in the meeting minutes.

### Section 8. Motion to Table

A motion to table may be made to suspend consideration of an item that appears on a meeting agenda for reasons of urgency or to end an unproductive discussion. A motion to table is not in order when another member has the floor. A motion to table requires a second, is not debatable, is not amendable, requires a majority vote for passage, and, if adopted, cannot be reconsidered at the meeting at which it is adopted. Members will refrain from using a motion to table as a means of capriciously limiting debate among members, to suppress a minority of the Advisory Body, or to avoid public input on an agenda item under consideration by the Advisory Body.

### Section 9. Results of Voting

The Chair shall state the results of each vote, e.g., “The motion passes by a vote of five to two.”

## **ARTICLE XI – VOTING**

### Section 1. Statements of Disqualification

Section 607 of the City Charter states that “...All members present at any meeting must vote unless disqualified, in which case the disqualification shall be publicly declared and a record thereof made.” No member may abstain from voting on any item, except on the approval of the minutes, when that member was absent.

The City of Santa Cruz has adopted a Conflict of Interest Code, and Section 8 of that Code states that “no person shall make or participate in a governmental decision which s/he knows or has reason to know will have a reasonably foreseeable material financial effect distinguishable from its effect on the public generally.”

Any member who has a disqualifying interest on a particular matter shall do all of the following:

- 1) Publicly identify the financial interest that gives rise to the conflict of interest or potential conflict of interest in detail sufficient to be understood by the public, except that disclosure of the exact street address of a residence is not required;
- 2) Recuse himself or herself from discussing and voting on the matter, or otherwise acting in violation of government code Section 87100;
- 3) Leave the room until after the discussion, vote, and any other disposition of the matter is concluded unless the matter has been placed on the portion of the agenda reserved for uncontested matters;



- 4) Notwithstanding paragraph 3, a public official may speak on the issue during the time that the general public speaks on the issue.

Any question regarding conflicts of interest shall be referred to the City Attorney.

#### Section 2. Voice Vote

All questions shall be resolved by voice vote. Each member shall vote “Aye” or “No” and the vote shall be so entered into the minutes, noting the vote of each member. A member may state the reasons for his or her vote, which reasons shall also be entered into the minutes of the meeting. All members including the Chair shall vote on all matters, except where s/he has a disqualifying interest. The only exception is that a member must abstain on voting to approve the minutes of a meeting at which he or she was not present.

#### Section 3. Roll Call Vote

Any member may request a roll call vote, either before or immediately after a voice vote. A roll call vote shall be taken without further discussion. The Advisory Body staff shall call the roll and each member shall state his/her vote for the record.

#### Section 4. Sealed Ballot Votes

No Advisory Body shall take a sealed ballot vote in open session.

#### Section 5. Adoption of

Adoption of a motion shall be made by a simple majority of the members present, except as otherwise provided. The Chair shall restate the vote for the record, e.g., “The motion is approved by a vote of five to two.”

#### Section 6. Tie Votes

Tie votes will be resolved as follows:

Statement of Disqualification: A tie vote resulting from a Statement of Disqualification of one or more members, with no members absent and no vacancies on the Advisory Body, shall constitute a defeat of the motion.

Absence: A tie vote during the absence of one or more members, or when there is a vacancy on the Advisory Body, shall cause the item to be automatically continued to the next meeting; except that, as to matters on which action must be taken on a date prior to the next meeting, a tie vote shall constitute a denial of the requested action.

Successive Tie Vote: A tie vote at the next meeting on a matter that has been continued as a result of a tie vote shall constitute a denial of the appeal or defeat of the motion.

## ARTICLE XII – REPORTS

### Section 1. Agenda Reports to Advisory Body

All agenda items require a written report. Written reports serve as the analysis, detail, history, and justification for each agenda item. Reports shall include recommendation(s) and background. If a report is initiated by an Advisory Body member, a draft of that report shall be provided to

staff for formatting at least 10 business days prior to the meeting. Staff shall then format reports to be consistent with content, style, and formatting of City Council agenda reports. Items initiated by a committee shall be processed in the same manner. Draft reports not submitted in a timely manner shall be placed on a future agenda.

#### Section 2. Committee Reports

Committee reports may be verbal or written and may be accompanied by written documentation.

#### Section 3. Preparation of Advisory Body-Generated City Council Agenda Reports

All resolutions and recommendations adopted by the Advisory Body and addressed to the City Council shall be delivered to the Mayor as soon as possible. If the action requests City Council action, the item shall be placed on a future City Council agenda. Agenda reports to the City Council from the Advisory Body shall be written reports consistent with content, style, and formatting of City Council agenda reports.

Additionally, the agenda report shall include a section called analysis, which includes the pros, cons, and foreseeable consequences of the recommendation(s). In the event that staff and the Advisory Body disagree, an analysis of both recommendations shall be included.

### **ARTICLE XIII – RECORD KEEPING**

#### Section 1. Maintenance of Records

All records shall be maintained according to the City of Santa Cruz Records Retention Schedule.

#### Section 2. Action Agenda

Action agendas are required for standing Advisory Bodies. An action agenda is an unofficial record of the meeting and shall consist of attendance; meeting start and adjourn times, and a brief description of actions taken. The action agenda shall be made available online within four working days of the meeting.

#### Section 3. Minutes

Action-only minutes will be produced for all Advisory Body meetings in the same format as that used for City Council meetings as referenced in Council Policy 5.14. Minutes, when approved by the advisory body, are the official record of the meeting and shall consist of attendance, meeting start and adjourn times, a brief description of actions taken, the motion maker and seconder of the motion; and an actual tally of the votes for all actions taken. Advisory Body members who want a particular comment included in the minutes must state “for the record” before making such comment. Minutes shall be reviewed, corrected as appropriate, and or amended and approved by the Advisory Body at a subsequent meeting. Approved minutes are a permanent document and shall be maintained in hard copy in perpetuity in addition to in electronic version.

Subcommittee reports presented orally in a meeting shall be summarized in the minutes.

#### Section 4. Electronic Recording of Meetings

Proceedings for all standing Brown-Act Advisory Body meetings shall be recorded on CDs or DVRs. The electronic media shall be retained for one year pursuant to the City of Santa Cruz Records Retention Schedule.

As appropriate and/or when requested by the Advisory Body or City Council, a meeting of the Advisory Body may be video recorded or televised.

Members of the public have the right to make recordings of a meeting without disrupting the proceedings under any circumstances.

## **ARTICLE XIV – COMMITTEES**

### **Section 1. Ad Hoc Committees**

Ad hoc committees are established by an Advisory Body to gather information or deliberate on issues deemed necessary to carrying out the functions and purpose of the Advisory Body. Ad hoc committees generally serve only a limited or single purpose, are not perpetual, and are dissolved once their specific task is completed. An ad hoc committee shall be less than six months in term and shall have fewer members than a simple majority of the membership of the appointing Advisory Body. Ad hoc committees shall bring back information to the Advisory Body in either oral or written form.

Following ad hoc committee input, the Advisory Body shall then discuss, deliberate, and make recommendations on the designated issue, thereby providing the public with the opportunity to participate in the decision-making process. This shall take place in the presence of a quorum of the Advisory Body at a properly noticed public meeting.

Ad hoc committees shall not be subject to the Brown Act. City staff shall not be required to be present at ad hoc committee meetings. All ad hoc committees shall provide a final report to the Advisory Body in lieu of minutes.

### **Section 2. Standing Committees**

Standing committees are bodies established to gather information or deliberate on issues deemed necessary to carrying out the functions and purpose of the Advisory Body. Standing committees are ongoing in nature and are created to deal with issues and make decisions on behalf of the Advisory Body. The public has a right to participate in this process. Standing committees are subject to the Brown Act and staff will provide only such support as to ensure such compliance.

### **Section 3. Staff Support to Committees**

City staff shall normally not be required to attend or provide support for standing or ad hoc committee meetings, unless directed by the department head. All ad hoc committees shall provide a final report to the Advisory Body in lieu of minutes. All standing committees shall provide reports, no less than quarterly, to the Advisory Body.

### **Section 4. Appointments**

Insert text regarding how each Advisory Body determines how committees are appointed or: The Chair of the Advisory Body may designate or solicit participation for standing and ad hoc committees.

### **Section 5. Committee Meetings**

All standing or ad hoc committee meetings shall be held upon call of the Committee Chair.

**ARTICLE XV – AMENDMENTS**

A majority of the full membership of the Advisory Body may amend these bylaws, subject to the approval of the City Council.

**ARTICLE XVI – ADOPTION OF BYLAWS**

Immediately upon favorable vote of not less than six (6) of the full membership of the Sister Cities Committee of the City of Santa Cruz and approval of the City Council, these Bylaws shall be in full force and effect. Any and all previously adopted bylaws are hereby superseded.

These Bylaws shall not be considered or construed as superseding any ordinance or directive of the City Council of the City of Santa Cruz, nor shall they preclude the preparation and adoption of further procedural manuals and policies by which the Advisory Body may direct its activities.

Approved: \_\_\_\_\_  
Chair

Attest: \_\_\_\_\_  
Staff

MINUTES ARE UNOFFICIAL UNTIL APPROVED BY ADVISORY BODY

CITY OF SANTA CRUZ  
Parks and Recreation Department  
323 Church Street  
Santa Cruz, California 95060

**MINUTES OF A REGULAR ADVISORY BODY MEETING**  
Sister Cities Committee, February 28, 2011 – 7:00 p.m.

**CALL TO ORDER** – Martha Mangan

**ROLL CALL**

**Present:** Martha Mangan, Chair; Enda Brennan, Bill Denevan, Nancy Eidam, Raisa Kikteva, Deborah Luhrman, Rick Miritz

**Absent without Notification:** Jennifer Hodges, Jade Taylor

**Staff:** Lisa McGinnis

**PRESENTATIONS** – Andrew Craig presented on his proposed program for recycling, education and managing waste materials in our sister city of Jinotepe, Nicaragua. Mr. Craig hopes to partner with local residents, businesses, government and organizations such as AVINA in the development of recycling centers, recycling education and outreach, a pilot program for composting at the Mercado and a future plastic bag recycling program. Mr. Craig discussed Churequeros – workers who collect salvageable items from landfills named for the La Chureca landfill in Managua – and their potential role in recycling programs. Mr. Craig seeks support through grants and donations. Program needs include a flat bed truck and small tractor to sort material. Audience members and supporters included Bert Muhly and members of Tres Americas. Cal Poly has also expressed interest in Mr. Craig’s program, as well as agriculture/composting expert Mel Landers in Nicaragua.

**STATEMENTS OF DISQUALIFICATION**

**ORAL COMMUNICATIONS**

**ANNOUNCEMENTS** – Nancy Eidam reported that Santa Cruz Sister Cities is hosting the Norcal regional meeting Saturday, April 9 from 9 am to noon at the Police Community Room, 155 Center St followed by lunch in a local restaurant.

**GENERAL BUSINESS**

1. APPROVAL OF January 24, 2011 MINUTES  
The minutes were approved unanimously.

2. APPROVAL OF TREASURY REPORT

The treasury report was approved unanimously.

3. MOTION TO ELECT OFFICERS

Nominating committee presented slate of Enda Brennan, Chair; Deborah Luhrman, Vice Chair; Nancy Eidam, Secretary. Vote to accept slate and elect officers was unanimous. Enda Brennan chaired the rest of the meeting after presenting Martha a gorgeous live orchid and thank you card in appreciation of her two years as chair.

4. MOTION TO APPROVE BYLAWS CHANGE FOR MEETING DATES TO SECOND MONDAY IN JANUARY, MARCH, MAY, JULY, SEPTEMBER AND NOVEMBER.

Motion was amended to be effective in May 2011. Vote was unanimous.

**INFORMATION ITEMS**

5. Shingu – Rick Miritz reported that he had been contacted by Chieko Yoshikawa regarding booth space at the Japanese Cultural Fair. In the past the committee has participated with a soft drink booth and an information table. Rick reported that the spring delegation to Shingu was cancelled. He reported that the incoming delegation in August is still scheduled.
6. Alushta – Raisa Kikteva reported that a Ukrainian teacher will be visiting here in fall. The Boardwalk employment program will provide jobs for two 20-yr old Ukrainians this summer. In 2012 we will be celebrating the 25<sup>th</sup> anniversary of the Alushta relationship with delegations both ways.
7. Sestri Levante – Bill Denevan reported that Hans Christian Anderson reading had occurred and he is preparing to award prizes.
8. Jinotepe – Martha Mangan would like to make sure that support to the Elderhome in Jinotepe is planned for the coming year. Enda suggested that with Andrew Craig's project in the works, the committee should plan a fall delegation to Jinotepe.
9. Review of plans and events for committee in 2011 – Enda Brennan presented a new fundraiser idea – “The Sister Cities Passport to Dining” featuring five restaurants downtown representing our five sister cities, set on a weekend afternoon in October featuring tapas-style dining, \$25.00 tickets, 100-125 tickets to sell. Half of proceeds benefit the overall committee, half to Support. Funds to help underwrite a chef exchange program.

10. Unifying committee as to goals for 2011 – Enda Brennan suggested that the overall committee work together on events rather than relying on events to be produced by sub-committees.
11. Defining duties of members – Martha Mangan, Jinotepe sub-committee chair; Raisa Kikteva, Alusha chair; Roxi Goin, Shingu chair; Bill Denevan, Sestri chair.

**ITEMS INITIATED BY MEMBERS FOR FUTURE AGENDAS**

- Sub-committee chairs submit proposed budgets for 2012 at the March 28 meeting.
- Event calendar for 2011

**ADJOURNMENT**

The meeting adjourned at 8:26 p.m. from the special meeting of February 28, 2011 to the next regular meeting on Monday, March 28, 2011 at 7:00 p.m. in the City Council Chambers, 809 Center St.

Respectfully Submitted \_\_\_\_\_

Approved \_\_\_\_\_ Staff

\_\_\_\_\_  
Chair

**APPEALS** - Any person who believes that a final action of this advisory body has been taken in error may appeal that decision to the City Council. Appeals must be in writing, setting forth the nature of the action and the basis upon which the action is considered to be in error, and addressed to the City Council in care of the City Clerk.

Other - Appeals must be received by the City Clerk within ten (10) calendar days following the date of the action from which such appeal is being taken. An appeal must be accompanied by a fifty dollar (\$50) filing fee.

**Additional Information**

Visit the City’s Web Site at [www.ci.santa-cruz.ca.us](http://www.ci.santa-cruz.ca.us) with links including City Advisory Body Meeting Agendas and Minutes, advisory body information and the Santa Cruz Municipal Code.

The City of Santa Cruz does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. If you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment, please call the Parks and Recreation Department at 420-5256 at least three days in advance so that we can arrange for such special assistance. The Cal-Relay system number: 1-800-735-2922.



## CITY COUNCIL AGENDA REPORT

DATE: March 14, 2011

AGENDA OF: March 22, 2011

DEPARTMENT: City Council

SUBJECT: Assembly Bill 579: Litigation Regarding Mobilehome Rent Control –  
Resolution of Support. (CN)

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**RECOMMENDATION:** Resolution supporting Assembly Bill 579 and directing the Mayor to transmit copies of the resolution to Governor Brown, the City's State representatives and to the Judiciary Committee of both houses of the State Legislature.

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**BACKGROUND:** Many local jurisdictions including the City of Santa Cruz have adopted mobilehome rent control ordinances over the past 40 years. Multiple state court decisions have upheld the right of those jurisdictions to enact mobilehome rent control ordinances. Santa Cruz adopted such an ordinance in the early 1990s.

Recently, there has been an increase in litigation brought by mobilehome park owners against local governments challenging the adoption and retention of local mobilehome rent control ordinances. These lawsuits often have little likelihood of success, involve excessive and expensive discovery procedures and, in many instances, force cities and counties to abandon their ordinances due of the expense of defending these lawsuits. The City of Santa Cruz was forced to abandon its ordinance precisely because the cost of defending it would have been exorbitant—even though the Council supported the ordinance in principle.

**DISCUSSION:** Assemblymember Bill Monning, who represents City residents in the State Legislature, has introduced AB 579 to resolve the imbalance between local jurisdictions and park owners. AB 579 provides parity to local governments when mobilehome park owners file repeated lawsuits against local mobilehome rent control ordinances. It is important to note that AB 579 does not prevent mobilehome park owners from exercising their right to seek legal action, but rather would ensure that local governments are not abandoning defending local rent control ordinances because they cannot afford to defend themselves.

**FISCAL IMPACT:** There is no fiscal impact.

Don Lane  
Vice Mayor

Submitted by:  
Katherine Beiers  
Councilmember

Submitted by:  
Hilary Bryant  
Councilmember

Attachments: Resolution  
AB 579 Fact Sheet



RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ SUPPORTING  
ASSEMBLY BILL 579: LITIGATION REGARDING MOBILEHOME RENT CONTROL

WHEREAS, many local governments, in an effort to preserve and support affordable housing options and to protect the investments of all mobilehome owners, have adopted mobilehome rent control ordinances; and

WHEREAS, local governments deem these ordinances as necessary in order to protect mobilehome owners from excessive rent increases and because of the unique nature of mobilehome housing; and

WHEREAS, there has been an increase in litigation brought by mobilehome park owners against local governments challenging the adoption and retention of local mobilehome rent control ordinances; and

WHEREAS, these lawsuits often have little likelihood of success, involve excessive and expensive discovery procedures and, in many instances, force cities and counties to abandon their ordinances due to the expense of defending these lawsuits; and

WHEREAS, under existing law, local governments that defend their local mobilehome rent control ordinances are unable to recover attorney's fees should they prevail while, in contrast, mobilehome park owners who challenge an ordinance are able to recover their attorney's fees if they prevail in court; and

WHEREAS, AB 579, authored by Assemblymember Bill Monning, provides parity to local governments when mobilehome park owners file repeated lawsuits against local mobilehome rent control ordinances by allowing cities and counties to recover attorney's fees when successfully defending local mobilehome rent control ordinances; and

WHEREAS, AB 579 does not prevent mobilehome park owners from exercising their right to seek legal action, but rather would assist local governments in not abandoning the legal defense of local rent control ordinances because they cannot afford to defend themselves in a court of law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that it hereby urges the California Legislature to enact AB 579 and encourages members of our community to contact their state legislators to urge support of AB 579.

BE IT FURTHER RESOLVED that further resolved that the Mayor is directed to transmit copies of this resolution to Governor Brown, to our City's representatives in the State Legislature and to the Judiciary Committee of each house of the State Legislature.

RESOLUTION NO. NS-

PASSED AND ADOPTED this 22<sup>nd</sup> day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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

ATTEST: \_\_\_\_\_  
Interim City Clerk Administrator

## FACT SHEET: AB 579

### AUTHOR: ASSEMBLYMEMBER BILL MONNING LITIGATION REGARDING MOBILEHOME RENT CONTROL

#### PROPOSED BILL

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Assembly Bill (AB) 579 seeks to discourage the threat of repeated lawsuits brought by mobilehome park owners against local governments who have enacted mobilehome rent control ordinances by:

1. Allowing local governments to recover attorney's fees when they have successfully defended their mobilehome rent control ordinance, and
2. Providing the courts with a special motion to dismiss proceedings that have no reasonable basis.

#### BACKGROUND

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Many local governments, in an effort to preserve and support affordable housing options and to protect the investments of all mobilehome owners, have adopted mobilehome rent control ordinances. Local governments deem these ordinances as necessary in order to protect mobilehome owners from excessive rent increases and because of the unique nature of mobilehome housing.

There has been an increase in litigation brought by mobilehome park owners against local governments challenging the adoption and retention of local mobilehome rent control ordinances. These lawsuits often have little likelihood of success, involve excessive and expensive discovery procedures and, in many instances, force cities and counties to abandon their ordinances due of the expense of defending these lawsuits.

Under existing law, local governments that defend their local mobilehome rent control ordinances are unable to recover attorney's fees should they prevail. In contrast, mobilehome

park owners who challenge an ordinance are able to recover their attorney's fees.

#### NEED FOR LEGISLATION

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Current law creates an unequal playing field and an economic disincentive for local governments to preserve local mobilehome rent control ordinances, even though a controlling appellate and a Supreme Court precedent established in the 1970s upheld the right of cities and counties to enact and enforce rent control ordinances.

Recently, there has been a dramatic increase in the number of lawsuits against local mobilehome rent control ordinances that have the sole goal of forcing local governments to abandon their mobilehome ordinances due to the costs associated with litigation

AB 579 provides parity to local governments when mobilehome park owners file repeated lawsuits against local mobilehome rent control ordinances. It is important to note, AB 579 does not prevent mobilehome park owners from exercising their right to seek legal action, but rather would ensure that local governments are not abandoning defending local rent control ordinances because they cannot afford to defend themselves.

#### SUPPORT

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Golden State Manufactured-Home Owners League (Sponsor)

#### OPPOSITION

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None received



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: City Manager

SUBJECT: City/County/UCSC/CLUE Comprehensive Settlement Agreement –  
Budget Adjustment for Legal Defense and LAFCO Application Fees - FY  
2011. (CM.)

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**RECOMMENDATION:** Resolution amending the Fiscal Year 2011 Budget to appropriate funds in the amount of \$125,000 for City/County/UCSC/CLUE Comprehensive Settlement Agreement legal defense and LAFCO application fees, half of which are reimbursable.

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**BACKGROUND:** The Comprehensive Settlement Agreement approved in August 2008 stipulates that the City amend its Sphere of Influence (SOI) in order to extend water service to UCSC's north campus.

**DISCUSSION:** The SOI amendment application has been submitted to LAFCO. The application process has resulted in additional expenses due to the following: 1) two lawsuits (one challenging the City's application to LAFCO and the other the EIR the City prepared in connection with that LAFCO application), and 2) the requirement that a municipal services review be conducted as part of the application process.

**FISCAL IMPACT:** It has been determined that an additional \$75,000 is needed to cover current and potential legal expenses for the remainder of the fiscal year, and the amount of \$50,000 is required for expenses related to the municipal services review.

Submitted by:  
Martin Bernal  
City Manager

**ATTACHMENTS:** Budget Adjustment

**City of Santa Cruz  
BUDGET ADJUSTMENT REQUEST**

<input checked="" type="radio"/> Council Approval .....	Resolution No. _____
<input type="radio"/> RDA Approval .....	Resolution No. _____
<input type="radio"/> Administrative Approval	

<input checked="" type="radio"/> Current Fiscal Year
<input type="radio"/> Prior Fiscal Year

Date: 03/01/2011

ACCOUNT	REVENUE EDEN ACCOUNT TITLE	
<b>TOTAL REVENUE</b>		\$0.00

ACCOUNT	EXPENDITURE EDEN ACCOUNT TITLE	
101-50-70-1301-52140	Planning - Planning Services	\$50,000.00
101-10-03-1210-52132	City Manager - Legal Services - Outside	75,000.00
<b>TOTAL EXPENDITURE</b>		\$125,000.00

**NET: \$ (125,000.00)**

Purpose: Funds to cover current and potential legal expenses for the remainder of the fiscal year and the cost of the municipal services review for the City/County/UCSC/CLUE Comprehensive Settlement Agreement.  
Council agenda: March 22, 2011

PREPARED BY	DEPARTMENT HEAD APPROVAL	ACCOUNTING APPROVAL	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Suzanne Haberman <small>Digitally signed by Suzanne Haberman DN: cn=Suzanne Haberman, o=City of Santa Cruz, ou=City Manager's Office, email=suzanne@cityofsc.org, c=US Date: 2011.03.01 17:48:37 -0800</small>	Martin Bernal <small>Digitally signed by Martin Bernal DN: cn=Martin Bernal, o=City of Santa Cruz, ou=City Manager's Office, email=mbernal@cityofsc.org, c=US Date: 2011.03.01 09:30:27 -0800</small>	Patty Haymond <small>Digitally signed by Patty Haymond DN: cn=Patty Haymond, o=City of Santa Cruz, ou=City Manager's Office, email=patty@cityofsc.org, c=US Date: 2011.03.01 09:42:00 -0800</small>	Jack Dilles <small>Digitally signed by Jack Dilles DN: cn=Jack Dilles, o=Finance, ou=FINAD, email=jdilles@cityofsc.org, c=US, o=US Date: 2011.03.01 11:26:15 -0800</small>	
3/1/11		3/9/11		

Revised December 2009



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: City Manager

SUBJECT: City Attorney Legal Expenses – Budget Adjustment – FY 2011. (CM)

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Resolution amending the Fiscal Year 2011 Budget to appropriate funds in the amount of \$100,000 to pay for additional City Attorney legal expenses pertaining to Municipal Code enforcement actions.

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**BACKGROUND:** Each fiscal year funds are budgeted to cover legal expenses relative to code enforcement services such as zoning ordinance enforcement, nuisance properties, and debt collection.

**DISCUSSION:** In most fiscal years, the funds budgeted are not fully expended for the legal expenses incurred during that year. This year, however, the current legal costs for code enforcement services already have exceeded the budgeted amount due to several issues which have required an excessive amount of time.

**FISCAL IMPACT:** It has been determined that an additional \$100,000 is needed to cover current and potential legal expenses for the remainder of the fiscal year. A portion of the funds will be recouped through the collection of fines and penalties, as well as the recovery of attorney's fees through either court judgments or settlement agreements.

Submitted by:  
Martin Bernal  
City Manager

ATTACHMENTS: Budget Adjustment

City of Santa Cruz  
BUDGET ADJUSTMENT REQUEST

<input checked="" type="radio"/> Council Approval .....	Resolution No. _____
<input type="radio"/> RDA Approval .....	Resolution No. _____
<input type="radio"/> Administrative Approval	

<input checked="" type="radio"/> Current Fiscal Year
<input type="radio"/> Prior Fiscal Year

Date: 03/08/2011

ACCOUNT	REVENUE EDEN ACCOUNT TITLE	
<b>TOTAL REVENUE</b>		<b>\$0.00</b>

ACCOUNT	EXPENDITURE EDEN ACCOUNT TITLE	
101-11-04-1220-52199	City Attorney - Other Professional and Technical	\$100,000.00
<b>TOTAL EXPENDITURE</b>		<b>\$100,000.00</b>

**NET: \$ (100,000.00)**

Purpose: Funds to pay for current and potential legal expenses relative to code enforcement services.  
Council agenda: March 22, 2011

PREPARED BY	DEPARTMENT HEAD APPROVAL	ACCOUNTING APPROVAL	FINANCE DIRECTOR APPROVAL	CITY MANAGER APPROVAL
Suzanne Haberman <small>Digitally signed by Suzanne Haberman DN: cn=Suzanne Haberman, o=City of Santa Cruz, ou=City Manager's Office, email=suzanne.haberman@ santa-cruz.ca.us, c=US Date: 2011.03.08 10:54:00-0800</small>	Martin Bernal <small>Digitally signed by Martin Bernal DN: cn=Martin Bernal, o=City of Santa Cruz, ou=City Manager's Office, email=mb@cityofsantacruz.ca.us, c=US Date: 2011.03.08 10:53:00-0800</small>	Patty Haymond <small>Digitally signed by Patty Haymond DN: cn=Patty Haymond, o=Santa Cruz, ou=City Manager's Office, email=p.haymond@ santa-cruz.ca.us, c=US Date: 2011.03.08 10:53:00-0800</small>	Jack Dilles <small>Digitally signed by Jack Dilles DN: cn=Jack Dilles, o=Finance, ou=FIAD, email=jd@cityofsantacruz.ca.us, c=US Date: 2011.03.10 12:05:00-0800</small>	
3/8/11		3/10/11		

Revised December 2009



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Economic Development

SUBJECT: 57 Municipal Wharf (APN 005-401-09) - Municipal Wharf Lease Agreement with Dohna Dunderdale. (ED)

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**RECOMMENDATION:** Motion to authorize the City Manager to execute a Municipal Wharf Lease Agreement and any amendments thereto of a non-substantive nature, in a form approved to the City Attorney, with Dohna Dunderdale for the operation of a retail clothing and gift store at 57 Municipal Wharf.

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**BACKGROUND:** On May 13, 1997 Dohna Dunderdale entered into a Municipal Wharf Lease Agreement for the premises now known as 57 Municipal Wharf. The lease provided for the operation of a 1,000 sq.ft. retail clothing and gift store known as Made in Santa Cruz. Subsequent amendments and options to this lease extended the term through March 31, 2011.

**DISCUSSION:** Dohna Dunderdale has requested a new lease. Staff and Ms. Dunderdale have negotiated terms of the new lease to include:

Term of Lease: Ten years.

Extension Options: Three one-year options.

Rent: The greater of an annual minimum rent of \$30,282.31 (starts at 2% more than the expiring lease and increases by 2% annually over the term) or 10% of gross annual sales.

Capital Improvements: Contribution of 1% of gross annual sales.

**FISCAL IMPACT:** The revenue generated from the lease will post to the General Fund. Expected annual rental revenues are as stated above in the section describing terms of the lease.

Prepared by:  
Norman Daly  
Wharf Property Manager

Submitted by:  
Bonnie Lipscomb  
Director of Economic Development

Approved by:  
Martín Bernal  
City Manager

ATTACHMENTS: None





## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Human Resources

SUBJECT: Liability Claims Filed Against City of Santa Cruz. (HR)

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RECOMMENDATION: Motion to reject liability claims: a) Thomas R. Pazo, b) Ron Wilkerson, c) Osbaldo Zambrano; based on staff investigation.

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BACKGROUND: I. Claim to be rejected

- a. Claimant: Thomas Raphael Pazo  
Date of occurrence: 1/28/11  
Date of claim: 2/17/11  
Amount of claim: \$1500/\$2500

Claimant alleges false arrest by police.  
Self-represented.

- b. Claimant: Ron Wilkerson  
Date of occurrence: 1/19/11  
Date of claim: 2/24/11  
Amount of claim: \$1397.76

Claimant alleges damage to store windows due to construction work.  
Self-represented.

- c. Claimant: Osbaldo Zambrano  
Date of occurrence: 8/26/10  
Date of claim: 2/23/11  
Amount of claim: \$900.00

Claimant alleges damages to door.  
Self-represented.

DISCUSSION: None.

FISCAL IMPACT: None.

Prepared by:  
Barbara Choi  
Interim Risk & Safety Manager

Submitted by:  
Lisa Martinez Sullivan  
Administrative Services Director

Approved by:  
Martin Bernal  
City Manager

ATTACHMENTS: None.



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Parks and Recreation

SUBJECT: Request from E Clampus Vitas Branciforte Chapter 1797- Placing a Historical Marker in San Lorenzo Park. (PK)

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**RECOMMENDATION:** Motion to authorize the installation of a historical marker in San Lorenzo Park noting the location of a former bear and bull ring per the recommendations of the Parks and Recreation Commission and the Historic Preservation Commission.

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**BACKGROUND:** Last July, members of E Clampus Vitus Branciforte Chapter 1797 (ECV) spoke to the Parks and Recreation Commission during oral communication regarding their clubs interest in installing a historical marker in San Lorenzo Park to mark the former location of a Bear and Bull Ring. In November members made a formal presentation to the Commission. The Commission tabled the item requesting more information. Since the proposed plaque speaks to the historical significance of the Bear and Bull Ring location, staff referred the proposal to the Historic Preservation Commission (HPC). The HPC reviewed the Clampers request in December. After recommending a few modifications to the wording on the proposed plaque the HPC, by consensus, recommended approval to the City Council. HPC and ECV agreed on the wording for the plaque which was forwarded to the Parks and Recreation Commission.

**DISCUSSION:** Representatives of E Clampus Vitus (ECV) attended the March 7, 2011 Parks and Recreation Commission meeting and presented their proposal to install the historic marker at San Lorenzo Park. Other ECV plaques installed Santa Cruz County range from the Historic Bayview Hotel and Santa Cruz Mission to the Loudon Nelson grave site at Evergreen Cemetery and the Santa Cruz Beach Boardwalk. A complete listing is available on ECV web site [www.ecv1797.com](http://www.ecv1797.com).

The Parks and Recreation Commission unanimously supported the Clampers request as well as the proposed language for the marker (shown below) with a minor punctuation addition. (ECV members attending the Parks and Recreation Commission meeting agreed to the punctuation change.)

### Bull and Bear Ring

Villa de Branciforte, the last Spanish secular settlement in Northern (Alta) California, was established here in 1797 and was centered on what is now Branciforte Avenue in eastern Santa Cruz. Many of the festivities of the early Californios revolved around events staged between animals. Branciforte Avenue was the site of an over one-mile long horse racing track where the local vaqueros tested their prowess and their horses' speed.

Another animal related event was bull and bear baiting. A bull and bear were placed in a round wooden stockade and allowed to fight. Spectators bet on the outcome of the fight. The sport went on in Santa Cruz as late as July 13, 1867. The practice was eventually outlawed, but this type of contest between the animals survives to this day in the Wall Street terminology of bull or bear markets.

This is the location of one of the last known bull and bear rings from those early California days.

ECV's original request included a recommended placement of the marker near the entrance to the children's playground. While staff supports the request and the revised language for the plaque, staff prefers not to have the marker placed at the entrance to the children's play ground and felt another location would be more appropriate. Parks and Recreation Commissioners and Department Staff identified another location in the park away from the entrance to the playground (see attached map) and ECV members attending the Commission meeting agreed with the proposed change of location. Staff will work with ECV to ensure that the final marker design fits into the park's existing landscape and is visible and accessible to the public.

A copy of Council Policy 7.3 MEMORIALS ON CITY PROPERTY is attached for your reference as are the draft minutes from the December 15, 2010 HPC meeting and the March 7, 2011 Parks and Recreation Commission meeting.

FISCAL IMPACT: None. ECV will cover all costs associated with crafting the historical marker and for its installation.

Submitted by:	Approved by:
Dannettee Shoemaker	Martin Bernal
Director of Parks and Recreation	City Manager

**ATTACHMENTS:**

Parks and Recreation Commission DRAFT meeting minutes March 7, 2011  
Historic Preservation Commission DRAFT meeting minutes December 15, 2010  
San Lorenzo Park Site Map  
Council Policy 7.3 Memorials on City Property



## **Parks and Recreation Commission**

Regular Meeting Agenda

4:00 p.m. – Monday, March 7, 2011

City Council Chambers

809 Center Street, Santa Cruz CA

**MINUTES ARE UNOFFICIAL UNTIL APPROVED BY AN ADVISORY BODY.**

**CALL TO ORDER** – Chair Baskin called the meeting to order at 4:03 p.m.

**ROLL CALL** – **Chair** Baskin, Commissioners, Andrews, Bertuca, Canaris, Gaura, Samuelson, and Smith.

### ROLL CALL

Present: Chair Baskin, Commissioners, Andrews, Bertuca, Canaris, Gaura, Samuelson, and Smith.

Absent: Commissioners Bertuca arrived at 4:32 p.m..

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Staff: Dannettee Shoemaker, Director of Parks and Recreation  
Carol Scurich, Recreation Superintendent  
Ali MacBird, Office Supervisor

### **ORAL COMMUNICATIONS**

John Golder introduced himself to the Parks and Recreation Commission and spoke regarding developing a new community park and lack of new developments of park land.

### **ANNOUNCEMENTS –**

Dannettee Shoemaker introduced the two new Parks and Recreation Commissioners Gaura and Smith.

Dannettee Shoemaker announced the hire of the new Parks and Recreation Superintendent of Parks, Mauro Garcia.

Carol Scurich announced the success of the 30<sup>th</sup> Annual Clam Chowder Cook-Off on Saturday February 26, 2011. The Parks and Recreation Commission thanked Kris Reyes and the Santa Cruz Seaside Company.

Carol Scurich announced that the Parks and Recreation Spring class registration has started.

## **APPROVAL OF MINUTES**

### **1. Motion to Approve the Minutes of the November 1, 2011 Meeting**

**Commissioner Samuelson motioned to approve the minutes as submitted, seconded by Commissioner Canaris. The motion carried by the following vote:**

AYES: Commissioners Baskin, Canaris, and Samuelson.

NOES: None.

ABSENT: Commissioner Bertuca

DISQUALIFIED: Commissioner Andrews

ABSTAIN: Commissioners Guara and Smith

**PRESENTATIONS** – None.

**CONSENT AGENDA** – None

**PUBLIC HEARINGS** – None

**GENERAL BUSINESS** –

### **2. Election of Officers**

**Commissioner Samuelson moved to nominate Commissioner Baskin as Chair and Vice Chair Canaris for another term, seconded by Commissioner Canaris. The motion carried by the following vote:**

AYES: Commissioners, Andrews, Baskin, Canaris, Gaura, Samuelson, and Smith.

NOES: None.

ABSENT: Bertuca

DISQUALIFIED: None.

ABSTAIN: None.

John Golder spoke to the Commission about the nature of the minutes and the lack of content. Dannettee Shoemaker explained the City policy of taking action minutes.

### **3. Clampers Request for Placement of a Historical Marker in San Lorenzo Park- pg. 5**

Wayne Edgin of E. Clampus Vitus gave a summary of the proposed Bull and Bear Ring.

Commissioners discussed the details of the proposed location and the history of the request.

Wayne Edgin of E. Clampus Vitas handed out the language for the plaque that was revised after the meeting of the Historical Preservation Commission.

Ed Silveira, of Friends of the Delaveaga, passed out a picture of an existing plaque and spoke to the Commission in support of the proposed Bull and Bear Ring monument.

Commissioner Andrews commented that the plaque should not be located near the playground entrance.

Commissioner Gaura asked where exactly the race track was located. Ed Silveira spoke about a future plaque that his group will be developing to memorialize the track.

**Commissioner Samuelson motioned that the Parks and Recreation Commission accept the staff recommendations including working together with E. Clampus Vitas to find a location agreeable to all parties, taking into consideration the Commissions suggestions, and that the verbage used on the plaque is the one in the handout with the change to the placement of the apostrophe and; direct staff to forward the Commission’s recommendation regarding placement of the historical marker to City Council for review and action at a future meeting, Second by Commissioner Smith. The motion passed by the following vote:**

AYES: Commissioners Andrews, Baskin, Bertuca, Canaris, Gaura, Samuelson, and Smith.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

ABSTAIN: None.

#### **4. 3 Year CIP Budget Review – pg. 23**

Dannettee presented an oral report and answered Commissioners questions.

John Golder spoke to the Commission in opposition to 15 items on the CIP draft. Golder legally objected to anything related to Quimby Funds on three legal grounds. He stated that the Greenbelt Master Plan, Harvey West Park Clubhouse, etc. cannot use Quimby Act funds since they are for maintenance and other projects. He will submit additional comments in writing to the Commission.

Commissioners Samuelson motioned to accept the report as presented, seconded by Commissioner Canaris.

AYES: Commissioners Andrews, Baskin, Bertuca, Canaris, Gaura, Samuelson, and Smith.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

ABSTAIN: None.

## **5. Information Items**

### **A. Harvey West Pool Proposal**

Jim Booth, of Jim Booth Swim School, spoke to the Commission about the proposed plan to re-open the Harvey West Pool and answered Commissioners questions.

Steve Pleich, executive Director of Harvey West Community Pool, thanked Dannettee Shoemaker and Carol Scurich for their support.

Commissioner Andrews asked questions regarding finances.

### **B. City Council Meeting Update** – Dannettee Shoemaker gave an oral report on City Council issues:

RFP process was started for Cowell Beach Concessionaire for the Cowell Beach.

The Surfing School Ordinance was prepared to go to Council but another meeting will be held to discuss it including the Surf School owners, lifestyle surf group, City staff and some Council members.

Arana Gulch update: Staff is unsure on when it goes to the Coastal Commission.

Commissioner Andrew asked about the Pogonip Multi use Trail. The new Parks Superintendent will continue on the project.

### **C. Council Budget Calendar**

### **D. Open Tree Permits** – pg.32

## **SUBCOMMITTEE/ADVISORY BODY ORAL REPORTS**

### **ITEMS INITIATED BY MEMBERS FOR FUTURE AGENDAS**

Chair Baskin asked Commissioners about the upcoming comment period for the Master Plan EIR prepared by the Planning Department. Commissioners agreed that a Special Meeting may be necessary.

John Golder asked Dannettee Shoemaker about commercial vending. Chair Baskin stopped Mr. Golder. John Golder is publicly opposed to a 4:00 p.m. meeting time and suggested a evening meeting.

## **ADJOURNMENT**

6. The Parks and Recreation Commission adjourned at 5:55 p.m. from the regularly scheduled meeting of March 7, 2011 to the next regularly scheduled meeting on **May 2, 2011** at 4:00 p.m. in Council Chambers.

Respectfully Submitted:

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Ali MacBird



**Excerpts of the Draft Action Minutes  
of the Historic Preservation Commission  
Meeting of December 15, 2010**

**General Business –**

2. **Review and Comment on Bull/Bear Fight Information Sign at San Lorenzo Park**  
**RECOMMENDATION: Discuss item and forward recommendation for approval and comments to City Council**

Associate Planner D. Lauritson presented the staff report.

Wayne Etchen, member of E Clampus Vitus, spoke in support of the sign.

The Proposed E Clampus Vitus Monument wording (with the Historic Preservation Commission's suggestions in underline and cross-out):

**Bull and Bear Ring**

Villa de Branciforte, the ~~first~~ last Spanish secular settlement in Northern (Alta) California was established here in 1797 and was centered on what is now Branciforte Avenue in eastern Santa Cruz. Many of the festivities of the early Californios revolved around events staged between animals. ~~The over one mile long~~ Branciforte Avenue ~~nearby~~, was the site of an over one-mile long horse racing track where the local vaqueros tested their prowess and their horse's speed.

Another animal related event was bull and bear baiting. A bull and bear were placed in a round wooden stockade and allowed to fight. Spectators bet on the outcome of the fight. The sport went on in Santa Cruz as late as July 13, 1867. The practice was eventually outlawed, but this type of contest between the animals survives to this day in the Wall Street terminology of bull or bear markets.

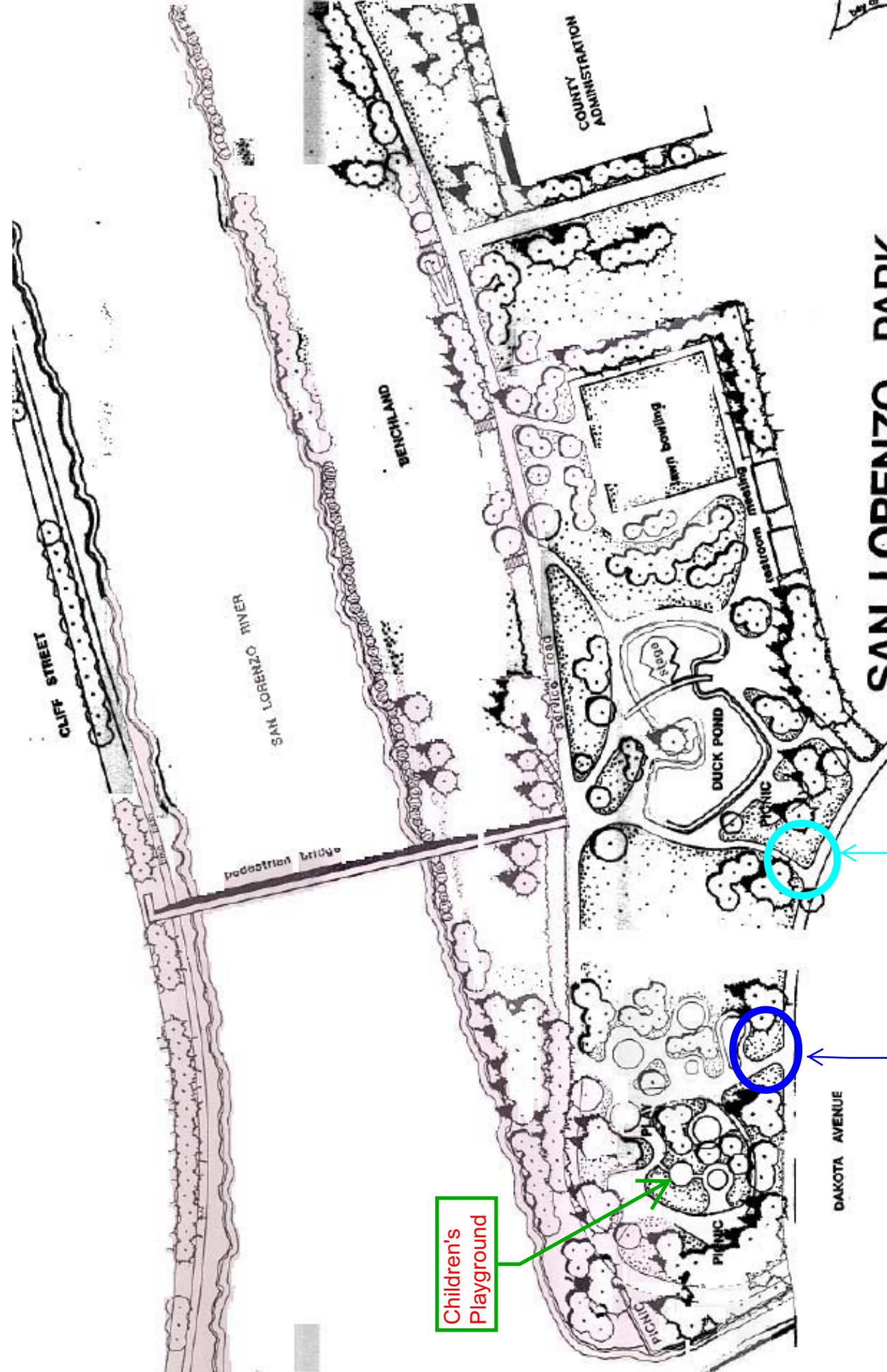
This is the location of one of the last known bull and bear rings from those early California days.

- ACTION: By consensus, the Historic Preservation Commission recommended approval to the City Council of the revised "Bull and Bear Ring" language noted above.**



COUNTY ADMINISTRATION

# SAN LORENZO PARK



Children's  
Playground

ECV Proposed  
Marker Location

P&R Commission and  
Staff's Recommended  
Marker Location

POLICY TITLE: MEMORIALS ON CITY PROPERTY

POLICY STATEMENT:

The purpose of this article is to establish guidelines and procedures to be used when statues, monuments, plaques, or other memorials are erected or installed on City property in remembrance of a person or persons or historical event.

- A. Permanent statues, monuments, plaques, or other memorials may be erected, placed or installed on City property to honor:
  - (1) Persons or groups that have a long standing association with the facility or community;
  - (2) Persons or groups for which a facility has been named;
  - (3) A historical event of significance to the facility or community;
  - (4) A person, family, or organization which has contributed significantly to the facility or community;
  - (5) A person or group which has achieved significant recognition historically on the city, state, national or international level; or
  - (6) A person or group which has made a significant contribution to the City by:
    - a. Enhancing the quality of life and well-being of the City
    - b. Contributing to the historical or cultural preservation of the City
    - c. Contributing toward the acquisition, development or conveyance of land or building
    - d. Making exemplary or meritorious contributions to the City
- B. Any person for whom a memorial is erected or installed must have been deceased at least one (1) year, and have been a resident of the City Santa Cruz.

PROCEDURE:

Each application will be considered on a case-by-case basis. Applicant(s) shall submit a written request to the corresponding Department Director, with justification to aid in considering the proposal. The proposal shall be placed on the appropriate Advisory Body agenda (if required), allowing appropriate time for review by the Advisory Body, and to publicize and receive input from the public at the Advisory Body meeting. The Advisory Body's recommendation will be forwarded to the City Council for final determination.

AUTHORIZATION:

Motion: October 28, 2008



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Water

SUBJECT: Beltz Treatment Plant Driveway Project – Earthworks Paving Contractors, Inc. – Notice of Completion. (WT)

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**RECOMMENDATION:** Motion to ratify Contract Change Order No. 1 (\$10,323) and Contract Change Order No. 2 (\$734) with Earthworks Paving Contractors, Inc. for additional work on the Beltz Treatment Plant Driveway Project.

Motion to accept the work done by Earthworks Paving Contractors, Inc. (Capitola, CA) as complete per the plans and specifications and authorize the filing of a Notice of Completion for the Beltz Treatment Plant Driveway Project.

---

**BACKGROUND:** In April 2010 Council approved the construction plans and specifications for the Beltz Treatment Plant Driveway Project, and authorized staff to advertise the project for bids. Bids were opened on May 25, 2010 and the contract was awarded to Earthworks Paving Contractors, Inc. in the amount of \$80,464.

The project as constructed included the demolition and removal of an existing fence, paving, and vegetation, site grading, construction of a new driveway apron, paving, valley gutter, chain-link fence and vehicle gates.

**DISCUSSION:** Contract Change Order No. 1 (\$10,323) was authorized on September 2, 2010 for additional earthwork required to remedy unsuitable subgrade and paving. Contract Change Order No. 2 (\$774) was authorized on October 11, 2010 for changes to the chain-link fencing. Contract Change Orders No. 1 and No. 2 total \$11,057 or \$3,051 over the 10% contingency.

All services required under the contract were completed by March 1, 2011.

The contractor met the requirements of the City's Local Hire Ordinance by employing local labor. The Contractor submitted documentation demonstrating that they made a good faith effort to hire apprentices in the laborer class by requesting apprentices from the Northern California Laborers Joint Apprenticeship. However, the Contractor did not provide documentation that they made a good faith effort to hire an apprentice in the operator class.

FISCAL IMPACT: The total contract cost of \$91,561, including change orders, was funded from the Water Department's Capital Improvement Program, project c700020 Beltz Treatment Plant Rehabilitation.

Submitted by:  
Bill Kocher  
Water Director

Approved by:  
Martín Bernal  
City Manager

ATTACHMENTS:

Contract Change Order No. 1  
Contract Change Order No. 2  
Notice of Completion



**CONTRACT CHANGE ORDER**  
**# 1**  
*(EFFECTIVE ONLY WHEN SIGNED BY THE CITY)*

**WATER DEPARTMENT**  
 212 Locust St., Suite C  
 Santa Cruz, CA 95060  
 Ph: 831-420-5200  
 Fax: 831-420-5201

<b>Project:</b> Beltz Driveway Project	<b>Subject:</b> Additional demolition, subgrade prep, paving, contract time.
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<b>Contract date</b> 7/22/10	<b>P.O. #</b> 91-11007	<b>CWO#</b> 2009-007	<b>C.O. Date</b> 9/2/10	<b>C.O. #</b> 1
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**Changes:**  
 All extra work and materials required to:

- a) Additional demolition for additional re-paving.
- b) Overexcavate unsuitable sub base and replace with fill acceptable to soils inspector.
- c) Additional excavation and backfill required to expose water service lateral for repair by City forces
- d) Additional AC Paving

**Payment:**  
 Changes a) through c): Lump Sum: \$6,122.00  
 Change d): \$688.7 SF @ 6.10/SF = \$4,201.07

**Time:**  
 a) Extend contract due date to September 17<sup>th</sup>.

	Price:	
Base Contract Bid:	\$80,464.00	<b>Recommended by:</b> <div style="text-align: right; margin-right: 20px;"><i>Kalen Dodd</i> 9/2/10</div> Kalen Dodd, P.E. Associate Civil Engineer, Water
Contract Contingency:	\$8,046.40	
C.O. #1	\$10,323.07	
Contingency Allocated:	\$8,046.40	<b>Approved by:</b> <div style="text-align: right; margin-right: 20px;"><i>Linette Almond</i> 9/9/10</div> Linette Almond, P.E. Deputy Director, Water
Contingency Available:	\$0	
<b>New Contract Total:</b>	<b>\$90,787.07</b>	

The contractor is hereby directed to make the above described changes or to perform the above described work not included in the contract.

Earthworks Paving Contractors, Inc.: *James Polizzi* 9.9.10

Print name and title: JAMES POLIZZI, PJT. MGR. Date

For valuable consideration set forth herein, the contractor hereby releases the City of Santa Cruz from any and all claims for direct, indirect, and impact expenses and additional time impact now existing or which may hereafter arise out or result from the work or change described herein.



**CONTRACT CHANGE ORDER**  
**# 2**  
 (EFFECTIVE ONLY WHEN SIGNED BY THE CITY)

**WATER DEPARTMENT**  
 212 Locust St., Suite C  
 Santa Cruz, CA 95060  
 Ph: 831-420-5200  
 Fax: 831-420-5201

<b>Project:</b> Beltz Driveway Project	<b>Subject:</b> Reduce gap beneath cantilever gate
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<b>Contract date</b>	7/22/10	<b>P.O. #</b>	91-11007	<b>CWO#</b>	2009-007	<b>C.O. Date</b>	10/11/10	<b>C.O. #</b>	2
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**Changes:**  
 All extra work and materials required to:  
 a) Install taller uprights and fabric on cantilever chain link gate.

**Payment:**  
 Lump sum: \$773.85

**Time:**  
 a) No time extension granted.

	Price:	
Base Contract Bid:	\$80,464.00	<b>Recommended by:</b> <i>Kalen Dodd</i> 10/13/10 Kalen Dodd, P.E. Associate Civil Engineer, Water
Contract Contingency:	\$8,046.40	
C.O. #1 (9/2/10)	\$10,323.07	
C.O. #2 (10/11/10)	\$773.85	
Contingency Allocated:	\$8,046.40	<b>Approved by:</b> <i>Linette Almond</i> 10/18/10 Linette Almond, P.E. Deputy Director, Water
Contingency Available:	\$0	
<b>New Contract Total:</b>	<b>\$91,560.92</b>	

The contractor is hereby directed to make the above described changes or to perform the above described work not included in the contract.

**Earthworks Paving Contractors, Inc.:**

\_\_\_\_\_  
 Print name and title: **JAMES POLIZZI** Date **10/19/10**

*For valuable consideration set forth herein, the contractor hereby releases the City of Santa Cruz from any and all claims for direct, indirect, and impact expenses and additional time impact now existing or which may hereafter arise out or result from the work or change described herein.*

RECORDED AT THE REQUEST OF  
WATER DEPARTMENT

WHEN RECORDED MAIL TO:

CITY CLERK  
CITY OF SANTA CRUZ  
809 CENTER STREET, ROOM 9  
SANTA CRUZ CA 95060

(Space above this line for Recorder's use only.)

THIS INSTRUMENT IS BEING RECORDED FOR THE BENEFIT OF THE CITY OF SANTA CRUZ  
NO RECORDING FEE IS REQUIRED PURSUANT TO GOVERNMENT CODE §27383

**NOTICE OF COMPLETION**

NOTICE IS HEREBY GIVEN, pursuant to Section 3093 of the California Civil Code, of the completion on March 22, 2011 of the Beltz Treatment Plant Driveway Project, located as described below:

1035 38<sup>th</sup> Avenue, in the County of Santa Cruz.

The City of Santa Cruz has the following interest in said property described above as City property, and City easements.

Said project was undertaken on said property pursuant to a contract with Earthworks Paving Contractors, Inc. dated June 28, 2010. Project consisted of demolition and removal of an existing fence, paving, and vegetation, site grading, construction of a new driveway apron, paving, valley gutter, chain-link fence and vehicle gates

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bill Kocher, Director of the Water Department  
City of Santa Cruz

STATE OF CALIFORNIA) ss  
COUNTY OF SANTA CRUZ)

I am the Director of the Water Department. I have read the foregoing Notice of Completion and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon my information or belief, and as to those matters I believe it to be true.

I declare under penalty of perjury, that the foregoing is true and correct.

Executed on \_\_\_\_\_, at Santa Cruz, California.

\_\_\_\_\_  
Bill Kocher, Director of the Water Department  
City of Santa Cruz

Filing of Notice of Completion was authorized by Santa Cruz City Council Minute Order of March 22, 2011.





## CITY COUNCIL AGENDA REPORT

DATE: March 14, 2011

AGENDA OF: March 22, 2011  
DEPARTMENT: City Attorney  
SUBJECT: Parking for Demonstration Ordinance – Repeal of Santa Cruz Municipal Code Section 10.40.060. (CA)

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RECOMMENDATION: Motion to introduce for publication an ordinance repealing Section 10.40.060 of the Santa Cruz Municipal Code, Parking for Demonstration.

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BACKGROUND: Section 10.40.060 of the Santa Cruz Municipal Code, originally adopted by the City Council in 1968, provides “No operator of any vehicle shall park said vehicle upon any street in this City for the principal purpose of advertising or displaying it for sale, unless authorized by resolution of the Council. The fines assessed for violation of this section shall be established by City Council resolution.” The purpose of the ordinance is to prohibit persons from using City streets in order to display vehicles which they are attempting to sell.

DISCUSSION: At least two federal courts, one of which is located in California, during the past decade have held that local “parking for demonstration” ordinances such as the City’s are unconstitutional. While the courts acknowledge that cities have a legitimate governmental interest in minimizing visual clutter on their streets and sidewalks, the singling out of vehicles with “for sale” signs on them in order to achieve this objective, while allowing other “signed” vehicles such as vehicles with business signs and logos, to go unregulated constitutes an impermissible content-based speech regulation. In other words the ordinance targets speakers who convey a certain message on their vehicles while allowing other speakers with different vehicle messages to go unregulated.

Inasmuch as the City’s ordinance, if legally challenged, would not likely withstand the court’s constitutional scrutiny, the City Attorney is recommending that the ordinance be repealed.

FISCAL IMPACT: None.

Submitted by:

John G. Barisone  
City Attorney

Attachment: Ordinance

ORDINANCE NO. 2011-\_\_\_\_\_

AN ORDINANCE OF THE CITY OF SANTA CRUZ  
REPEALING SECTION 10.40.060 OF THE SANTA CRUZ MUNICIPAL CODE  
PERTAINING TO PARKING AUTOMOBILES FOR DEMONSTRATION

BE IT ORDAINED By The City Of Santa Cruz As Follows:

Section 1. Section 10.40.060 of the Santa Cruz Municipal Code is hereby repealed.

Section 2. This ordinance shall be in force and take effect thirty (30) days after its final adoption.

PASSED FOR PUBLICATION this 22nd day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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

ATTEST: \_\_\_\_\_  
Interim City Clerk Administrator

ORDINANCE NO. 2011-\_\_\_\_\_

PASSED FOR FINAL ADOPTION this \_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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

ATTEST: \_\_\_\_\_  
Interim City Clerk Administrator

This is to certify that the above and foregoing document is the original of Ordinance No. 2011-\_\_\_\_\_ and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

\_\_\_\_\_  
Interim City Clerk Administrator



## CITY COUNCIL AGENDA REPORT

DATE: March 10, 2011

AGENDA OF: March 22, 2011

DEPARTMENT: City Clerk

SUBJECT: Sister Cities Committee Appointments (Two Vacancies, One with a Term Expiration of 1/1/12, and One with a Term Expiration of 1/1/13) (CC)

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RECOMMENDATION: Motion to appoint two Sister Cities Committee members.

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### DISCUSSION:

The following people are seeking appointment to the Sister Cities Committee:

Abell, Rhonda Kathleen (Edwards) *Interest not confirmed, phone no. incorrect*

Fields, Barbara

Hope, John Edward

Keylin, Lev S.

Shonick, Jeremy

Toner, Kathleen M.

FISCAL IMPACT: None.

Prepared by:  
Rosemary Balsley  
Administrative Assistant II

Submitted by:  
Tom Graves  
Interim City Clerk Administrator

ATTACHMENTS: None.



## CITY COUNCIL AGENDA REPORT

DATE: 03/09/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Economic Development

SUBJECT: CDBG and HOME Funding - Housing and Community Development  
Program Discussion for 2011–2012 Program Year. (ED)

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RECOMMENDATION: Motion to determine appropriate funding levels for CDBG and HOME activities for the 2011 – 2012 program year; and

Motion to direct staff to complete the draft Action Plan for 2011–2012 program year and determine environmental review requirements for those applications recommended for funding.

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BACKGROUND: In order to qualify for Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) entitlement funding from the U.S. Department of Housing and Urban Development (HUD), the City is required to adopt a five-year Consolidated Plan. The City's current Consolidated Plan, which was approved by HUD in 2010, covers the program period from July 1, 2010 to June 30, 2015. HUD program years are equivalent to the City's fiscal years.

The Consolidated Plan contains an assessment of housing, community development, and homeless issues and identifies priority needs as well as strategies for addressing those needs. Although the focus of the Consolidated Plan is on the use of CDBG and HOME funds, it also describes how the City will use other resources, such as the General Fund and Redevelopment Agency funds, in addressing these priority needs.

HUD requires that the activities funded under the Annual Action Plan must support objectives in the Consolidated Plan. Nineteen program objectives in four "priority need" categories (specified by HUD) were included in the 2010-2015 Consolidated Plan. (See Attachment 1 for a summary of 2010-2015 Consolidated Plan Objectives.) The "priority need" categories specified by HUD include:

1. Affordable housing.
2. Non-housing community development.
3. Homeless households.
4. Special needs population.

In addition to the City's objectives identified under each "priority need" category, HUD has established national objectives for use of CDBG and HOME funding. By law, the City's use of these funds is restricted to activities that achieve at least one of these national objectives. For the different funding sources, these objectives are:

CDBG funds must:

- Benefit low- and moderate-income persons;
- Aid in the prevention of slum or blight; or
- Meet a particularly urgent community development need.

HOME funds must:

- Benefit low- and very-low income persons with affordable housing.

Selection of projects and programs to receive CDBG or HOME funding begins in November of the prior year with City issuance of a Notice of Funds Available (NOFA). Applications are submitted to the City in January, reviewed by staff and presented to the Community Programs Committee (CPC) in February. The CPC makes funding recommendations to the full City Council at this public hearing in March. After receiving these CPC recommendations and public comments, the City Council determines funding levels for projects and programs and directs staff to draft an Action Plan for the next fiscal.

There are three sources of funds to be allocated in this Action Plan, including:

1. 2011-2012 PY new entitlement funds allocated by HUD.
2. Funds available for reallocation, leftover from prior years' funding for completed projects.
3. Ongoing Program funds accumulated for specific activities that require long term planning.

Drafts of the Action Plan for 2011 - 2012 PY will be available for public review at the Reference Desk of the Central Branch Library starting Saturday March 26, 2011. This will be the second Action Plan under the 2010-2015 Consolidated Plan.

**DISCUSSION:** The following provides a description of funding recommendations for CDBG and HOME Programs. Calculations showing how various funds are allocated are included in Attachment 2, Budget Worksheets. These Worksheets also reflect preliminary funding recommendations for CDBG of the CPC.

#### CDBG PROGRAM FUNDING RECOMMENDATIONS

At the time this staff report was prepared, HUD had not yet released funding amounts for the 2011-2012 PY. The City's HUD representative has recommended that for preliminary budgeting purposes the estimated amount of CDBG funding reflect an overall 10% decrease in federal funding for the CDBG program. Based on this decrease, the estimated allocation of CDBG funding for the 2011-2012 PY is about \$593,500. However, the final amount may be much lower. The House Appropriations Committee's FY 2011-12 spending bill now under consideration calls for a 62% cut in CDBG funding.

In the proposed CDBG budget outlined in Attachment 2, CDBG funding is divided into three allocation categories: (1) projects and programs; (2) community service provider operations; and (3) administration. HUD sets funding limits for administration and community service provider operation funding. The limits for administration and service providers are respectively 20% and 15% of the total grant allocation plus the prior year's program income. Community Based Development Organizations (CBDOs) that serve a Neighborhood Revitalization Strategy Area (NRSA) may exceed the 15% community service providers limit. The City currently has a NRSA for the Beach/South of Laurel Street area and Familia Center qualifies as a CBDO serving this area.

## 1. CDBG Projects and Programs

The City has received three applications for CDBG funding, which are all for City projects or programs. All applications qualify for HUD CDBG Program funding. Requests include:

- CODE ENFORCEMENT (Planning & Community Development) – Request = \$210,000

CDBG funding has been used for over a decade to fund code enforcement activities. The requested funding for code enforcement would cover the equivalent of two code enforcement staff positions. Staff recommends that this be the highest priority and receive full funding to the extent possible if CDBG funding is significantly cut. Environmental Review: Exempt activity per 24 CFR 58.34(a).

- RELOCATION ASSISTANCE (Planning & Community Development) – Request = \$15,000

This would provide temporary emergency funding for relocation of tenants due to code enforcement activities in situations where the landlord is unable or unwilling to comply with the City's relocation ordinance. This fund would function like a revolving fund since ultimately the affected landlord would be responsible for repayment of these expenses. Environmental Review: Exempt activity per 24 CFR 58.34(a).

- STREET LIGHT FIXTURE REPLACEMENT (Public Works) – Request = \$200,000

Existing city owned light fixtures would be replaced with energy efficient lights within low income areas in the City. This project would both improve lighting conditions in the neighborhoods and reduce City costs. If this project is approved, staff recommends the priority for installation be focused first on the existing Neighborhood Revitalization Strategy Area (NRSA) and secondly on the lower Ocean Street neighborhood. Staff recommends that any unbudgeted CDBG project funds be allocated to this project. Environmental Review: Exempt activity per 24 CFR 58.34(a).

## 2. CDBG Community Service Provider Operational Funding

In November 2010, the City Council approved a new framework and process for determining priorities and setting funding levels to assist community providers (CP). During that meeting, the Council also agreed that allocations of CDBG funding for service providers will be included in this process. In order to merge CDBG service provider funding with the new general fund CP funding process, two timing issues must be resolved. First is synchronizing a CDBG budget that must be adopted by the City Council at public hearings in March and April with CP allocations that will be determined in May/June. Second is to merge a one-year CDBG process with a two-

year CP process, while accommodating fluctuations in HUD's annual CDBG allocations. To do this, it is recommended that the City Council:

(1) Adopt a placeholder budget for community service providers that will be modified under an amendment to the 2011-2012 Action Plan once the CP allocation process is completed.

(2) Build in flexibility for the second year of CDBG funding as allocated under the two year CP process by funding CBDOs serving NRSAs.

In the past, CDBG funds for community service providers have been allocated to the same five non-profit organizations every year. Most receive both CDBG and general fund allocations. This has resulted in a duplication of tasks for both the providers and City staff. Under the new CP process staff is recommending that community service providers receive either CDBG or general funds but not both, to the degree possible. Furthermore, staff recommends organizations that receive minimal funding be allocated general funds rather than CDBG funding since HUD application and reporting requirements are so much more onerous.

The City has received six requests for community service program operation funding, including the five programs that previously received CDBG funding and a new application for the City's Teen Center. Funding requests include:

NEIGHBORHOOD SERVICES (Familia Center) – Request = \$61,500

Familia Center qualifies as a CBDO serving an NRSA and serves the residents of the Beach Flats and Lower Ocean Street neighborhoods providing community services such as employment, housing and health care advocacy; food and clothing distribution; a summer lunch program; a homework club and tutoring; and other educational programs. This activity also received \$20,257 in general funds this current fiscal year. Environmental Review: Exempt activity per 24 CFR 58.34(a).

HOMELESS SERVICES RESOURCE CENTER (Homeless Services Ctr.) – Request = \$50,000

The Homeless Community Resources Center (day center) provides daily food service, laundry, showers and various social services to the homeless population. This activity also received \$44,222 in general funds this current fiscal year. Environmental Review: Exempt activity per 24 CFR 58.34(a).

RIVER STREET SHELTER (S.C. Community Counseling Center) – Request = \$35,000

This homeless shelter is located on the Homeless Services Center campus and provides 32 beds of emergency shelter for homeless adults, primarily for those with substance abuse and/or psychiatric problems. This activity also received \$44,222 in general funds this current fiscal year. Environmental Review: Exempt activity per 24 CFR 58.34(a).

HOUSING PLACEMENT PROGRAM (Senior Network Services) – Request = \$10,000

This activity provides counseling and shared housing placement services for low-income seniors. Environmental Review: Exempt activity per 24 CFR 58.34(a).



BEACH FLATS COMMUNITY CENTER (Community Bridges) – Request = \$46,000

The BFCC provides services to the residents of the Beach Flats area such as early intervention and prevention programs including pre-school and after school programs, and parent education. It also serves as a social center for the community. This activity also received \$25,000 in City Red Cross funds this current fiscal year. Environmental Review: Exempt activity per 24 CFR 58.34(a).

TEEN CENTER (SC Parks & Rec. Dept. ) – Request = \$50,000

The Santa Cruz Teen Center creates a safe environment for teens to socialize. The program also hosts workshops, various activities and performances for teens. This activity also received \$25,000 in general funds this current fiscal year. Environmental Review: Exempt activity per 24 CFR 58.34(a).

The CP Committee recommended that the placeholder approach be used for community service provider funding. Familia Center as a CBDO serving an NRSA would tentatively be allocated an amount (\$83,500) approximately equal to their request for CDBG funding and their prior year's general fund allocation. The remainder of the funds for service providers would be allocated equally between the other applicants (\$14,053 each). This would be done only as a place holder to allow the CP Committee maximum flexibility when making final CDBG and general fund allocations. Staff has recommended that ultimately Familia Center as a CBDO, Beach Flats Community Center as a potential CBDO, and one other organization be funded if the City receives at least this level (i.e. a 10% reduction from last year's HUD allocation) of CDBG funding from HUD.

### 3. CDBG Administration

Administration of the CDBG Program is done by the Housing and Community Development Division of the Economic Development and Redevelopment Department. If funded at the level shown in the proposed budget, under the HUD 20% formula \$123,021 would be allocated to administration, which includes staff and consultant costs needed to run the program. An additional \$10,000 would be allocated to administer the rehabilitation program.

### HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Again at the time this staff report was prepared, HUD had not yet released HOME funding amounts for the 2011-2012 PY. The City's HUD representative has recommended that for preliminary budgeting purposes that the 10% reduction be applied to the amount of last year's HOME allocation. This is consistent with the House Appropriations Committee's FY 2011-12 spending bill now under consideration. Based on this, the estimated allocation of HOME funding for the 2011-2012 PY would be about \$540,000. Under HUD formulas 15% of this must be used for Community Housing Development Organizations (CBDOs) and 10% can be used for administration.

The City received one request for housing project funding as well as continued funding need for two HOME programs. Staff is also in the preliminary stages of discussing the potential for two additional HOME housing projects. For this reason, staff is proposing a placeholder be included in the budget for at least one special needs project. Additionally the HOME Housing Services Program Fund serves as a holding fund for future projects as well as potential rehabilitation projects.

HOLY CROSS SENIOR HOUSING (Mercy Housing CA) – Request = \$162,000

In 2010, Central Coast Housing/Mercy Housing California (Mercy) requested funding assistance to rehabilitate the historic school building located at Holy Cross to provide about 40 units of affordable senior housing. (Central Cost Housing qualifies as a CBDO.) Since then Mercy has secured a 99 year lease for the land and is preparing to apply for HUD Section 202 funding (for senior housing) in the fall of 2011. The developer has requested a total of \$1.46 million in assistance from the City of Santa Cruz. Last year, as part of the 2010-2011 HUD Action Plan, the City Council approved \$128,000 in HOME funds for pre-development assistance. On March 8, 2011 the Redevelopment Agency approved an additional \$1,170,000 for the project. The \$162,000 being recommended for HOME funding represents the remaining funding gap. Environmental review for the project will not occur until the project is designed. Predevelopment work is exempt per 24 CFR 58.34(a).

SPECIAL NEEDS HOUSING PROJECT (South County Housing) – Request =\$800,000

South County Housing, a non-profit affordable housing developer that may qualify as a CBDO, has requested funding assistance for development of special needs housing and is exploring two potential locations. Staff is recommending that a placeholder for a potential project be included in the budget at this time.

FIRST TIME HOMEBUYER (City HCD Program) – Request = \$70,000

Staff is recommending an additional \$70,000 be added to the First Time Homebuyer Program Funding making a total of \$210,000 available for first time homebuyer loans. This would fund 3 average program loans.

HOUSING SERVICES PROGRAM (City HCD Program) – Request = Remaining

As previously noted, this Program serves as a holding fund for future projects as well as potential rehabilitation projects.

FISCAL IMPACT: Until funds are committed, there is no fiscal impact for the City from the proposed actions, which will occur at the April 26, 2011 City Council meeting.

Prepared by:  
Carol Berg  
Housing and Community  
Development Manager

Submitted by:  
Bonnie Lipscomb  
Director of Economic Development

Approved by:  
Martin Bernal  
City Manager

ATTACHMENTS:

- Attachment 1: Summary of 2010-2015 Consolidated Plan Objectives
- Attachment 2: Budget Worksheets

# ATTACHMENT 1

## Summary of 2010-2015 Consolidated Plan Objectives

PRIORITY NEED	OBJECTIVE	Strategies
<b>AFFORDABLE HOUSING (AH)</b>	1. Preserve affordability of existing affordable housing units.	<ul style="list-style-type: none"> <li>a) Continue to work with Riverfront Apartment Associates &amp; support HUD Section 8 contract renewal.</li> <li>b) Continue to monitor other HUD Section 8 contracts considered to be “at risk” and assist in extending affordability of units when feasible.</li> <li>c) Establish an Affordable Housing Unit Preservation Program to extend affordability of 4-6 at-risk inclusionary units.</li> </ul>
	2. Promote the creation of affordable rental housing units through development of new affordable housing or rehabilitation of existing units.	<ul style="list-style-type: none"> <li>a) Assist in the development of 40 to 50 units of senior housing with Central Coast Housing/Mercy Housing if feasible.</li> <li>b) Assist developers to create new affordable rental housing units for very low and low income households through new project construction or rehabilitation of existing market rate housing.</li> <li>c) Continue to promote development of accessory dwelling units with a goal of developing of 20-30 accessory dwelling units annually with at least 3 units having affordable restrictions.</li> <li>d) Continue to implement the City’s Inclusionary Housing Program to create affordable rental housing in market rate developments.</li> </ul>
	3. Encourage repair, improvement, and rehabilitation of existing affordable housing.	<ul style="list-style-type: none"> <li>a) Continue to implement the Unified Housing Rehabilitation Program with an emphasis on multi-family properties with low income tenants.</li> <li>b) Assist in rehabilitation of 95 units for extremely low, very low and low-income households at the Near Lagoon Apartment Complex.</li> <li>c) Assist in the acquisition and rehabilitation of apartments or a larger home to create 4-6 beds of supportive housing for individuals with disabilities.</li> <li>d) Promote use of the City’s Inclusionary Program option to meet inclusionary requirements by rehabilitating off site units.</li> <li>e) Consider developing a self-funding pre-sale inspection program of for-sale units in conjunction with code enforcement.</li> </ul>
	4. Facilitate homeownership by very low and low -income households.	<ul style="list-style-type: none"> <li>a) Continue to implement the First Time Homebuyer Program, assisting 2-3 low/ moderate-income households annually.</li> <li>b) Assist Habitat for Humanity with the construction of at least 1 new affordable ownership unit, if feasible.</li> <li>c) Continue to implement the City’s Inclusionary Housing Program, working with developers to create affordable ownership housing.</li> <li>d) Work with developers to initiate planning for future development of entry level affordable housing units in the NRSA.</li> <li>e) Conduct one first time homebuyer workshop to promote homeownership &amp; the FTH Program in the NRSA.</li> </ul>
	5. Provide Code Enforcement Program for low-income Target Areas.	<ul style="list-style-type: none"> <li>a) Support two code enforcement officers to administer code enforcement activities in the Target Areas.</li> <li>b) Participate in at least 2 annual community clean-ups &amp; other events to inform the community about code enforcement.</li> <li>c) Help identify major problem properties and participate with other City departments to eradicate major problem areas.</li> <li>d) Provide funding for relocation assistance as needed in connection with code enforcement activities.</li> </ul>

- 
- 6. Assist in establishing Community Housing Development Organization(s).
    - a) Provide financial and/or technical assistance leading to City certification of a new and/or reactivated CHDO.
    - b) Assist CHDO in at least 1 housing project.

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  - 7. Participate in the development and implementation of studies and/or plans to promote affordable housing development, development strategies and/or incentives, and fair housing practices that help provide equal access to housing.
    - a) Participate in development of and support implementation of recommendations and/or strategies that promote affordable housing from other City plans.
    - b) By the end of 2013, complete an update of the City's Analysis of Impediments to Fair Housing Choice.
    - c) Create an informational brochure that clarifies constitutes fair housing violations and provides contact information for services.

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**HOMELESS HOUSEHOLDS (HO)**

- 1. Support services and organizations that assist homeless individuals and families.
  - a) Continue to provide annual funding for operation of facilities on the Homeless Services Center (HSC).
  - b) Help identify and construct other improvements of HSC facilities as needed including support of Phase II of the HSC Master Plan.
  - c) Continue to work with and support the Homeless Action Partnership (HAP) to implement the Ten Year Plan to End Homelessness and address homeless needs.

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- 2. Support development of additional transitional and permanent housing for homeless individuals and families.
  - a) Work with members of the HAP to identify opportunities to create additional facilities for transitional and permanent housing.
  - b) Work with others to create designated units for permanent housing for formerly homeless.

---

- 3. Assist in establishing a homeless shelter facility in the north/mid-county area.
  - a) In collaboration with HAP members, support an alternative temporary winter shelter, if feasible.
  - b) In collaboration with HAP members, explore opportunities and support development of another permanent homeless shelter.
  - c) In collaboration with HAP members, support development of a recuperative care facility for north/mid-county, if feasible.

---

- 4. Provide programs that help in the reduction and the prevention of homelessness.
  - a) Continue to implement an Emergency Rental Assistance Program through CAB to assist 20-30 households.
  - b) Continue to implement the Security Deposit Assistance (SDA) Program through the Housing Authority of Santa Cruz County to assist 10-20 households.
  - c) Provide additional funding for these assistance Programs for the Beach Flats and Lower Ocean Street neighborhoods.

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**SPECIAL NEEDS HOUSING (SP)**

- 1. Provide housing options for special needs populations, including the elderly, female-headed households with children, persons with physical or mental disabilities, and persons with HIV/AIDS.
  - a) Assist in developing 40 to 50 units of senior housing with Central Coast Housing/Mercy Housing, if feasible.
  - b) Continue to provide CDBG funds to Senior Network Services to provide housing assistance to elderly households.
  - c) Assist Santa Cruz Community Counseling Center in developing supportive housing.
  - d) Continue to work with non-profit organizations in providing housing options for the special needs populations of elderly, persons with physical disabilities, persons with mental disabilities and persons with HIV/AIDS.

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- 2. Assist seniors with the option to "age in place".
  - a) Develop a program to provide assistance to seniors to help retrofit their home for accessibility and other handicap improvements.
  - b) Assist seniors or their families to develop an accessory dwelling unit through the City's ADU Program.

**COMMUNITY  
DEVELOPMENT (CD)**

- 
- |  |  |
|--|--|
| 1. Continue to assist organizations in the provision of community services for low income households.                                | a) Assist other City Departments, non-profit organizations, & neighborhoods in providing services & community building.<br>b) Support improvements, rehabilitation, and/or construction of facilities for services to low income households NRSA priority.   |
| <hr/>  |  |
| 2. Continue to provide and improve needed community facilities in low income neighborhoods or for low income households.             | a) Assist in constructing improvements for Beach Flats Park.<br>b) Assist in developing and improving the Teen Center.<br>c) Assist with other park development or community facility improvements as needed, with a priority given to the NRSA.   |
| <hr/>  |  |
| 3. Construct infrastructure improvements within the NRSA and other low income areas to enhance quality of life and community safety. | a) In conjunction with the City's Capital Improvement Program, help fund street and sidewalk improvement projects within the NRSA.<br>b) In conjunction with the City's Capital Improvement Program help fund street lighting and other infrastructure improvements that will enhance community safety.  |
| <hr/>  |  |
| 4. Continue to promote NRSA activities and expand boundaries to other very low income neighborhoods.                                 | a) Complete Beach/South of Laurel NRSA goals for years 3 through 5 by the end of June 30, 2013.<br>b) By the end of 2012, develop an expanded NRSA plan that includes the Lower Ocean Street neighborhood.   |
| <hr/>  |  |
| 5. Encourage implementation of programs and projects that provide increased job opportunities for residents within the NRSA.         | a) Support the Beach Flats Community Center to provide information on job opportunities for NRSA residents.<br>b) Develop a program to encourage local employers & contractors working within the NRSA to hire NRSA residents when feasible.<br>c) Continue to sponsor the annual Teen Job Fair, when feasible, encouraging participation of NRSA employers. |
| <hr/>  |  |
| 6. Support efforts to maintain and grow businesses that employ local residents within the NRSA.                                      | a) Continue to provide the Façade Improvement Program.<br>b) Continue to work with businesses on the City owned Wharf to help ensure their success.<br>c) Initiate discussions with property owners in the lower Pacific area to create parking solutions that support redevelopment.  |
-

# ATTACHMENT 2

## CDBG & HOME BUDGET WORKSHEETS PY 2011-2012

<b>CDBG AND HOME FORMULA CALCULATION SHEET</b>	
Funding sources for the Housing and Community Development Program are summarized below. Information in <i>italics</i> shows the calculation of funding levels in specific categories that are capped or otherwise stipulated by HUD regulations.	
<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)</b>	
\$593,500	2011-2012 CDBG Entitlement
\$21,604	Estimated 2010-2011 program income
\$615,104	<i>Basis for formula calculations</i>
\$97,475	Prior year funds to be reprogrammed
\$712,579	Total available prior to allocation deductions
<b>ALLOCATION DEDUCTIONS</b>	
\$92,266	<i>Public services (15% of Basis per HUD Formula)</i>
\$123,021	<i>Administration &amp; planning (20% of Basis per HUD Formula)</i>
\$10,000	Rehab Housing Services Program Costs
<b>\$487,293</b>	<b>Total CDBG funds available for Projects &amp; Additional CP Funding</b>
<b>HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)</b>	
\$540,000	2011-2012 HOME Entitlement
\$0	Estimated 2010-2011 program income
\$540,000	Basis for formula calculations
\$297,177	Prior year unused funds to be reprogrammed
\$837,177	Total prior to formula allocations
<b>ALLOCATION DEDUCTIONS</b>	
\$81,000	<i>Minimum CHDO set-aside (15% of new entitlement)</i>
\$54,000	<i>Administration (10% of Basis)</i>
<b>\$702,177</b>	<b>Total HOME funds available for non CHDO projects.</b>

**ATTACHMENT 2: BUDGET WORKSHEETS CONTINUED (Page 2 of 3)**

<b>CDBG PROGRAM FUNDING WORKSHEET FUNDING CATEGORY</b>		<b>2011-2012 PY</b>	
		<b>FUNDING REQUEST</b>	<b>CPC RECOM.</b>
<b>PROJECTS &amp; CODE ENFORCEMENT</b>			
<b>TOTAL FUNDS AVAILABLE FOR PROJECTS</b>			<b>\$487,293</b>
<i>Activity:</i> <b>Street Light Fixture Replacement Project</b> <i>Applicant:</i> Santa Cruz, Department of Public Works		\$200,000	\$200,793
<i>Activity:</i> <b>Code Enforcement</b> <i>Applicant:</i> Santa Cruz Department of Planning & Community Dev.		\$210,000	\$210,000
<i>Activity:</i> <b>Relocation Assistance</b> <i>Applicant:</i> Santa Cruz Department of Planning & Community Dev.		\$15,000	\$15,000
<b>TOTAL PROJECT &amp; CODE ENFORCEMENT FUNDING</b>		<b>\$410,000</b>	<b>\$425,793</b>
<b>REMAINING FUNDS AVAILABLE FOR CP CBDO/NRSA</b>			<b>\$61,500</b>
<b>PUBLIC SERVICES</b>			
<b>PUBLIC SERVICE FUNDING AVAILABLE FOR CDBO/NRSA MAXIMUM 15% PUBLIC SERVICE FUNDING ALLOCATION</b>			<b>\$61,500 \$92,266</b>
<b>TOTAL COMMUNITY SERVICE FUNDING AVAILABLE</b>		<b>PRIOR YEAR</b>	<b>\$153,766</b>
<i>Activity:</i> <b>Neighborhood Services - Familia Center</b> <i>Applicant:</i> Familia Center	\$61,170	\$61,500	\$83,500
<i>Activity:</i> <b>Homeless Community Resource Center</b> <i>Applicant:</i> Homeless Services Center	\$47,253	\$50,000	\$14,053
<i>Activity:</i> <b>River Street Shelter</b> <i>Applicant:</i> Santa Cruz Community Counseling Center	\$32,627	\$35,000	\$14,053
<i>Activity:</i> <b>Senior Housing Placement</b> <i>Applicant:</i> Senior Network Services	\$10,000	\$10,000	\$14,053
<i>Activity:</i> <b>Neighborhood Services - B.F. Community Center</b> <i>Applicant:</i> Community Bridges	\$10,000	\$46,000	\$14,053
<i>Activity:</i> <b>Teen Center</b> <i>Applicant:</i> Santa Cruz Department of Parks & Recreation	\$0	\$50,000	\$14,053
<b>TOTAL SOCIAL SERVICE PROVIDER FUNDING</b>		<b>\$157,000</b>	<b>\$160,980</b>
<b>ADMINISTRATION &amp; PROGRAM REINVESTMENT</b>			
<i>Activity:</i> <b>Grant Administration and Planning (From Calculation Sheet)</b> <i>Applicant:</i> Santa Cruz Economic Development & Redevelopment		\$123,021 (By Formula)	\$123,021
<i>Activity:</i> <b>Housing Services Program (Rehab Program Operating fund)</b> <i>Applicant:</i> Santa Cruz Economic Development & Redevelopment		\$10,000	\$10,000
<b>TOTAL ADMINISTRATION &amp; OPERATING FUNDS</b>		<b>\$145,120</b>	<b>\$145,120</b>
<b>TOTAL CDBG FUNDING</b>		<b>\$714,620</b>	<b>\$718,600</b>

**ATTACHMENT 2: BUDGET WORKSHEETS CONTINUED (Page 3 of 3)**

HOME FUNDING WORKSHEET FUNDING CATEGORY	FUNDING CARRY- OVER	2011-2012 PROGRAM YEAR				
		FUNDING REQUEST	RECOMMENDATIONS			
			CHDO	OTHER	TOTAL	
<b>PROJECTS</b>						
<b>TOTAL FUNDS AVAILABLE FOR PROJECTS</b>			<b>\$81,000</b>	<b>\$702,177</b>	<b>\$783,177</b>	
<i>Activity:</i> <b>Holy Cross Senior Housing Project</b> <i>Applicant:</i> Central Coast Housing/Mercy Housing CA	\$128,000	\$162,000	\$81,000	\$81,000	\$162,000	
<i>Activity:</i> <b>Special Needs CHDO Housing Project</b> <i>Applicant:</i> South County Housing	\$0	\$800,000		\$400,000	\$400,000	
<i>Activity:</i> <b>First Time Homebuyer Program</b> <i>Applicant:</i> City of Santa Cruz	\$140,000	\$70,000	--	\$70,000	\$70,000	
<i>Activity:</i> <b>HOME Housing Services Program Fund</b> <i>Applicant:</i> City of Santa Cruz	\$0	Remaining	--	\$151,177	\$151,177	
<b>TOTAL PROJECT FUNDING</b>		<b>\$268,000</b>	<b>\$1,032,000</b>	<b>\$81,000</b>	<b>\$702,177</b>	<b>\$783,177</b>
<b>ADMINISTRATION</b>						
<b>TOTAL AVAILABLE FOR ADMINISTRATION</b>		<b>\$54,000</b>	<b>\$0</b>	<b>\$54,000</b>	<b>\$54,000</b>	
<i>Activity:</i> <b>Grant Administration &amp; Planning</b> <i>Applicant:</i> City of Santa Cruz	\$0	\$54,000 (By Formula)	--	\$54,000	\$54,000	
<b>TOTAL ADMINISTRATION</b>		<b>\$0</b>	<b>\$54,000</b>	<b>\$0</b>	<b>\$54,000</b>	<b>\$54,000</b>
<b>TOTAL HOME FUNDING</b>		<b>\$268,000</b>	<b>\$1,086,000</b>	<b>\$81,000</b>	<b>\$756,177</b>	<b>\$837,177</b>





## CITY COUNCIL AGENDA REPORT

DATE: 3/1/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Planning and Community Development

SUBJECT: Residential Rental Inspection Program Fees. (PL)

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RECOMMENDATION: Resolution adopting a new Department of Planning and Community Development Fee Schedule creating fees for the Residential Rental Inspection Program, and rescinding Resolution No. NS-28,316.

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BACKGROUND: On September 7, 2010 and reaffirmed on September 14, 2010 the City Council approved an ordinance amending Title 21 of the Santa Cruz Municipal Code (SCMC) adding Chapter 21.06 regarding a citywide Residential Rental Inspection and Maintenance Program. The reports prepared for the August 3<sup>rd</sup> meeting and the prior July 20<sup>th</sup> hearing discussed the proposed fees for the program.

On January 11, 2011 the fees for the Residential Rental Inspection and Maintenance Program were adopted by the City Council. The annual fee for the Self-Certification Program was adopted at \$20 per unit for 20 percent of the units. It was not clear in the adoption of this fee whether the fractional amount of 20 percent of the units would be rounded up or down or just be calculated as a fraction. Staff proposes that any fraction thereof will be rounded up to the nearest whole number. Therefore, two units would have a fraction of 0.4 which would be rounded up to one unit (\$20 fee) to be inspected; seven units would have a fraction of 1.4 which would be rounded up to two units (\$40 fee); and, sixteen units would have a fraction of 3.2 which would be rounded up to four units (\$80 fee).

Staff checked with other jurisdictions with similar self-certification requirements and was told they always round up to the next whole unit. The thinking behind this determination is that when you have two units and are required to inspect a minimum of 20 percent of the units, you must inspect at least 0.4 of a unit. Therefore, in order to meet the 20 percent requirement in reality you need to inspect one unit and receive the fee for that unit. The same is true for the other fractional examples as rounded up above.

The fee schedule will have a footnote added to memorialize this clarification.

FISCAL IMPACT: None other than previously reported.

Prepared by:  
Alex Khoury  
Assistant Planning Director

Submitted by:  
Alex Khoury  
Acting Planning Director

Approved by:  
Martin Bernal  
City Manager

ATTACHMENTS:  
Resolution  
Exhibit A – Fee Schedule

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ RESCINDING  
RESOLUTION NO. NS-28,316 AND ADOPTING A REVISED DEPARTMENT  
OF PLANNING AND COMMUNITY DEVELOPMENT FEE SCHEDULE TO  
INCLUDE MINOR CLARIFICATION TO THE RESIDENTIAL RENTAL INSPECTION  
PROGRAM SELF-CERTIFICATION FEES

WHEREAS, on January 11, 2011 the City Council adopted Resolution No. NS-28,316 establishing a revised fee schedule for the Department of Planning and Community Development (Planning Department); and

WHEREAS, the City Council conducted a public hearings on August 3, 2010 and September 7, 2010 and approved amendments to Title 21 to create the Residential Rental Inspection and Maintenance Program; and

WHEREAS, the City Council conducted a public hearing on January 11, 2011 and adopted fees related to the approved Residential Rental Inspection and Maintenance Program; and

WHEREAS, the adopted fee for the self-certification portion of the Residential Rental Dwelling Unit Inspection and Maintenance Program was unclear to members of the public; and

WHEREAS, the State of California provides that zoning and building permit inspection fees and services may recover costs associated with such services; and

WHEREAS, the City Council recognizes the necessity to recover costs associated with said rental inspection program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Cruz that Resolution No. NS-28,316 is hereby rescinded, and the new Current Planning Division Fee Schedule, as shown in Exhibit A, attached hereto and made a part hereof, is hereby adopted; and

BE IT FURTHER RESOLVED by the City of Santa Cruz that the fees shown in Exhibit A continue to be adjusted annually on July 1<sup>st</sup> to account for inflation, based on the Consumer Price Index for the previous 12-month period (using the San Francisco-Oakland-San Jose Area modifier).

PASSED AND ADOPTED this 22<sup>nd</sup> day of March, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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

Mayor

ATTEST: \_\_\_\_\_  
Interim City Clerk Administrator

**EXHIBIT “A”**  
**City of Santa Cruz**  
**Department of Planning and Community Development**  
**Current Planning Division**  
809 Center Street, Room 206, Santa Cruz, CA 95060  
(831) 420-5100

**FEE SCHEDULE<sup>1</sup>**

<b>Application/Fee Type</b>	<b>Fee Amount<sup>2</sup></b>
<b>Administration Fees</b>	
Hourly Billing Rate	\$107 per hour
Application Intake:	
- Public hearing cases	\$100
- Non-public hearing cases	\$50
Document Fee	
- Public hearing cases	\$70
- Non-public hearing cases	\$35
Public Notice	\$266
Technology Surcharge	5% of all fees/charges (including building) except those fees/charges under \$100, duplication, impact fees, inclusionary housing in-lieu fees, and General Plan Maintenance Fee.
Duplication	\$0.25 per page
<b>Permit Applications</b>	
Abandonment	\$2,031
Appeals	\$500
Boundary Adjustment	\$851
Certificate of Compliance	\$1,285
Coastal Permit	\$593
Coastal Permit Exclusion	\$88
Conditional Driveway Permit	\$851
Conditional Fence Permit:	
- No public hearing	\$724
- Public hearing	\$851
Condition/Mitigation Monitoring:	
- Minor	\$500 Deposit
- Major	\$5,000 Deposit
Demolition Permit	\$593
Design Permits: <sup>3</sup>	
- Large house/Substandard Lot (Public hearing)	\$1,504
- Remodel/Site alteration (No public hearing)	\$593
- New nonresidential/residential	\$329/1000 sq. ft.
- Fire Review Fee	20% of Design Permit Fee (\$4,400 max.)
Development Agreements <sup>3</sup>	\$3,076
Extension Area Revocable	\$1,175
General Plan/Zoning Map Amendment <sup>3</sup>	\$5,000 Deposit
General Plan Maintenance Fee	0.0122 of building permit valuation (charged at building permit — \$250,000 max.)

<sup>1</sup> Adjusted on \_\_\_\_\_ per City Council Resolution \_\_\_\_\_.

<sup>2</sup> All fees are non-refundable.

<sup>3</sup> This application may require the use of expert, outside analysis. Any such consultant costs and/or additional staff time shall be charged to, and recovered from, the applicant.

## EXHIBIT “A”

### Page Two

<b>Application/Fee Type</b>	<b>Fee Amount<sup>2</sup></b>
Historic Alteration Permit	\$130
Historic Building Survey Deletion	\$2,031
Modification to Approved Plans:	
- Minor	\$593
- Major	\$1,153
Occupancy Permit:	
- New Business/Change of Use	\$263 (+ \$52 fire review fee)
- Home Occupation	\$180 (+ \$36 fire review fee)
- New Occupancy, Same Use	\$55
Plan Check — Planning	\$285 (+ \$3 per \$1,000 valuation) (Charged at Building Permit)
Planned Development <sup>3</sup>	\$3,766
Pre-application Review <sup>4</sup>	\$2,000 Deposit
Reconstruction Permit	\$1,499
Relocation of Structure Permit	\$851
Sign Permit	\$253
Slope Modification:	
- Minor	\$335
- Major	\$1,713
Special Report Fee	\$527
Specific Plan <sup>3</sup>	\$9,500 Deposit
Subdivision <sup>3</sup>	\$2,196 + \$300 per lot
Time Extension	\$851
Use Permit <sup>3</sup>	
- Administrative Use <sup>5</sup>	\$851
- Special Use	\$1,598
Variance	\$1,499
Watercourse Development Permit	\$271
Watercourse Variance	\$1,714
<b>Environmental Review</b>	
Archaeological Review (for Building Permit Applications)	\$162 (Charged at Building Permit)
Biotic Review	\$214
Arborist Review	\$214
Categorical Exemption	\$88
EIR Review	25% of consultant’s contract
Negative Declaration/Initial Study <sup>3</sup>	\$1,647
<b>Code Compliance</b>	
Code Violation (Investigation Fee)	Double fees for required permits
Reinspection Fee	Actual Cost
<b>Rental Inspection Program</b>	
Annual Registration Fee <sup>6</sup>	\$45
Annual Self-Certification Fee <sup>6</sup>	20% of the units @ \$20 per unit <sup>7</sup>
Annual Inspection Fee <sup>6</sup>	\$20 per unit
Reinspection Fee	\$107 per hour

<sup>4</sup> Up to \$1,000 of this fee may be deducted from the application fee upon submittal within one year of completed review.

<sup>5</sup> The total fee amount for an Administrative Use Permit to allow a temporary, non-profit, seasonal fund-raiser shall be \$100.

<sup>6</sup> Penalties for late registration/annual renewals start at 20 percent of the original fee (if one month delinquent) and are assessed an additional 10 percent each month the license is delinquent (up to 50 percent maximum).

<sup>7</sup> Any fraction will be rounded up to the nearest whole number.



## CITY COUNCIL AGENDA REPORT

DATE: 3/15/2011

AGENDA OF: 3/22/2011

DEPARTMENT: Planning

SUBJECT: Re-adoption of the 2007-2014 Housing Element, #09-059, City-Wide.  
(PL)

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**RECOMMENDATION:** Resolution to revise the previous General Plan Amendment approving the 2007-2014 Housing Element to include non-substantive changes, rescind Resolution No. NS-28,148 and re-adopt the Negative Declaration and the reformatted and updated 2007-2014 Housing Element.

---

**BACKGROUND:** City Council held several public hearings and adopted in 2007-2014 Housing Element in November 2009. Since that time the staff has made changes requested by the State Department of Housing and Community Development (HCD) that are minor in nature and not substantive. Although the changes were minor, HCD has requested that the City Council readopt the Housing Element with the changes prior to the State's final certification. The following is a summary of the Housing Element process and its purpose.

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 housing element process did not begin until 2009 due to a 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 where "appropriate and legally possible" remove governmental constraints to housing development. The Government Code establishes specific provisions for each of the above requirements.

## PROCESS

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 7, 2009 the Planning Commission held a public hearing, reviewed the draft 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. Most of the comments were technical changes or minor corrections. The changes were made and a final draft was sent to HCD for approval. An informal approval was received from HCD and staff proceeded with Council adoption. City Council held public hearings on November 10, 2009 and November 24, 2009. The Council adopted the Housing Element on November 24, 2009.

Subsequently, HCD re-reviewed the draft and asked for further non-substantive changes. Two of those changes were the addition of Appendix E City Planning Fees and Appendix F Units Built or Approved in the City, as well more details on the parcels included in Appendix B. HCD then determined that although the changes were for clarification purposes and not substantive re-adoption was necessary.

Changes since the last City Council meeting are underlined in the attached draft. They are typically the addition of required tables, expanded discussion on state requirements and additional details on opportunity parcels. No further environmental review is needed as there were no substantive changes made to the Housing Element.

**FISCAL IMPACT:** No fiscal impact. A certified Housing Element is required to be competitive for some state and federal housing funds.

Prepared by:  
Michelle King  
Senior Planner

Submitted by:  
Alex Khoury  
Acting Planning Director

Approved by:  
Martín Bernal  
City Manager

**ATTACHMENTS:**

Resolution;  
Negative Declaration;  
Council Resolution NS-28,148;  
Minutes Excerpts of the Planning Commission meeting of 5/7/2009;  
Minutes Excerpts of the City Council meeting of 11/24/09;  
Adopted Housing Element.



RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ REVISING THE PREVIOUS GENERAL PLAN AMENDMENT APPROVING THE 2007-2014 HOUSING ELEMENT, RESCINDING RESOLUTION NS-28,148 AND READOPTING THE NEGATIVE DECLARATION AND REVISED 2007-2014 HOUSING ELEMENT; AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO SUBMIT IT TO THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) 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 the California Environmental Quality Act (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 November 24, 2009 and adopted the Negative Declaration and the 2007-2014 Housing Element; and

WHEREAS, the adopted 2007-2014 Housing Element was submitted to and reviewed by HCD and further minor changes were requested, which requires the City Council to re-adopt the 2007-2014 Housing Element prior to HCD certification; and

RESOLUTION NO. NS-

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.
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 considered the Negative Declaration and found, 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 whole record before it, that 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 rescinds Resolution No. NS-28,148; and

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

RESOLUTION NO. NS-

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Santa Cruz, that the previous General Plan Amendment be revised and that Resolution No. NS-28,148 be rescinded and that the City Council re-adopts the revised 2007-2014 Housing Element.

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

PASSED AND ADOPTED this      day of                      2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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

ATTEST: \_\_\_\_\_  
Interim City Clerk Administrator

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

RESOLUTION NO. NS-28,148

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 November 24, 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.

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.

PASSED AND ADOPTED this 24th day of November 2009, by the following vote:

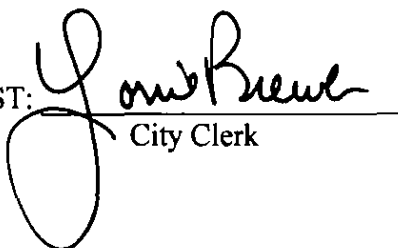
AYES: Councilmembers Lane, Mathews, Beiers, Madrigal, Robinson, Vice Mayor Coonerty; Mayor Rotkin.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

APPROVED:   
Mayor

ATTEST:   
City Clerk

**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.



**Excerpts of the Minutes  
of the City Council  
Meeting of November 24, 2009**

**Public Hearing**

1. 2007-2014 Housing Element of the General Plan. (PL)

Principal Planner K. Thomas and Senior Planner M. King presented oral reports and responded to Council's questions.

SPEAKING FROM THE FLOOR IN OPPOSITION AND/OR EXPRESSING CONCERNS:

Ed Davidson

Action

Councilmember Robinson moved, seconded by Mayor Rotkin, to adopt Resolution No. NS-28,148 adopting the Negative Declaration, rescinding the 2002-2007 Housing Element, adopting the 2007-2014 Housing Element based on the Findings listed in the Resolution, and approving non-substantive language changes as necessary. The motion carried unanimously.

## A. Introduction

Santa Cruz is a thriving community of approximately 58,125<sup>1</sup> residents. Bordered by the Santa Cruz Mountains, the Monterey Bay, and environmental preserves, the city of Santa Cruz is known for its vibrant tourism base, cultural amenities, diverse housing opportunities, and high quality of life. These amenities distinguish Santa Cruz as one of the most livable and sought-after communities in the Monterey Bay Area.



The city benefits from a range of amenities that distinguish Santa Cruz from other jurisdictions in the county: its Central Business District, a growing connection with Silicon Valley, and an emerging base of technology, financial, and health-related employment. The city is home to the University of California at Santa Cruz, many private schools, and a breadth of cultural institutions. The city is also known for its social activism, both in the community and nationwide.

With these amenities comes a high demand for housing, as people from many backgrounds and income ranges seek to share the benefits the city offers. From 2002 to 2007, the median price of a single-family home increased 46 percent to \$799,000. During the same period, apartment rents increased 24 percent, from an average of \$1,669 to \$2,083 for a two-bedroom unit<sup>2</sup>. As of 2009, only above moderate income households can afford to purchase town homes or single-family homes while moderate income households can afford apartments. Even with the recent downturn in the housing market, finding “affordable housing” is still a struggle for many residents. Housing affordability is not only a

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<sup>1</sup> State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2007 and 2008. Sacramento, California, May 2008.

<sup>2</sup> RealFacts, “Annual Average Asking Rents Change”, 2008.

problem for Santa Cruz, but the entire Monterey Bay and San Francisco Bay Areas.

These market conditions have long-term implications for Santa Cruz. Lower-income residents often live in subsidized units and have limited choices to move elsewhere. This creates a condition where upper income households who have homes or lower-income persons who have subsidized units remain in the city. However, moderate income families and the city's workforce, including teachers, public safety workers, nurses, and others, leave the community entirely, or find affordable housing elsewhere and commute to work in Santa Cruz. This trend impacts the quality of schools, affects traffic and commuting patterns, and makes it difficult for employers to attract and retain employees.

The city is home to a significant population of students attending U.C. Santa Cruz as well as Cabrillo College in Aptos. Students struggling to find affordable housing must often live together with several other students in single-family homes, decreasing the supply of available housing and resulting in the displacement of families and the city's workforce. This demonstrates the need to provide for housing appropriate to student needs to ensure an adequate supply of housing necessary to retain families and workers in the community.

If Santa Cruz is to maintain its social and economic diversity, it must remedy the conditions described above. In turn, the primary challenge for the 2007-2014 Housing Element is to accelerate the ability to develop suitable and affordable housing as a means to that end.

In addressing the community's housing needs, Santa Cruz must also balance competing goals of the General Plan. For example, Santa Cruz attaches great importance to protecting its environmental and cultural amenities and resources. The desire is reflected in permanent greenbelts which preserve important habitat and open space areas. In keeping with this commitment, Housing Element goals and policies continue to protect the city's unique environment.

The City is currently updating its General Plan to the year 2030. Because of diminishing vacant land, a key General Plan goal is to promote a sustainable and compact community within defined urban boundaries. Thus, the City must increasingly look at creative transit-oriented housing, such as recycling underutilized sites within the Downtown and along major corridors, increasing density, and facilitating housing at key opportunity sites.

Although industrial areas could also accommodate housing, the City's economic health depends on maintaining an industrial base that can generate job opportunities for residents and the tax base to support City services.

Santa Cruz must also address infrastructure and environmental issues which potentially constrain the production of new housing and the quality of life for Santa Cruz residents. These include the need to conserve the community's water supply, to address pressing congestion and traffic issues, and to repair or replace aging infrastructure and public facilities.

Although the 2007-2014 Housing Element helps shape the built environment in Santa Cruz, it also serves to define and implement the City's broader social goals. The Housing Element encourages a living environment in which people of all walks of life and circumstances can flourish in the community. Thus, the Housing Element must address the housing and supportive needs of residents, the vitality of neighborhoods, and other issues affecting the health and well-being of residents.

In summary, the Housing Element addresses a range of challenges for the 2007-2014 planning period:

- 1) Maintaining the diversity of the community by addressing the acute need to increase the supply of housing appropriate to the workforce and demographics of Santa Cruz;
- 2) Improving the feasibility of developing workforce, special needs, and affordable housing, and higher density projects;
- 3) Improving neighborhoods in the community; and
- 4) Protecting the city's environment.

### **B. Statutory Authority for the Housing Element**

The Housing Element is mandated by Sections 65580 to 65589 of the California Government Code. State law requires that each city identify and analyze existing and projected housing needs and prepare 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.

The City of Santa Cruz 2007-2014 Housing Element is designed to comply with the California Government Code by including the following major components:

- 1) Analysis of the city's demographic, housing, and special needs characteristics and trends (Chapter 2).
- 2) Review of potential market, governmental, and environmental constraints which impact the City's ability to address its housing needs (Chapter 3).
- 3) Analysis of land, financial, and organizational resources available to address the community's housing goals (Chapter 4).
- 4) Evaluation of the City's accomplishments toward meeting the goals and objectives of the prior 2002 Housing Element (Chapter 5).
- 5) Housing strategy to address the City's identified housing needs, including housing goals, policies, and programs (Chapter 6).

### **C. Relationship to Other General Plan Elements**

Balancing housing goals with other City goals and policies of the General Plan is important. State law requires that a general plan be internally consistent, so that no conflicts exist among the elements of the plan. Consistency requires that policies and implementation measures in the General Plan do not conflict with one another, but rather support one another to achieve the vision of the General Plan.

The 1990-2005 Santa Cruz General Plan (the adopted plan in effect as of 2009) has 10 chapters (an introduction, plus the elements shown in the table below). In preparing the 2007-2014 Housing Element, the City

## Introduction

concluded that the Housing Element is consistent with the other General Plan elements of the 1990-2005 Santa Cruz General Plan.

General Plan Elements	Housing Element Goals					
	Housing Production	Affordable Housing	Special Housing Needs	Housing Assistance	Neighborhood Vitality	Resource Conservation
Environmental Quality	X	X			X	X
Community Design	X	X	X	X	X	
Land Use Circulation	X	X		X	X	X
Economic Development			X	X		
Community Facilities/Services	X	X	X	X	X	
Parks and Recreation						X
Cultural Resources						X
Safety	X	X			X	
Local Coastal Plan	X	X	X		X	X

The 2007-2014 Housing Element builds upon the other elements within the 1990-2005 General Plan and is consistent with its goals and policies.

At the same time, the City is in the process of updating the General Plan through 2030. Per Government Code Section 65302 the City will review the General Plan for internal consistency, which may require amendments to the Housing Element. See Program 6.9.

The Housing Element 2007-2014 was developed to be consistent with the accepted draft principals and goals of the Santa Cruz General Plan 2030. The City will continue, throughout the update process, to maintain consistency between General Plan 2030 and the 2007-2014 Housing Element.

## D. Public Participation

State law requires local governments to “make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort” (Section 65588 (c) of the Government Code). To that end, the City provided three major venues for residents, interested parties, and elected officials to recommend housing strategies and comment on the 2007-2014 Santa Cruz Housing Element.

### Community Workshops and Public Survey

Prior to initiating the 2007-2014 Housing Element update, the City held a series of public workshops designed to gather public input on issues related to the General Plan update.

In 2005, two public “Cruz to the Future” festivals were organized to reach out to the community and gather ideas about the future development of Santa Cruz. The festivals were designed to address a broad range of topics but centered on main issues such as housing, transportation, and the economy. The findings from “Cruz to the Future” helped shaped residential development policies which enhance neighborhoods, protect the unique environmental attributes in Santa Cruz, minimize the impact of traffic, and improve the overall quality of life for Santa Cruz residents.



In 2006, the City held a citywide Community Design workshop. The objective of the Community Design workshop was to define the character of Santa Cruz and develop strategies to reinforce that character while allowing the city to continue to develop. The design and appropriate location for new housing was a key topic for this workshop. Participants provided information on where new housing should go, how it would work with the existing design of the community, and what improvements would be needed.

Also in 2006, the City embarked on a public survey to provide information on citizen attitudes on a range of issues. The survey centered on the public’s interest in the environment, land use, housing, transportation and circulation, economic development, and UCSC. As many of these issues are complex, the survey was designed to evaluate “top-of-mind” attitudes and values. 600 random residents were contacted and interviewed by a professional opinion research company.

## Introduction

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The results of the “Cruz to the Future”, the Community Design Workshop, and the Public Opinion can be found on-line at <http://www.cityofsantacruz.com>.

### Housing Strategy

The Santa Cruz Housing Strategy (a separate document) was prepared to inform the update of the City’s General Plan, the Housing Element, and the Redevelopment Agency’s Five-Year Implementation Plan. The Strategy had three steps: defining the housing market and needs, exploring potential housing scenarios and opportunities, and providing recommendations for housing policy.



The process utilized a consultant who prepared a “Housing Values and Needs, Land Use and Development Strategies Action Plan”; a 60-person stakeholder group and an 11-member working group. The working group included residents, architects, developers, bankers, UCSC representatives, and the City Planning and Transportation Commissions. The stakeholder group was comprised of neighborhood representatives, development professionals, government officials, and affordable housing advocates. The stakeholder group met twice in a workshop setting where they identified housing values, barriers to meeting housing goals, and explored housing opportunity sites.

The working group met five times to review and discuss the results of the analysis and stakeholder workshops. The preliminary findings of and recommendations of the working group and the community process were presented and discussed at a joint City Council and Planning Commission Study Session.

### Public Hearing and Review

Prior to finalizing the draft 2007-2014 Housing Element for submittal to the State Department of Housing and Community Development (HCD), the City conducted two general business hearings with the Planning Commission on April 2, 2009, and April 16, 2009, and a public hearing on May 7, 2009. The City Council held a public hearing on May 26, 2009 at



which they accepted the draft 2007-2014 Housing Element and directed staff to submit it to the State for formal review. The purpose of the public hearings is to seek additional policy guidance on policies and programs from the public and decision-makers. To solicit input from organizations that serve people with low income and/or special needs, the City sent notice of the meeting to more than 50 organizations and interested parties and placed a notice in the newspaper.

The City Council reviewed the draft Housing Element during two additional public hearings held on November 11, 2009 and November 24, 2009. On November 24, 2009, Resolution No. NS 28,148 was approved adopting the Negative Declaration, rescinding the 2002-2007 Housing Element and adopting the 2007-2014 Housing Element and approving any non-substantive language changes necessary for final State approval.

Copies of the 2007-2014 draft Housing Element were provided to the Water District, the Santa Cruz School District, and Chamber of Commerce. For organizations that did not directly receive a copy of the draft Housing Element, the Element was available on the City's website, at the Planning Department's public counter, and public library. This wide circulation of the Housing Element allowed residents, businesses, and organizations the opportunity to view and comment on the draft prior to submittal to HCD for review.

Santa Cruz's housing needs are determined in part by population growth and change in the community, economic and market conditions, and the availability and affordability of housing. To provide a context for addressing housing needs in Santa Cruz, this chapter discusses population characteristics, describes and analyzes housing opportunities available to residents, and describes special needs in the community.



## A. Population Characteristics

### Population Trends

Santa Cruz is the oldest and largest city in Santa Cruz County. Spurred in part by the establishment of a campus of the University of California, the city's population increased 29 percent during the 1970s.<sup>1</sup> Population growth has slowed in recent decades due to the scarcity of vacant land, the presence of regional growth control measures, and demographic change. As of 2008, the city's estimated population stood at 58,125 and is projected to increase to 62,480 by 2015<sup>1</sup>.

### Age Characteristics

Santa Cruz's housing needs are influenced by local demographics. Different age groups have different incomes, family size, and lifestyles. The housing needs of residents differ accordingly. The following highlights of age characteristics of residents provide insight into existing and future housing needs. Discussion draws from Census 2000, the most current data available.

The University of California, Santa Cruz and Cabrillo College enroll a total of 15,650 and 14,000 students, respectively, and are thus largely

<sup>1</sup> U.S. Census 1950 – 2000.

<sup>1</sup> 2008 Regional Population and Employment Forecast (Association of Monterey Bay Area Governments 2008).

responsible for the large student population in Santa Cruz<sup>2</sup>. Although the 18-24 age group comprised 20 percent of residents, young adults (ages 25-44) made up 33 percent of residents (Table 2-1). Generally, the housing needs of younger adults are addressed through rental units, condominiums, and starter homes.

During the 1990s, middle-age adults (45 to 64) comprised the fastest growing segment in Santa Cruz, increasing 76 percent in that decade. The increase was attributable to the aging of younger adults in Santa Cruz and an influx of San Francisco Bay Area workers looking for housing. Middle-age residents are usually at the peak of their earning power, have families, and prefer to own a home. However, given the high home prices in Santa Cruz, many households cannot afford a home.

Similar to countywide trends, the senior population (65+) in Santa Cruz decreased slightly between 1990 and 2000. Their housing needs are diverse. Senior homeowners often have limited retirement income and/or physical limitations, and could benefit from homeowner assistance. In addition to accessibility, seniors who rent generally have greater financial need, and rental assistance may be required for them to continue to afford to live in Santa Cruz.

**Table 2-1  
Age Characteristics and Trends**

Age Groups	1990		2000		% Change 1990-2000
	No. of Persons	Percent of Total	No. of Persons	Percent of Total	
Under 18	8,969	18%	9,463	17%	+6%
18 to 24	10,438	21%	11,188	20%	+7%
25 to 44	18,162	37%	17,801	33%	-2%
45 to 64	6,531	13%	11,478	21%	+76%
65 or older	4,940	10%	4,663	9%	-6%
Total	49,040	100%	54,593	100%	+11%

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

<sup>2</sup> UCSC LRDP 2005 and Cabrillo College Master Plan, 2008

### Race and Ethnicity

In Santa Cruz County, population growth during the 1990s was accompanied by racial and ethnic change and concentration. Countywide, the percentage of white residents declined from 75 percent to 66 percent while Hispanic residents increased to 27 percent of the county population. All other race and ethnic groups comprised 7 percent.

Santa Cruz experienced less demographic change than the county. As of 2000, Whites still comprised the largest race/ethnic group in the City (72 percent), but declined over the 1990s. This trend was due to a significant increase in Hispanics and recording of many Whites under a new multi-ethnic/racial category in the Census. Nonetheless, the race and ethnic composition of residents generally remained the same in 2000 as in 1990 (see Table 2-2)

The City's 2000-2005 Analysis of Impediments to Fair Housing further analyzed race and ethnic change. Based on a survey of communities in California with a population of more than 25,000, Santa Cruz is one of the most highly integrated cities. (The statistical measure used to determine racial/ethnic integration is the degree to which people of different racial and ethnic backgrounds live in proximity. It does not measure whether equal proportions of different racial and ethnic groups live in a city, only whether the minorities who live in the city are equally distributed.) The cost of housing may keep the city from becoming more culturally diverse. Within the city, the only high concentration of minorities was found within the Beach/South of Laurel area, which also has a high concentration of lower income residents.

**Table 2-2  
Race and Ethnicity Trends**

Race/Ethnicity	1990		2000		Percent Change in Persons
	No. of Persons	Percent of Total	No. of Persons	Percent of Total	
White	38,755	79%	39,304	72%	1%
Hispanic	6,662	14%	9,491	17%	42%
Asian/Pacific Islander	2,133	4%	2,667	5%	25%
African Americans	1,021	2%	871	2%	-15%
All others*	469	1%	2,260	4%	*
Total	49,040	100%	54,593	100%	11%

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

## Household Type

Household characteristics and types affect the type of housing needed. Single-person households often occupy smaller apartment units or condominiums, such as studio and one-bedroom units. Married couples, particularly those with children, prefer larger single-family homes. This underscores the need to provide a diversity of housing opportunities to allow households of different size, ages and types the opportunity to live in Santa Cruz.

The large student population in Santa Cruz is reflected in a high proportion of single-person households. From 1990-2000, single-person households increased from 27 percent to 29 percent, while family households declined from 54 percent to 51 percent. In contrast, 63 percent of households in Santa Cruz County were families. Because of the high proportion of single-person households, the city's average family size is only 2.4 persons.

Table 2-3 illustrates changes in the composition of Santa Cruz households from 1990 to 2000. Santa Cruz actually experienced a slight increase in the number of families with and without children, but the overall percentage of family households declined because other types of

## Community Profile

households increased at a faster rate. The most notable change was a 22 percent increase in the number and percentage of single persons. Finally, the number and percentage of residents living in group quarters also increased, due largely to increased enrollment at UCSC.

**Table 2-3**  
**Household Characteristics and Trends**

Household Type	1990		2000		Percent Change
	No. of Hhlds	Percent of Total	No. of Hhlds	Percent of Total	
Population	49,040	--	54,593	--	11%
In Group Quarters	3,750	7.6%	4,634	8.5%	+24%
Households	18,121	100%	20,442	100%	+13%
Married With Children	3,366	19%	3,460	17%	+3%
Married No Children	3,876	21%	4,102	20%	+6%
All Other Families	2,542	14%	2,839	14%	+12%
Single Person Households	4,923	27%	5,986	29%	+22%
All Others	3,414	19%	4,055	20%	+19%
Average Household Size	2.50		2.44		-2%

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

## Economic Conditions

The local and regional economy has an important impact on housing. Employment growth increases the local workforce and thus results in an additional demand for housing from those seeking to relocate to Santa Cruz. At the same time, the type of housing needed depends on the wages earned and household characteristics of the workforce.



During the late 1990s Santa Cruz experienced one of its greatest economic and job booms in decades, fueled by the rise in the technology and internet sectors. According to the Association of Bay Area Governments, more than 230,000 jobs were created in the

Silicon Valley during the late 1990s, mostly in the internet and high technology sector. Santa Cruz shared in this job growth. In the late 1990s, the number of jobs in Santa Cruz increased from an estimated 15,100 during 1995 to 18,601 by 2000. The increase in regional and local job opportunities and wages resulted in higher housing demand and higher housing costs.

During the first decade of the 21st Century, plant closures, the “dot.com bust” and the recession of 2008-2009 significantly affected the economy of the city and county of Santa Cruz. The city was impacted by three major plant closures (Salz Leathers, Texas Instruments, and Liptons) with a loss of over 1,000 livable wage jobs. This was compounded by additional major layoffs and business closures in the finance, real estate, and technology sectors. The Santa Cruz County January 2009 U.S. Bureau of Labor Statistics unemployment rate was 12 percent, and the trend was upward.

**Table 2-4** summarizes occupations and wages earned by Santa Cruz residents as of the 2000 Census.

**Table 2-4  
Occupations of Santa Cruz Residents, 2000**

Occupational Category	Jobs		Average Salary
	Persons	Percent	
Managerial Positions	3,975	13%	\$82,000
Professional and related	9,406	32%	\$71,100
Sales and office	6,983	24%	\$35,700
Service Occupations	4,782	16%	\$22,400-
Production, transportation, etc	1,991	7%	\$43,800
Construction, extraction	2,257	8%	
Farming, Forestry, Fishing	250	1%	\$16,000-\$21,000
Total	29,644	100%	

Source: 2000 Census.  
2000 National Compensation Survey, Bureau of Labor Statistics

Countywide employment trends in 2008 show Services accounting for 28 percent of the county employment base, followed by Retail Trade at 27 percent, and Governmental and Educational services at 19 percent. Manufacturing and Agriculture comprised 13 percent and 7 percent of the economy, primarily centering in South County. The remaining 16

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percent of the County's job base was concentrated among four industries: Construction, Wholesale Trade, Finance/Real Estate/Insurance, and Transportation/Public Utilities.<sup>3</sup>

EDD non-farm industry projections are that education, services, and retail trade will continue to experience the largest job growth through 2016. By 2016, the education sector will add 3,000 new jobs, with a large portion classified as Postsecondary Education. Personal care and service occupations are expected to increase by 850 new jobs while retail sales and related occupations will add 820. Overall employment is expected to increase by 9,100 jobs countywide over the next 10 years; however, the 2008-2009 recession and changes in the State economy due to severe and continuing budget shortfalls are anticipated to result in workforce reductions in the city.

## Household Income

Employment growth, new technology jobs, and a growing professional workforce in the 1990s had a significant impact on household income, which also affected housing opportunity. During the 1990s, the city's median household income increased 59 percent, from \$31,850 in 1990 to \$50,600 by 2000. As of 2000, the city had the second highest median household income in the county.

**Table 2-5** illustrates reasons for the change - the number of households in every income group below \$50,000 declined. Part of this change was due to normal inflation. However, other factors contributed to the trend. For instance, the number of households earning \$100,000 to \$150,000 increased 284 percent and households earning more than \$150,000 increased by 488 percent.

Part of this change was also due to the higher incomes of new residents. According to the 2000 Census, the average household income was approximately \$89,000 for homeowners and \$47,000 for renters. However, the average household income of households relocating to or within Santa Cruz from 1995 through 2000 was approximately \$106,000 for homeowners and \$47,000 for renters. This suggests that homeowners were selling their homes to higher-income households, which was reflected in the larger increase in households earning above \$75,000.

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<sup>3</sup> Santa Cruz County Profile, Employment Development Department, 2009.



Households are often grouped into different income categories and types to facilitate assessment of needs and prioritizing assistance for housing. For state housing programs, households are typically grouped into five income categories, expressed relative to the Area Median Income (AMI). The following income thresholds are based on an average household size of three persons<sup>4</sup>.

- Extremely Low income: 30% of AMI or up to \$25,000
- Very Low income: 50% of AMI or up to \$41,700
- Low Income (CITY): 51-60% of AMI or up to \$43,920
- Lower income: 80% of AMI or up to \$66,750
- Moderate income: 81% or above of AMI or up to \$90,500

**Table 2-5  
Household Income Distribution**

Income Category	1990		2000		Percent Change
	Hhlds	Percent	Hhlds	Percent	
< \$15,000	4,122	23%	2,960	15%	-28%
\$15,000 to \$24,999	3,010	17%	2,148	11%	-29%
\$25,000 to \$34,999	2,640	15%	2,053	10%	-22%
\$35,000 to \$49,999	3,214	18%	2,903	14%	-10%
\$50,000 to \$74,999	3,163	17%	3,855	19%	+22%
\$75,000 to \$99,999	1,158	6%	2,492	12%	+115%
\$100,000 to \$149,999	627	3%	2,406	12%	+284%
\$150,000 and up	264	1%	1,551	8%	+488%
Total	18,198	100%	20,368	100%	+12%

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

In Santa Cruz, low to moderate income households were concentrated in one census tract and a few scattered blocks. A “low-mod” neighborhood is one in which the median household income is less than 80 percent of AMI. The city’s low to moderate income residents are concentrated in the Beach Flats area, which also had the highest concentration of minority households.

According to the U.S. Department of Housing and Urban Development’s Comprehensive Housing Affordability Strategy report, updated in May of 2004, there are 3,046 extremely low income (ELI) households in Santa

<sup>4</sup> U.S. Dept. of Housing and Urban Development, effective April 2, 2009 and State Dept. of Housing and Community Development dated April 27, 2009, “Low Income 60% (City)” per Resolutions No. NS-22,400 and NS-22,856.

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Cruz. Of this population about 17 percent are home owners and 83 percent are renters. About 84 percent of ELI households are experiencing problems with their living situation, such as overcrowding, cost burden (30%, or greater, of income is spent on housing costs), incomplete kitchen, and/or plumbing facilities. Table 2-5A summarizes these findings.

**Table 2-5A**  
**Housing Needs for Extremely Low-Income Households**

	<u>Renters</u>	<u>Owners</u>	<u>Total</u>
<u>Total Number of ELI Households</u>	<u>2,560</u>	<u>486</u>	<u>3,046</u>
<u>Percent with Any Housing Problems</u>	<u>83</u>	<u>86</u>	<u>84</u>
<u>Percent with Cost Burden (30% of income)</u>	<u>82</u>	<u>82</u>	<u>82</u>
<u>Percent with Severe Cost Burden (50% of income)</u>	<u>66</u>	<u>70</u>	<u>67</u>
<u>Total Number of Households</u>	<u>10,884</u>	<u>9,451</u>	<u>20,335</u>

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) May 2004

Chapter 3 and 4 identify areas of opportunity where affordable housing, and a variety of housing types can built to accommodate this need, it also describes several financial resources and programs that could facilitate the construction of affordable housing.

## **B. Housing Stock Characteristics**

Santa Cruz is committed to providing diverse opportunities for residents to find suitable housing. A diverse mix of both conventional and specialized housing helps ensure that all households (regardless of income level, age group, or family status) have the opportunity to find suitable housing. This section describes the type, availability, cost, and affordability of housing in Santa Cruz.

### Housing Unit Type

As of 2000, Santa Cruz had 21,460 housing units, an increase of 11 percent since 1990. Given housing construction trends during the decade, the composition of housing in Santa Cruz remained relatively the same in 2000 as it was in 1990. As shown in **Table 2-6**, single-family

and multifamily dwelling units comprise approximately 62 and 36 percent of the housing stock in Santa Cruz respectively, with all other housing types comprising the remaining 2 percent.

**Table 2-6  
Housing Characteristics and Trends**

Housing Type	1990		2000		2008	
	Number of Units	Percent of Total Units	Number of Units	Percent of Total Units	Number of Units	Percent of Total Units
Single-Family Detached	11,151	58%	12,086	56%	12,386	53%
Single-Family Attached	1,567	8%	1,893	9%	2,082	9%
Multifamily 2-4 Units	2,315	12%	2,563	12%	2,610	11%
Multifamily 5+ Units	3,509	18%	4,479	21%	5,860	25%
Mobile Homes	406	2%	406	2%	441	2%
All Other Units	416	2%	33*	<1%	0	0%
<b>Total Units</b>	<b>19,364</b>	<b>100%</b>	<b>21,460</b>	<b>100%</b>	<b>23,379</b>	<b>100%</b>

Sources: U.S. Census, 1990 and 2000.

California Department of Finance, Estimated City Population and Housing Estimates, 1/1/2008.

\*The decline in "Other units" is the result of the change in definition of housing units. In addition, certain group quarters never counted as housing units are now counted as such.

## Occupancy Characteristics

Employment and population growth throughout Santa Cruz County increased the demand for new housing. One measure of housing demand is the vacancy rate. A certain number of vacant units are important to moderate the cost of housing and encourage property owners to maintain and repair their housing. Housing tenure is also important in that ownership housing turns over at a much lower rate than rental housing.

**Table 2-7** shows changes in homeownership and vacancy rates. During the 1990s, the vacancy rate fell from 1.9 to 0.7 percent among for-sale units and from 4.0 to 1.4 percent among rental

housing. However, the housing vacancy rate in Santa Cruz is variable, and showed increases in 2007-2008. Nonetheless, the city's vacancy rates are still considered suboptimal and are responsible for the rise in housing prices and rents from the 1990s<sup>5</sup> through early 2008.

Homeownership remained stable during the decade; 47 percent of households owned homes. However, the composition of homeowners changed. As shown in **Table 2-9**, homeowners between ages 45 and 64 increased significantly while the number of young homeowners declined. This trend suggests that as housing prices increased over the 1990s, home ownership became more difficult for first-time home-buyers, including younger and moderate-income households.

**Table 2-7**  
**Trends in Tenure and Vacant Units**

Housing Occupancy	Percentage of Units	
	1990	2000
Tenure		
-- Renters	53%	53%
-- Owners	47%	47%
Vacancy		
-- Renters	4.0%	1.4%
-- Owners	1.9%	0.7%

Source: U.S. Census, 1990 and 2000

<sup>5</sup> Typically, optimal vacancy rates of 1.5% to 2.0% for ownership units and 5% to 6% for rental units are often used by developers in estimating the likely revenues, financial feasibility, and rate of return from a project.

**Housing Age and Condition**

As the oldest community in the County, Santa Cruz has a significant number of older homes, many of which have historic value. Periodic maintenance and repair of housing is thus an important issue in the City. If not properly maintained, housing conditions will erode

**Table 2-8  
Decade Housing Was Built**

Decade	Number of Units	Percent of Units
1990s	2,017	9.4%
1980s	2,181	10.2%
1970s	4,276	19.9%
1960s	2,958	13.8%
1940-1960	5,260	24.5%
Pre 1940s	<u>4,768</u>	<u>22.2%</u>
<b>Total</b>	21,460	100%

Source: U.S. Census, 2000.

property values and deteriorate the overall quality of life in a neighborhood.

**Table 2-8** shows the distribution of housing in Santa Cruz by the decade the structure was built (data from the 2000 census). As shown, 40 percent of all housing existing in 2000 was built from 1970-1999; 38 percent was built from 1940 through 1969; and the remaining 22 percent of the city’s housing was built before 1940. Approximately 1,916 units were constructed between 2000 and 2008.

Housing maintenance and repair needs often increase with the age of the home. During the first 30 years, homes require minor painting, landscaping, and other preventive maintenance. After 30 years, painting, stucco, repair of appliances, and other minor repairs are needed to maintain housing. Structures built before 1978 also have the potential for lead-based paint hazards. Structures older than 50 or 60 years typically require upgrades in plumbing, electrical, and heating.

**Table 2-9  
Trends in Homeowners by Age**

Age of Hholder.	# Households		Percent Change
	1990	2000	
< 34	1,100	880	-20%
35 to 44	2,453	2,076	-15%
45 to 54	1,542	2,869	+86%
55 to 64	1,101	1,473	+34%
65+	2,390	2,230	-7%
Total	8,586	9,528	+11%

Housing conditions in Santa Cruz are generally good, except for unpermitted construction and housing in the Beach Flats Area.

In the middle 1990s, the City conducted field surveys in their low-moderate income area, the Beach Flats Area. The survey indicated that 100 units required replacement and 626 units required rehabilitation. Improvement of the physical infrastructure, housing, and employment base in this area thus became an important issue. In 1997, the City adopted the Beach and South of Laurel Comprehensive Area Plan for the physical, economic, and social improvement of the beach area. Since that period, the City has inspected over 1,200 units in the Beach Flats Area and has identified over 100 illegal units and cited over 300 housing violations.<sup>6</sup> With the development of the Nueva Vista Apartments (which replaced dilapidated motel and apartments) and the Second Street Commons SRO (replaced a hazardous apartment building) development along with other improvements to the area, code enforcement officials estimate that about 25% or about 25 units need replacement and about 30% or about 187 units need rehabilitation within the Beach Flats Area.

Housing prices and rents increased dramatically from the 1990s through 2007. Since the 1990s there has been a reported rise in unpermitted accessory units and garage conversions. City code

<sup>6</sup> City of Santa Cruz Code Enforcement Case Tracking, 2009.

enforcement reports since the early 1990s show that up to 30 percent of the enforcement caseload is due to housing code violations for illegal living quarters. Unpermitted housing represents a public health and safety hazard, as a larger number of such units have faulty wiring and electrical systems, inadequate plumbing and kitchens, inadequate parking, and fire code access violations. In 2002, the City revised the accessory dwelling unit requirements, facilitating the legalization or construction of 164 accessory dwelling units throughout the city. Although the revisions helped provide additional housing throughout the city, illegal housing persists and represents a large proportion of the code enforcement caseload.

### Housing Costs

The Santa Cruz-Watsonville metropolitan area continues to be one of the most expensive housing markets in the nation. According to an annual survey conducted by the National Association of Home Builders, only 29 percent of the homes sold can be afforded by a family earning the County median income<sup>7</sup>.

### Ownership Housing

According to the Santa Cruz County Association of Realtors, the median sales price of a single-family home in Santa Cruz County increased 36 percent between 2001 and 2007. In 2008 however, the unprecedented home mortgage crisis and economic downturn caused a 22 percent drop in the countywide median sales price of single-family homes from \$750,000 in 2007 to \$585,000 in 2008. The countywide median sales price is influenced by lower cost homes in some cities, e.g., Watsonville, and some unincorporated areas of the county.

**Table 2-10** shows the distribution of home prices in the city of Santa Cruz in 2008. The median sales price for a single-family home in Santa Cruz was \$670,000, down 16 percent from the 2007 median sales price of \$799,000. There was also a drop in the number of homes sold in the city by 20 percent or 89 single-family homes from 2007 to 2008.

In a year over year comparison, the median sales price of condominiums in the city of Santa Cruz dropped 11 percent, from \$500,000 in 2007 to

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<sup>7</sup> National Home Builders Association Housing Opportunity Index 2008

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\$443,000 in 2008. Even with this increase in affordability, condominium sales dropped by 46 units or 34 percent from 2007 to 2008.

**Table 2-10**  
**Home Prices in Santa Cruz, 2008**

	Sales Price Distribution	
	Single-Family	Condominiums
Number of Sales	340	89
Average Sales Price	\$784,000	\$471,357
Median (50% of homes sold below)	\$670,000	\$443,000

Source: Santa Cruz County Association of Realtors, 2008

## Rental Housing

The National Low Income Housing Coalition describes the rental market in the Santa Cruz-Watsonville Metropolitan area as one of the least affordable housing markets nationwide. The average worker needed to earn at least \$29 per hour (more than double the minimum wage required under the City's Living Wage ordinance) to be able to afford (defined as spending no more than 30 percent of income) a two-bedroom apartment in 2008.

The average rent in the city of Santa Cruz rose 23 percent from 2003 to 2008 before stabilizing at \$1,843 for a two-bedroom single-family home. During the same period, the Fair Market Rent (FMR) for the County of Santa Cruz fell \$350 per month below market rents. HUD increased the FMRs to just below average market rents in 2002 during a period of similar cost and rent escalation. Raising the fair market rent made it more economically feasible for at-risk projects to renew their Section 8 contracts rather than convert to market rate projects.

**Table 2-11** details rents for apartments and single-family homes in the city of Santa Cruz. According to a UCSC survey, the average rent ranged from \$865 for a studio unit to as high as \$2,294 for a three-bedroom apartment in 2008. Houses and duplexes command slightly higher rents than apartments. The average rent for a single-family home ranges from \$1,228 to \$3,241, depending on the size of unit. Market-rate SRO units tend to rent between \$800 and \$1,000 per month.



**Table 2-11**  
**Average Rents in Santa Cruz, 2008**

Size of Units	Average Rent		
	Apartment	House	Mobile homes
Studio	\$865	--	
One-Bedroom	\$1,206	\$1,228	n/a
Two-Bedroom	\$1,685	\$1,843	n/a
Three-Bedroom	\$2,294	\$2,525	n/a
Four-Bedroom	\$3,241	\$3,241	n/a

Source: UCSC, 2009

## Housing Affordability

In the last two decades, housing prices increased significantly faster than household income, meaning fewer individuals and families could afford to purchase a home. This resulted in the Santa Cruz-Watsonville area being labeled one of the most expensive housing markets nationwide. **Table 2-12** provides the maximum price for an affordable home based on the HCD income categories for Santa Cruz County.

**Table 2-12  
Housing Affordability in Santa Cruz, 2009**

Income Groups	Family Size	Annual Income		Maximum Affordable Cost	
		Annual Income <sup>1</sup>	Maximum Monthly Payment <sup>2</sup>	Sales Price <sup>3</sup>	Rent <sup>4</sup>
Extremely Low	1	\$19,450	\$486	\$44,359	\$436
	2	\$22,250	\$556	\$48,938	\$481
	3	\$25,000	\$625	\$53,414	\$525
	4	\$27,800	\$695	\$57,993	\$570
Very Low	1	\$32,450	\$811	\$77,426	\$761
	2	\$37,100	\$928	\$86,786	\$853
	3	\$41,700	\$1,043	\$95,943	\$943
	4	\$46,350	\$1,159	\$105,201	\$1,034
Low	1	\$51,900	\$1,298	\$126,974	\$1,248
	2	\$59,300	\$1,483	\$143,252	\$1,408
	3	\$66,750	\$1,669	\$159,633	\$1,569
	4	\$74,150	\$1,854	\$175,912	\$1,729
Moderate	1	\$70,400	\$1,760	\$173,979	\$1,710
	2	\$80,450	\$2,011	\$196,972	\$1,936
	3	\$90,500	\$2,263	\$220,068	\$2,163
	4	\$100,550	\$2,514	\$243,061	\$2,389

Notations:

1. Income limits based upon HCD income categories based on HUD Surveys
2. Monthly affordable payment is 30% of household income.
3. Affordable sales prices based on a 6% interest rate, 30-year mortgage, 1% property taxes and insurance (0.3%), and 30% cost burden including utilities. A down payment was not included in this calculation.
4. Affordable rent based on 30% cost burden after utilities are deducted. Utility expenditures assume a base of \$50 per person plus \$25 for each additional person.

## Homeownership Affordability

As of the end of 2008, the median price of single-family residences in the city of Santa Cruz was \$670,000, condominiums sold for a median price of \$443,000, and mobile homes sold for a median price of approximately \$210,000. At those prices, only upper income households could afford to purchase a single-family home. Upper to moderate

income households could afford to purchase a condominium. Moderate income households could readily afford a mobile home. The lack of affordable homeownership opportunities in California's coastal communities is well known. According to the National Association of Home Builders (NAHB), only 29 percent of the homes sold in the Santa Cruz-Watsonville metropolitan area are affordable to the median family income, putting the area in the top 5 percent of the lowest rates nationwide.<sup>8</sup>

### **Rental Affordability**

Until a recent decline in apartment rents (2008), Santa Cruz renters had an equally difficult time affording housing. A survey of rental prices in Santa Cruz conducted by the UCSC Housing Office in 2008 (Table 2-11) showed that SRO units typically rented between \$865 and \$1,000 per month. Apartment rents ranged from \$1,206 for a one-bedroom unit to \$1,685 for a two bedroom unit to \$2,294 for a three-bedroom unit. Single-family residences rent at prices comparable to but slightly higher than apartments.

Moderate income households can afford to pay between \$1,300 and \$1,900 a month in rent, depending on household size. Thus the full range of apartments is affordable to moderate income households. Low income households can afford to pay from \$900 to \$1,200 in rent per month, depending on family size. The vast majority of apartments would not be affordable to low income households, except for single-room occupancy units.

Although apartment rents are still affordable to many Santa Cruz residents, housing affordability, overall, has worsened since 1990. According to the National Low Income Housing Coalition, the Santa Cruz-Watsonville Metropolitan Area has one of the least affordable rental housing markets in the nation. Based on a comparison of rents, the average worker must earn an average hourly wage of \$29 just to afford a two-bedroom rental, more than double the minimum wage required under the Living Wage Ordinance.<sup>9</sup>

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<sup>8</sup> National Association of Home Builders, Housing Opportunity Index, 2008.

<sup>9</sup> Rental Housing for America's Poor Families, National Low Income Housing Coalition (2008).

**Housing Problems**

A continuing priority in Santa Cruz is enhancing quality of life. One important measure of quality of life is the extent of “housing problems” in the community. According to HUD, housing problems refer to the prevalence and severity of overcrowding and overpayment. This section describes the prevalence of both types of housing problems in Santa Cruz.

**Overcrowding.** Overcrowding refers to the number of persons living in a home. In response to a mismatch between household income and housing costs, residents may accept smaller-sized housing. Overcrowding is often considered to strain physical facilities and the delivery of public services, contribute to a shortage of parking, and accelerate housing deterioration. Thus, to the extent that a city can reduce overcrowding, it is an important goal.

**Table 2-13  
Housing Overcrowding**

Households by Tenure	1990		2000	
	Number	Percent of Total	Number	Percent of Total
Renters	9,535		10,915	
- Overcrowded	1,051	11.0%	1,334	12.2%
Owners	8,479		9,480	
- Overcrowded	238	2.8%	321	3.4%
All households	18,014		20,395	
- Overcrowded	1,289	7.2%	1,655	8.1%

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

Although the Census Bureau does not define “overcrowding,” a situation where a household has more members than habitable rooms in a home is considered overcrowding. This is often reflective of the following: 1) a family is living in too small a unit because of the inability to afford a larger home; 2) a family chooses to house extended family; 3) a family is renting living space to non-family members; or 4) students are doubling up to afford housing.

**Table 2-13** displays the prevalence of overcrowding in Santa Cruz. According to the 2000 Census, 8.1 percent of households (1,655)

lived in overcrowded conditions. Of this total, one-third lived in the vicinity of the Beach Flats area. However, the Census probably underestimated overcrowding among students because they are highly mobile and often do not correctly complete the Census forms.

**Housing Overpayment.** This is the opposite of overcrowding. In response to a mismatch between household income and housing costs (i.e., a unit of the right size at the right price cannot be found), residents may choose to pay more for housing rather than live in a small housing unit. Overpaying for housing is considered to be a housing problem in that it leaves a household with limited financial resources to pay for other necessities of life. Overpayment also leaves low-income households at risk of homelessness should there be an unanticipated loss of income or increase in expenses.

Overpayment refers to a household paying 30 percent or more of gross income for mortgage or rent, plus housing-related costs. Rental housing costs include utilities, and homeowner costs include property insurance and real estate taxes as well. In most urban communities in California, it is not uncommon to find residents overpaying for housing. However, since overpayment is greatest among the most vulnerable residents, maintaining a reasonable level of housing cost burden is an important City goal.

Housing overpayment continues to be a critical housing issue for Santa Cruz residents, as shown in **Table 2-14**. Between 1990 and 2000, however, the percentage of renter households overpaying for housing declined from 61 to 52 percent, while the percentage of homeowners with a mortgage who overpaid for housing declined from 40 to 35 percent.

As shown below, the percentage of households overpaying for housing is higher for lower income households. For very low income households, 86 percent of renters and 68 percent of owners overpay for housing. For low income households, 62 percent of renters and 54 percent of owners overpay for housing. As discussed in the following section, a disproportionate percentage of persons with special housing needs also earn very low/low income as well as overpay for housing.

**Table 2-14  
Housing Overpayment, 2000**

Households by Tenure	Renters			Owners		
	Households	Number Overpay.	Percent Overpay.	Households	Number Overpay.	Percent Overpay.
Very Low	3,922	3,421	86%	972	658	68%
Low	2,040	1,266	62%	970	527	54%
Moderate	1,813	576	32%	1,479	728	49%
Above-Moderate	2,614	190	7%	4,787	946	20%
Total	10,458	5,454	52%	8,208	2,859	35%

Source: U.S. Census, 2000.

## C. Special Needs

In Santa Cruz, residents with special circumstances or needs may encounter greater difficulty in finding decent and affordable housing or receiving fair housing treatment. These circumstances may include employment and income, family type, disability, or other similar characteristics. Special need groups include seniors, persons with disabilities, families with children, homeless persons, college students, farmworkers, and others.

Recognizing that people from different walks of life have different housing needs, State and federal laws encourage cities to provide a continuum of housing. The following discussion describes and analyzes the housing needs of each group. Data from both the 1990 and 2000 Census have been used to determine the size of special needs groups in Santa Cruz. Where data was unavailable, service providers and government agencies supplemented the Census with local surveys.

### Senior Households

Senior households typically have special housing needs—income, health care costs, and disabilities—which make it difficult finding suitable, affordable housing. According to the 2000 Census, 15 percent of Santa Cruz households are headed by a person 65 years of

age and older, even though the number and proportion of seniors declined in Santa Cruz during the 1990s.

In Santa Cruz, 70 percent of senior households (or 2,230) owned a home in 2000. Because of physical and/or financial limitations, however, senior homeowners may have difficulty with regular home maintenance or meeting mortgage payments. To help, the City financially supports the Senior Shared Housing Program, which matches up seniors with others who share the expense of housing. The City also offers low-interest loans to finance home repairs, and grants to make energy conservation and accessibility improvements.

Approximately 30 percent of senior households (905) in Santa Cruz were renters in 2000, of whom 50 percent were overpaying for housing. To address their needs, Santa Cruz facilitated the construction of several projects over recent decades, providing 465 affordable rentals for very low and low income senior households<sup>10</sup>. As a result, about half of all senior households who are renting live in a subsidized unit. Since 2000, the City has assisted three affordable rental projects—Gault Street, Riverfront, and San Lorenzo Apartments—in extending the life of affordability controls for seniors.

The City also permits housing for seniors requiring more supportive living environments. These include six residential care facilities for elderly persons which provide more than 217 beds in Santa Cruz.<sup>11</sup> Policy 3.1 of the Housing Element commits the City to continue supporting the development of accessible and affordable rental housing for seniors, and supportive services and other current programs in the city (e.g., new construction, loans, and services) which support these ends.

### Physical Disability

The Americans with Disabilities Act (ADA), defines disability as a “physical or mental impairment that substantially limits one or more of the major life activities.” People with disabilities have special housing needs because of their fixed income, higher health costs, and need for accessible and affordable housing. They may also face discrimination if landlords treat them differently because of their source of income or ability to maintain the unit. The 2000 Census

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<sup>10</sup> Senior Network Services Santa Cruz, 2009.

<sup>11</sup> State of California Care Licensing Division, 2009.

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reported that 3,100 persons with physical disabilities lived in Santa Cruz.

To address their needs, the City implements a variety of housing production and assistance programs. For new construction, the City's building code requires new housing to comply with the 1988 amendment to the Fair Housing Act. In compliance with HUD's visitability recommendations, the City requires that all first floor interior passage doorways in ground level units be at least 32 inches wide, but the City does not require a no-step entrance. However, the City allows the installation of ramps. The City also requires one roll-in shower to be provided in all new and extensively remodeled multifamily buildings, with a ratio of one roll-in shower per 25 units thereafter.

People with disabilities may need help in maintaining or retrofitting homes. The City offers grants to homeowners to retrofit homes to improve accessibility. Any structure or guardrail necessary to enable entrance to first-floor units is also allowed to protrude into setbacks; and the City allows the construction of ramps lower than 30 inches without a building permit. The County Housing Authority provides vouchers to qualified renters with an elderly/ disabled household member.

For those requiring a more supportive living environment, where medical care and nursing services may be provided, the City permits licensed residential care facilities throughout the community. Chapter 3 describes the zoning districts where licensed residential care facilities are allowed. **Table 2-15** provides an inventory of licensed community care beds for adults in Santa Cruz.



**Table 2-15**  
**Licensed Community Care Facilities in Santa Cruz**

Type of Facility	Clientele	Number of Facilities	Capacity (beds)
Adult Residential	Specialized care for persons ages 18-59 for developmental or mental disabilities.	3	59
Elderly Residential	Specialized care for persons over 60 years of age, such as nursing and convalescent homes.	6	217
Adult Day Care	Day care for older adults.	3	102*
<b>Total</b>		<b>12</b>	<b>319</b>

Source: State Department of Social Services, March 2009.

\* Day care capacity.

## Psychiatric Disability

According to the 2000 Census, 2,759 residents of Santa Cruz suffer from a “mental” disability, which may include people with psychiatric disabilities. People with such disabilities face a number of difficulties finding suitable housing due to the shortage of appropriate housing, limited income, or even discrimination. Persons with a psychiatric disability are protected by ADA and are entitled to fair housing treatment.

The County and its contract agencies provide services to people with persistent and serious psychiatric disabilities. These agencies include the Santa Cruz Community Counseling Center, Mental Health Client Action Network, and Front Street. The County’s system of care provides 464 beds in crisis facilities, transitional housing, social rehabilitation programs, board and care, and permanent supportive housing (**Table 2-16**). However, given that approximately 3,216 people receive services, the remainder must compete at a distinct disadvantage for housing.<sup>12</sup>

<sup>12</sup> Community Mental Health Housing Plan, 2001-2004. Santa Cruz County Health Services Agency.

**Table 2-16**  
**Facilities for the Mentally Ill in Santa Cruz County**

Type of Facility	Description of Facilities	Number of Facilities	Capacity (Beds)
Social Rehabilitation	Specialized care for adults ages 18 and above recovering from substance abuse	5	71
Transitional Housing	Housing with rehabilitation and other services needed to transition to permanent housing.	12	284
Single Room Occupancy Units	Residential hotels offering small units and that may have shared kitchen and sanitary facilities.	13	539*
Perm. Supportive Housing	Permanent and service-enriched housing linked with on-going supportive services.	15	491
<b>Total</b>		<b>45</b>	<b>1,385</b>

Sources: Santa Cruz County Health Services Agency, March 2009.

Santa Cruz Consolidated Annual Performance and Evaluation Report, March 2007.

\*City only

Part of the shortage of psychiatric disability housing is due to federal reimbursement rates. According to the National Alliance for the Mentally Ill, the 2001 residential care rates for people with psychiatric disabilities were \$872-\$892 in contrast to \$1,623-\$1,835 (level 2) for persons with developmental disabilities. This disparity discourages the development of housing for people with psychiatric disabilities, making it difficult to integrate them into a residential setting.

## **Families with Children**

Families with children require special consideration and assistance as a result of their usually lower per capita income, childcare expenses, and need for affordable housing and supportive services. Single parents or large families may also face discrimination in the rental market. This section describes the housing needs of single-parent households and large families.

**Single-Parent Families.** Single-parent families typically comprise a single parent with one or more dependent children under the age of 18. Single parents typically have greater difficulty in finding affordable,

decent, and safe housing. During the 1990s, the number of single-parent households in Santa Cruz increased slightly. As of 2000, 1,822 single-parent households with children lived in Santa Cruz (1,320 were headed by females).

Single parents with children typically have greater housing and supportive service needs because of lower incomes and higher living expenses. In 2000, 24 percent of female-headed families with children under age 18 lived in poverty, compared to 4 percent of married-couple families. Moreover, single parents often spend up to 25 percent of their income for child care. In Santa Cruz, 71 percent of single parents with children rent homes, compared to 37 percent of married couple families with children.

**Large Households.** Large households are those with five or more members residing in the home. These households constitute a special needs group because there is often a limited supply of adequately sized, affordable units. To save for other living expenses, lower-income large households often reside in smaller units, resulting in overcrowding. Santa Cruz is home to 1,706 large households, of which 59 percent (1,006) are renter households (2000 Census).

The housing needs of large households can be met, in part, with larger units. In 2000, Santa Cruz had 5,702 ownership units and 1,966 rental units with three or more bedrooms that could accommodate large families. Despite the large inventory, 1,606 Santa Cruz households were on the Section 8 rental assistance list waiting to rent units with three or more bedrooms. This is because the market rent for such units is far greater than can be afforded by lower income households.

Single-parent families with children, and large families, have the greatest difficulty finding affordable housing, and they also may face housing discrimination. Landlords may try to charge higher-than-required security deposits, restrict children to a certain portion of the apartment complex, limit the overall number or proportion of families with children in a complex, advertise to other types of tenants, or simply not rent the units at all to these groups. Such practices are discriminatory and illegal.

Meeting the needs of families in Santa Cruz requires a multi-faceted approach involving a range of homeownership opportunities, provision of

affordable rental units, rental assistance, and provision of child care as discussed below.

For example, the City of Santa Cruz supports the production of affordable rental and for-sale housing through its inclusionary program. State and federal funds are also used to subsidize the production of affordable rental housing. The County Housing Authority administers the Section 8 Rental Assistance program, which provides a voucher to very low income households. **Table 2-17** summarizes the number of affordable units created through local, State, or federal assistance programs. This Housing Element inventories each project, analyzes affordability covenants, and proposes programs to preserve or replace units at-risk of converting to non-affordable rents.

**Table 2-17**  
**Assisted and Affordable Housing**

Program Type	No. of Projects	Total Units
Inclusionary For-sale	108	125
Inclusionary For-rent	128	1190
Accessory Dwellings	164	49
Other Publicly Assisted	4	12

Source: City of Santa Cruz, 2009.

**Childcare.** In Santa Cruz County, the availability of child care is a necessity for working families. According to the Santa Cruz County Child Care Planning Council<sup>13</sup>, approximately half of all families and children in the county need some form of child care. Of the 25,000 children in need of care, fewer than 6,000 full-time equivalent licensed slots are available in the County.

The imbalance is particularly acute in North County. The City complies with State law for the siting of child care and family day care homes. As a result of these proactive policies, 93 State-licensed providers offer childcare services for up to 2,306 children in

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<sup>13</sup> 1999 Needs Assessment: Child Care and School-Age Recreation in Santa Cruz County

Santa Cruz. The City also financially supports projects providing affordable housing along with childcare. For example, the Nueva Vista project provides 48 affordable units, a community center and play area, and child care services attached with the project.

Policy 3.2, Program 3.1 and Program 3.2 of the Housing Element (see Chapter 6) continue the City's commitment to supporting the development of housing and child care options for families with children in Santa Cruz.

### Homeless Persons

In 2007, 2.1 percent of Santa Cruz County residents surveyed responded that they had been without a home during the prior year.<sup>14</sup> The needs of homeless families and individuals are as varied as the reasons for their homelessness. Homeless people may have insufficient employment and credit history to obtain housing. Even with employment, the high cost of housing may preclude a homeless person from obtaining housing or causing them to cycle in and out of homelessness. Thus, homelessness remains a persistent social issue.

A comprehensive survey in 2007 reported 2,789 homeless people countywide, with an estimated 1,189 persons (43 percent) living in the city of Santa Cruz.<sup>15</sup> Following is an overview of the profile of homelessness based on the survey results.

- Nearly 62 percent of survey respondents had been homeless for a year or more.
- Approximately 13 percent of all survey respondents had children under the age of 18 living with them.
- Demographically, the homeless population is diverse with 64 percent Caucasian, 23 percent Hispanic/Latino, 5 percent African American, 2 percent Native American, and 2 percent Asian or Pacific Islander.
- 70 percent of the homeless respondents were male and 30 percent females.
- 35 percent of respondents had not received a high school diploma or GED.

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<sup>14</sup> Santa Cruz County Homeless Census and Survey, Applied Survey Research, 2007.

<sup>15</sup> IBID.

## Community Profile

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- Over 35 percent of the respondents indicated they received no government assistance.
- Approximately 87 percent of all the homeless were unemployed at the time of the survey.

The portrait that emerges for the homeless is one of diversity. They come from a wide range of backgrounds and require a range of housing and supportive service needs. The City of Santa Cruz recognizes the diversity of needs of homeless people and participates in inter-jurisdictional and local efforts to comprehensively address the needs of the homeless.

The City has a long history of serving the needs of its homeless population. In 1991, a Needs Assessment identified gaps in the continuum of services for homeless people. In 1995, the City Council adopted a resolution declaring the existence of a shelter crisis. In 1996 a Continuum of Care Coordinating Group comprised of all County jurisdictions, nonprofits, and other interested parties prepared the County's 5-Year Strategic Plan on Homelessness, 2003-2007,<sup>16</sup> as well as the 10-Year Strategic Plan on Homelessness 2003-2013 prepared in 2005. This plan addressed: 1) Outreach and Intake; 2) Emergency Shelter; 3) Transitional Housing; 4) Permanent Supportive Housing; and 5) Case Management and Supportive Services. Moreover, a significant emphasis is on prevention efforts.

Locally, the Homeless Services Center, located along Coral Street in Santa Cruz, is the centerpiece of the city's programs to serve residents who are homeless. This Center has expanded several times over the 1990s to play the key role in providing services to people who are homeless. Today, the complex contains; the 30-bed River Street Shelter, built in 1988, for persons with substance abuse or psychiatric issues, the Homeless Community Resource Center which provides meals, showers, case management, employment assistance, and mail service and the Homeless Persons Health Project which provides medical assistance for people who are homeless. The Page Smith Community House provides transitional living options.

In 2002, the City approved the Homeless Services Center Master Plan. Since that time, the City has implemented this plan which resulted in the development of a new Emergency Family Shelter Facility (offering up

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<sup>16</sup> Santa Cruz County Five Year Strategic Plan on Homelessness, 2003-2007 (HomeBase, 2002)

to 80 beds for families with children), new offices for the Homeless Persons Health Project, a new storage building, and renovation of the existing Day Services Center. The existing River Street Shelter and Page Smith Community House continue to provide existing services for homeless clients. The River Street Shelter has also been modified to double its prior capacity.

Also built in 2008 is the 42-bed Paul Lee Loft Shelter which replaces services previously provided by the Interfaith Satellite Shelter Program. The rapid rise in transportation costs made the church-based program difficult to sustain. Built with funds from the City of Santa Cruz Community Development Block Grant and with assistance from Habitat for Humanity volunteers, the new shelter provides 14 beds for women and 32 beds for men.

**Table 2-18** summarizes the housing services available to people who are homeless in Santa Cruz.

**Table 2-18  
Homeless Shelters and Facilities in Santa Cruz**

Type of Facility	Description	Year Round Capacity (Beds)	Seasonal Capacity (Beds)
Emergency Shelters	Overnight shelter and basic services.	96	350
Transitional Housing	Housing with rehabilitation and other services for persons transitioning to permanent housing.	136	136
Permanent Supportive Housing	Permanent and service enriched housing linked with on-going supportive services.	180	180
<b>Total beds</b>		<b>412</b>	<b>666</b>

Source: City of Santa Cruz 2005-2010 Consolidated Plan; 3-5 Year Strategic Plan

### College Students and Faculty

Santa Cruz is home to the University of California with an enrollment of more than 15,000 students. In addition, Cabrillo College, located in Aptos, enrolls approximately 14,000 students. Students represent a large special need group who, because of their income, require a variety of housing accommodations. In addition, faculty and staff serving at UCSC and Cabrillo, also require appropriate housing. Although Cabrillo's student population has a general impact on Santa Cruz's housing market, this section deals with the specific impacts of UCSC.



Based on recent trends and the UCSC Long Range Development Plan (2005), enrollment is expected to reach 19,500 students by 2020 and 17,600 students by 2015-2016. However, projections are subject to State funding, off-campus enrollments, and a variety of factors that affect student enrollment. Although subject to considerable variability, increased enrollment underscores the need to provide adequate student and faculty housing given the high cost of housing in Santa Cruz.

In its housing planning activities, UCSC must consider the preferences and choices of students and employees. During the first two years, undergraduates often choose on campus housing to take advantage of support services, proximity to classes, and student life. Some also live with their families and commute to campus. Older students, married students, and graduates more often prefer to live in the community. In addition, the provision of affordable UCSC-owned faculty and staff housing can also attract quality employees.

In August 2008 the City, UCSC, and community groups settled litigation regarding UCSC's Long-Range Development Plan (LRDP) 2005-2020 by approving a Comprehensive Settlement Agreement. The Comprehensive Settlement Agreement in part addresses growth



in enrollment and university related housing through 2020 for an enrollment of 19,500. The 2005-2020 LRDP would allow an additional 4,500 students plus associated faculty and staff above the level considered in the previous LRDP.

The Comprehensive Settlement Agreement limits undergraduate enrollment to 17,500 during the life of the 2005 LRDP. The agreement allows the campus to continue growing graduate enrollment. UCSC is also required to provide housing to accommodate 67 percent of new-student enrollment above 15,000 within four years of reaching that enrollment. At a total enrollment of 19,500, which is unlikely to occur earlier than the 2020-21 academic year, UCSC would provide university housing for 10,125 students.

The settlement agreement also stipulates that UCSC will not acquire or build more than 225 beds in the city (off-campus), in addition to the 354 existing beds (579 maximum total).

As summarized in **Table 2-19**, UCSC provides a variety of housing accommodations that reflect the housing needs and preferences of students, faculty, and staff.

**Table 2-19**  
**Summary of UCSC Housing Approved, Constructed and Projected**

Type of Housing	Existing (Fall 2008)	Approved or Under Construction	Future Projected (2005 LRDP)
On Campus Residence Halls	4,289 beds	298 beds	Up to 10,125 total beds (including existing)*
On-Campus Student Apts.	2,761 beds	550-600 beds	
Off-Campus Residence Halls	248 beds		No more than 579 total beds
Off-Campus Student Apts.	105 beds		
Family Student Housing	196 beds		Total 200 units
Student RV Park	42 beds		
Faculty/Staff Housing units	234 units	84 units	443 total units

\*Up to 3,000 new beds above the 7,125 beds will be available to accommodate 67 percent of enrollment above 15,000 if enrollment reaches 19,500. (2005 LRDP). Sources: 2005 LRDP, 2005 LRDP EIR

## Farmworkers

Farm workers are identified as a special needs group due to low wages, overcrowding, and substandard housing conditions. According to the 2000 U.S. Census the city of Santa Cruz has, 250 persons, less than one percent of its population, working in Farming, Forestry, or Fishing occupations. Average salaries range from \$16,000 to \$21,000.

While there are no agricultural land uses within the city limit, there are a few functioning organic farms operating on residentially zoned land in the Golf Club Drive area. These farms are limited to a few acres and do not provide a significant amount of jobs that would necessitate farm worker housing on site. Instead, the need for farm worker housing is addressed through overall affordability housing opportunities.

## D. Analysis of At-Risk Housing

State law requires that all housing elements include an analysis of existing assisted housing projects that are eligible to change from low-income housing to market rate housing during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of affordability restrictions. Assisted housing developments include multifamily rental housing that receives governmental assistance under certain federal programs, state and local revenue bond programs, redevelopment programs, local in-lieu fees, or multifamily rental units developed pursuant to local inclusionary or density bonus program.

### Inventory of Affordable Housing

Santa Cruz has for years facilitated the development of affordable housing projects using loans, monetary grants, land write-downs, and other financial support. Affordable housing has also been provided in private developments pursuant to inclusionary requirements, owner participation agreements, and other means. The City has set aside and reserved approximately 1,500 rental units as affordable to lower income households. Additional rental units are affordable via rental vouchers issued by the County Housing Authority.

**Table 2-20** summarizes the total number of affordable units in Santa Cruz that have been built with public assistance or to satisfy City inclusionary requirements. **Appendix A** provides specific information on each of the projects.

**Table 2-20  
Affordable Rental Housing Units in Santa Cruz, 2009**

Source of Affordability Restriction	Project Characteristics and Units			
	Projects	Apart-ments	SRO/ Live-Work	Special Needs
HUD (Section 202, 811, 221(d)(4))	6	357	-0-	-0-
Santa Cruz County Public Housing	3	32	-0-	-0-
FEMA/California Disaster Assistance <sup>1</sup>	9	89	172	10
LIHTC and CHFA <sup>1</sup>	8	386	44	-0-
Measure O/Participation Agreements <sup>2</sup>	30	57	66	34
Home/CDBG/Mod Rehab	14	253	-0-	-0-
<b>Total</b>	<b>70</b>	<b>1,160</b>	<b>281</b>	<b>44</b>

Source: City of Santa Cruz, 2009.

1. Many of these projects have owner participation agreements and/or are used to fulfill City inclusionary requirements for affordable housing.
2. Only those units regulated solely by Measure O or participation agreements.

## Inventory of At-Risk Projects

Covenants and deed restrictions are often used to maintain the affordability of publicly-assisted housing as affordable to low and moderate income households. Over time, however, these covenants and use restrictions expire and must be renewed or renegotiated to ensure continued affordability of housing. Below are four examples of projects that were at risk of conversion and either have renewed their participation and are at low risk. **Table 2-21** describes the number of affordable rental projects in Santa Cruz for which affordability controls may expire between 2007 and 2016. **Appendix A** lists all affordable and publicly subsidized-family projects in Santa Cruz.

**Table 2-21  
Inventory of Publicly Assisted At-Risk Projects**

Project Name	Total Units (Assisted Units)	Household Type	Funding Source(s)	Expiration of Affordability
Garfield Park Village 721 Bay Street (described below)	94 (19) All Very low	Elderly	Section 202; Section 8	Extended from 2009-2024
La Posada Apartment 609 Frederick Street (described below)	150 (119) All low	Elderly	Section 221 (d)(4); Sec. 8	2010
Santa Cruz Riverfront 146 Blaine Street (described below)	71 (70) All Very Low	Family	Project Based Section 8	Extended from 2008-2013
San Lorenzo Park Apt 134 Dakota Avenue (described below)	78 (77) All Very low	Elderly	Section 221 (d)(4); Sec. 8	2012
Beach Hill Courts 417 Second Street	8 (8) All low	Family	Unified Housing Rehab Program	Expired 2008
River's Edge 203 Laurel Street Extension	17 (17) All Very Low	Family	Moderate Rehabilitation	Expired 2008
Shoreline Apartments 701 Beach Street	44 (44) All Very Low	Family	Moderate Rehabilitation	2009 and 2010
Clara Don Apartments 515 Third Street	12 (12) All Very Low	Family	Moderate Rehabilitation	Expired 2008
Bluebell Court Trinity	120 11 (11) All Very Low	Family	Moderate Rehabilitation	Expired 2008
Hidden Creek 200 Button Street	95 (95) All Very Low	Family	Moderate Rehabilitation	2008, 2009, and 2010
81 Grandview	15 (15) All Very Low	Family	P.H.	2012
Gault Street Senior Housing	37(36)	Senior	Redevelopment - Mercy Hsn	2087

**Table 2-21  
Inventory of Publicly Assisted At-Risk Projects**

Project Name	Total Units (Assisted Units)	Household Type	Funding Source(s)	Expiration of Affordability
Mission Gardens VI	10 (1) Moderate	Family	Measure O	2014
Palomar Inn 1344 Pacific Avenue	97 (97) All Low	Family	CADAP	2010
River Run 161-179 Pryce St.	14 (3) All Moderate	Family	Measure O	2014
Seabright I and II 116-124 2 <sup>nd</sup> Avenue	12 (3) All Moderate	Family	Replacement Housing	2014
Seabright I and II 123-131 3 <sup>rd</sup> Avenue	12 (3) All Moderate	Family	Replacement Housing	2014
<b>Total</b>	<b>594</b>			

Sources: City of Santa Cruz, 2009.

Note: Units and conversion dates to be confirmed by Community Development and Housing Staff.

**Garfield Park Apartments.** The Garfield Park Apartments is a 94-unit project owned by Christian Church Homes, a nonprofit organization. The project was originally funded by the Federal Section 202 program with a total of \$972,000 in mortgages obtained in 1964 and 1969, and with a Section 8 contract for 19 units. Built in 1964, federal law requires the apartment project to be affordable for very low income seniors for 40 years, which expires in 2004. Because of the project’s nonprofit status coupled with HUD-guaranteed Section 8 rents, this project is at low risk of conversion and recently renewed its Section 8 participation thru 2024.

**Santa Cruz Riverfront.** The Santa Cruz Riverfront Apartments is a 71-unit project owned by a for-profit business. Built in 1983, the project was financed through HUD’s Section 8 program, which required the project to remain affordable for up to 20 years. Prior to the expiration of the project-based Section 8 controls in 2003, the

owners chose to renew their status for an additional five years, expiring in 2013. This is because the City worked closely with the property owner and offered an incentive package, coupled with recent increases to HUD's fair market rents which made it more attractive to continue accepting Section 8 vouchers.

**San Lorenzo Park Apartments.** The San Lorenzo Park Apartments, owned by the Reilly Mortgage Group, provides 77 affordable units for seniors and people with disabilities. Constructed in 1977, the project received an 8 percent mortgage for \$1.9 million under the federal Section 221(d)(4) program and a Section 8 contract. To maintain project affordability, the City approved a loan of \$100,000 to rehabilitate the project in return for extending affordability controls to 2012. As major philanthropists, the owners have continued to extend affordability by renewing Section 8 contracts and the project is at a low risk of conversion.

**La Posada Apartments.** The La Posada Apartments contains 119 units affordable to low income households. The complex is owned by the Reilly Mortgage Group Inc., a private firm. Originally built in 1980, a federal Section 221(d)(4) market rate loan of \$3.9 million funded the project. Affordability is regulated by the Section 8 New Construction Opt-Out Contract attached to the property, which originally expired in 1995 and was extended through 2010. As major philanthropists, the property owners have continued to extend the project's affordability controls by renewing Section 8 contracts with the Housing Authority. The project is considered to be at a low risk of conversion.

Other project descriptions can be found in **Appendix A**.

**Moderate Rehabilitation Projects.** Santa Cruz has five multifamily projects totaling 187 units funded through the Section 8 Moderate Rehabilitation Program or City Unified Housing Rehabilitation Program. Administered by the County Housing Authority, the Mod/Rehab Program is a form of Section 8 Rental Assistance which is tied to the rental unit. The assistance is committed for 15 years in exchange for which the property owner rehabilitates the property and commits to renting to low income families. All the affordability controls will expire between 2008 and 2010, placing these units at-risk of conversion. The City is working with property owners, nonprofit groups, and HUD to negotiate the transfer of ownership to

## Community Profile

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nonprofit housing providers or for the extension of contracts when possible. If and when the project affordability controls expire, the project converts to Section 8 vouchers for the tenants, providing protection for the existing tenants and ensuring affordability in the project until the tenant leaves the project.

## Preservation Options

Various strategies can help ensure that the affordable units remain affordable to the intended income group for as long as feasible. Four options for preserving units are summarized below.

**Transfer of Ownership:** Transferring ownership of an at-risk project to a nonprofit housing provider is generally one of the least costly ways to preserve the at-risk units. By transferring property ownership to a nonprofit organization, low-income restrictions can be secured indefinitely and the project would become potentially eligible for a greater range of governmental assistance. Feasibility depends on the apartment owner's willingness to sell the project, the existence of qualified nonprofit corporations interested in the project, and funding availability.

**Rental Assistance:** Rental subsidies using State or local funding sources can be used to maintain affordability of the 594 at-risk units. Rent subsidies can be structured to mirror HUD's Section 8 program, whereby the rent subsidy is the difference between what tenants can afford (30 percent of household income) and HUD's estimate of fair market rents. The feasibility of this alternative depends on the availability of non-federal funds. Based on a comparison of market rents and what a tenant can afford to pay, the City would need to spend \$4.0 million annually or \$160 million over 40 years to preserve the units.

**Incentive Package:** The City could provide an incentive package to the property owner in return for an extension of affordability controls. Incentives could include writing down the interest rate on the remaining loan balance, providing low interest rehabilitation loans in return for extending the affordability of the project, or other strategies. The feasibility of this strategy depends upon the funds available to the local jurisdiction. The variations in incentives and costs cannot be estimated, because they depend on the owner's



preferences and market conditions at that time. This approach was recently used in the past with the Riverfront Apartments to renew their contract with HUD for another five years. The City will continue to work in partnership with interested property owners to develop and provide incentive packages to extend affordability controls.

**Housing Replacement:** Should the aforementioned housing preservation strategies prove infeasible, the City could also replace the affordable units lost. The cost of developing housing depends upon a variety of factors, including density, size of the units, location, land costs, and type of construction. In the Santa Cruz area, affordable housing developers indicate that the replacement cost for 594 affordable units could be \$165,000 per unit or \$98 million dollars.

## POTENTIAL CONSTRAINTS



Various factors may constrain the City's ability to address its housing needs, such as market factors, governmental regulations, or environmental planning considerations. Moreover, housing goals may at times conflict with the need to promote other important City goals, such as the desire to provide open space and recreational facilities, protect environmental and historic resources, and maintain current service levels. These and other constraints affect the feasibility of constructing housing.

To that end, State law requires the housing element to analyze potential and actual governmental and nongovernmental constraints to the production, maintenance, and improvement of housing for all persons of all income levels, including persons with disabilities (Section 65583(a)(4)(5)). This section analyzes the following three potential constraints:

- **Market factors:** including the demand for housing, development costs, availability of financing, the price of land, etc.
- **Governmental factors:** including land use regulations, building codes and development standards, permit procedures, and other local policies.
- **Environmental factors:** including the adequacy of infrastructure, public services, and water supply to support new development.

The Constraint analysis must also demonstrate local efforts to remove governmental constraints that hinder the achievement of its goals for housing production and housing for persons with disabilities. Should constraints preclude the achievement of housing goals, State Housing Element law requires jurisdictions to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

## **A. Market Constraints**

Construction costs, land availability, financing, and legal liability of new housing construction represent the most significant market constraint to the provision of housing. Although market conditions are often outside of the City's control, the City has some leverage in instituting responsive policies and programs to address market factors. The following discussion highlights the major market constraints to the production, maintenance, and improvement of housing in Santa Cruz.

### **Construction Costs**

Development costs for housing can vary significantly, depending on the type of housing, such as single-family, townhomes, and apartments. However, even within a particular building type, construction costs vary by unit size and amenities. The International Conference of Building Officials (ICBO) issues cost estimates for good quality construction, providing materials and fixtures well above the minimum required by state and local building codes. In 2007, good quality housing cost an average of \$196 per square foot for apartments and \$233 per square foot for single-family residences. These costs have more than doubled since 2002 due to significant increases in the costs of materials, shipping, and labor.

### **Land Costs**

Another key component is the price of raw land and any necessary improvements. Limited supply combined with a high demand keeps land costs relatively high throughout the Monterey Bay Area. Land prices in Santa Cruz range from \$30 to \$65 per square foot for lots zoned for multifamily apartments. Single-family residentially zoned lots average approximately \$31 per square foot. However, land prices are highly variable and depend on whether the site has environmental constraints, the density of development permitted, and whether an existing use must be removed. Industrial land tends to sell at a lower price due to the location and the need to mitigate environmental concerns.

### Financing

Financing plays an important role in the production of housing, in particular affordable housing. In today's markets, construction and permanent loans are almost never available for more than 75 percent of the future project value for multifamily developments. This means that developers must usually advance up to at least 25 percent of the project value. However, no firm threshold exists for what is an acceptable "return on investment," nor is there a maximum equity contribution before an otherwise feasible project becomes infeasible. This is because many affordable housing projects receive public subsidies, density bonuses, and regulatory incentives which can make an otherwise infeasible project feasible.

Another constraint is the availability of financing and insurance for condominiums. In past years, California law held condominium developers liable for up to four years in the case of a patent defect or 10 years in the case of a latent defect. This liability resulted in increased interest rates for condominium development loans as well as higher insurance costs for the developer. In 2002, SB800 limited prolonged and costly litigation over allegations of construction defect by clarifying a homeowner's rights and a developer's responsibilities in case of a lawsuit over construction defects.

An additional financial challenge arose in 2007 with the mortgage foreclosure crisis which severely constrained loan availability and made both construction and purchase financing extremely challenging.

### Labor Costs

In recent years, labor organizations have lobbied for changes in State law which affect labor costs for public projects, including affordable housing. In January 2002, SB975 significantly expanded the definition of public works projects and public funds, thus requiring payment of prevailing wages for most private projects built under an agreement with a public agency providing assistance to the project. The subsequent passage of SB972 provided some relief by exempting a self-help housing project, transitional housing, and affordable housing funded by below-market interest rate loans that allocate at least 40 percent of the units for 20 years to low-income households.

Locally, the City’s living wage ordinance (adopted in 2000) requires all full-time City employees and full-time employees working on City contracts of \$10,000 or more to be paid \$13.57 per hour with health benefits or \$14.80 per hour without benefits (as of July 1, 2009. The living wage is adjusted effective July 1st of each year.) In contracts where prevailing wage rates apply, the contractor or subcontractor must pay the greater of the former or the living wage requirement. Interviews with affordable housing developers indicate that the Living Wage Ordinance has had minimal impact on affordable housing either because the project is exempt or the prevailing wages generally exceed the minimum wage required under the ordinance.

**Fees and Exactions**

Like most communities following the adoption of Proposition 13 in 1978, Santa Cruz charges planning and impact fees to recover the costs of processing residential projects and to ensure that infrastructure and facilities are in place to serve the projects. The City has designed its fees to recoup City costs while not unduly constraining the financial feasibility and development of market rate and affordable housing. In compliance with State law, the City has conducted the required nexus and cost of service fee studies to ensure that the fees are reasonably related to service costs.

**Table 3-1  
Typical Housing Development Fees**

Residential Development Types	Development Fees Per Unit			Total Fees
	Building and Development	Impact Fees	School fees	
Single-Room Occupancy	\$2,159	\$3,816	\$1,315	\$7,290
Accessory Units	\$5,074	\$7,171	\$1,315	\$13,560
Apartment	\$1,763	\$4,489	\$1,277	\$7,529
Single-Family Home	\$14,335	\$17,776	\$4,734	\$36,845

Source: City of Santa Cruz, 2009.

A 2009 sample survey of residential projects determined the typical fees charged. The sample included a second unit (500 square feet), a 36-unit SRO project, a 15-unit multifamily apartment, and a single-family home of 1,800 square feet. Based on this survey of City projects, the total development fees charged for new residential

## Constraint Analysis

projects ranged from \$7,290 for an SRO unit to \$36,845 for a single-family home (per unit).

The major impact fees charged on new development include water connection fees (\$6,530 per unit), sewer connection fees (\$1,200 per unit), park and recreation fees (\$3/square foot), and traffic impact fees. (Effective July 2005, all applications became subject to the fee, with the amount depending on the type of development – with the exception of ADUs). Schools charge \$2.63 per square foot. **Table 3-1**, above, summarizes the total fees charged for typical housing projects in 2009.

Taken together, development fees are relatively modest and very few increases have been made to the fee schedule since 2005. Effective January 2006, the Green Building Program requires all new construction to include a choice of various green features in order to obtain a building permit. Buildings using more features than the minimum required will also receive accelerated processing. To fund the program, the City Council approved a Green Building Maintenance and Education Fee (.0025 times the valuation of the project). Fees are typically less than ten percent of the project valuation. The current fee schedule has not appeared to slow the construction of housing as it has continued to grow. Since 2005 the number of single-family housing has stayed between 35-50 homes per year with some years favoring stronger demand for multifamily units. However, to ensure that fees do not constrain the production of affordable housing, the City grants fee waivers for qualified affordable housing. Table 3-1A includes some of the fees assessed to building projects (fees reflect costs for single and multifamily developments). For a complete list of fees, please see **Appendix E**.

**Table 3-1A**  
**Planning and Development Fee Schedule**

FEE CATEGORY	FEE AMOUNT	
Planning and Application Fees	Single-Family	Multifamily
Variance	\$1,409	\$1,409
Conditional Use Permit	\$800-\$1,502	\$800-\$1,502
General Plan Amendment	\$5,000 Deposit	\$5,000 Deposit
Zone Change	\$5,000 Deposit	\$5,000 Deposit

## Constraint Analysis

Site Plan Review	\$268	\$268
Architectural Review	\$152	\$152
Planned Unit Development	\$3,540	\$3,540
Specific Plan	\$9,500 Deposit	\$9,500 Deposit
Development Agreement	\$2,891	\$2,891

City of Santa Cruz 2009

## B. Potential Governmental Constraints

Governmental policies and regulations can impact the price and availability of housing, and in some cases, the financial feasibility of new affordable housing. These policies and regulations include land use controls, development regulations, permit processing procedures, fees and taxes. This section discusses potential governmental constraints in Santa Cruz and efforts by the City to address them.

### Land Use Policies

Santa Cruz's land use policies are expressed through the General Plan, Zoning Ordinance, and residential development design guidelines. Taken together, the requirements in these documents determine the amount, location, type, and density of housing allowed in Santa Cruz. Design manuals also address the scale and character of development to ensure the production of quality housing. **Table 3-2**, below, describes the land use designations and zoning districts that permit housing.

## Constraint Analysis

Table 3-2  
Land Use Designations Allowing Residential Uses

General Plan Land Use	Zoning District(s)	Primary Residential Type(s) Allowed
Very-Low Density	R-S	This zone provides a low density residential setting and a transition to rural areas in the City. Primary housing type is single-family detached.
Low-Density	R-1	This zone is designed to stabilize and protect residential characteristics of the district and allows the development of single-family homes.
Low-Medium Density	R-L, C-N	Lowest density multi-family district, allowing apartments, townhouses, condominiums, and cooperatives. From 10 to 20 units per acre.
Medium-Density	R-M, R-T, C-T, C-B, I-G, C-C, P-A	Higher density district also allowing apartments, townhomes, condominiums and cooperatives ranging from 20 to 30 units per acre.
High-Density	R-H, CBD	Highest density district allowing multi-family housing and mixed uses along major corridors and at a density of 30 to 55 units per acre. Downtown residential development is based on a 2.0 FAR.

Sources: Land Use Element, Santa Cruz General Plan, 1994

City of Santa Cruz Zoning Ordinance, 2009

## Conventional Housing Opportunities

Housing Element law requires that cities facilitate and encourage a range of types and prices of housing for all economic and social groups in the community<sup>10</sup>. These include single-family and multifamily housing, manufactured housing, licensed care facilities, emergency shelters, transitional housing, small ownership units (SOUs), and other housing types. A broad range of housing furthers fair housing opportunity by ensuring that no person is excluded from the community based on his or her special needs.

Santa Cruz permits a wide range of conventional single, multiple, and accessory housing opportunities through the Zoning Ordinance. **Table 3-3**, below, displays where conventional and special needs housing is permitted in Santa Cruz, and the following discussion describes the provisions for granting permits for special needs housing. Housing can be permitted as a principally permitted use (P),

<sup>10</sup> California Government Code, Section 65583(c)(1)



via administrative use permit (AUP), special use permit (SUP), or use determination process (D).

**Table 3-3  
Conventional Housing Opportunities**

Conventional Housing	Residential Zones					
	R-S	R-1	R-L	R-M	R-H	R-T
Single-family residences	P	P	P	AUP		**
Two-family dwellings		SUP	P	AUP	AUP	**
Townhouses and apartments			P	P	P	**
Condominiums and co-housing			P	P	P	**
Accessory dwelling units	P	P	P			**
Mobilehome/Mfgr. housing	P	P	P			**
Multifamily Housing	Commercial/Industrial Zones					
	C-C	C-T	C-N	C-B	P-A	I-G
Multifamily < 10 units	AUP*	AUP*	SUP	AUP*	AUP*	SUP
Live-Work	D	D	D	D	D	D
Mixed Use < 10 units	AUP*		AUP*	AUP*		
SOU's	SUP*			SUP*		
SROs < 15 units	AUP*					AUP*

Source: Zoning Ordinance, City of Santa Cruz, 2009.

P = Permitted; D = Permitted via use determination  
AUP = Administrative Use Permit; SUP= Special Use Permit

\* Larger facilities require a Special Use Permit

\*\*R-T district has five subdistricts; uses permitted vary by district.

**Multifamily Housing.** Because of the scarcity of developable land, commercial and industrial districts provide the best opportunity to accommodate multifamily housing in Santa Cruz. Multifamily housing is a principally permitted use in many residential zones and conditionally permitted in several commercial zones, the Professional-Administrative zone, and the Industrial General zone.

## Constraint Analysis

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Given the scarcity of vacant land in Santa Cruz, the City supports the development of mixed use projects containing residential and commercial uses in the same building or on the same site. Mixed use projects are permitted in the C-C, C-N, and C-B zones via an administrative or special use permit.

**Mobile Homes/Manufactured Housing.** A mobile home is any vehicle designed, used, or intended to be used generally for living and/or sleeping quarters which is capable of moving, being moved, towed or transported. A manufactured home is a complete single-family home, deliverable in one or more transportable sections. Pursuant to state law, the City permits manufactured housing and mobile homes on lots for single-family dwellings subject to a compatibility certificate<sup>11</sup>. The Zoning Administrator issues a certificate when the home meets the location and design criteria established for such uses in the Zoning Ordinance.



**Mixed Use Prototype**

**Accessory Dwelling Units (ADU).** ADUs offer affordable units for seniors, students, and single persons. Santa Cruz conditionally permits ADUs on the same lot as the primary home. In 2003, the City revised its ordinance to permit ADUs in all zones allowing single-family housing and in the R-L zone which allows multifamily housing. ADUs are allowed provided the lot meets the minimum size threshold.<sup>12</sup>



**ADU Prototype**

**Co-Housing.** The City of Santa Cruz supports the development of co-housing. The first co-housing project in Santa Cruz, Coyote Cohousing, was built in 1998. The Zoning

Ordinance does not contain a specific category for co-housing; such projects are allowed in the same zone as apartments and condominiums. The permitting process is also the same. The City's Housing Plan contains several programs to further encourage and facilitate the development of co-housing in Santa Cruz.

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<sup>11</sup> Government Code, § 65852.3

<sup>12</sup> California Government Codes, § 65852.2.

### **Single-Room Occupancy (SRO).**

According to the 2000 Census, Santa Cruz has a small average household size. Single-room occupancy units can help address the need for smaller units. SROs are defined as a cluster of residential units (each between 150 and 400 square feet) within a residential hotel, motel, or facility that provides sleeping or living facilities and which may have or share sanitary and kitchen facilities. The City conditionally permits SROs in the C-C, I-G, RT-C and CBD zones. Over 250 SRO units were built from 2003 through 2008.



**St. George Hotel**

**Single Ownership Units (SOU).** These units offer additional options for affordable ownership housing by providing incentives for the development of reduced-size ownership dwelling units. A single ownership unit (SOU) is a dwelling unit containing no more than one bedroom, with a floor area ranging from 400 to 650 square feet. SOUs are allowed with a Special Use permit in the R-T(C), CC, CBDE, and CBD zones.

## **Special Housing Opportunities**

Santa Cruz provides a wide range of housing to meet the special needs of residents. A key City goal is to facilitate, to the extent feasible, the integration of special needs housing in neighborhoods so as to provide a more integrated living environment for all Santa Cruz residents. **Table 3-4** and the following describe provisions that encourage special needs housing.

**Community Care Facilities.** The Lanterman Developmental Disabilities Services Act and the Community Care Facilities Act<sup>13</sup> both state that mentally, physically, or developmentally disabled persons, children and adults who require supervised care are entitled to live in general residential settings. To that end, State law requires communities to make adequate provision for licensed community care facilities. A licensed community care facility is defined as

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<sup>13</sup> California Health & Safety Code, § 1500 et. seq.;  
California Welfare and Institutions Code, § 5000 et. seq.

**Table 3-4  
Special Needs Housing Opportunities**

Special Needs Housing	Residential Zones				
	R-S	R-1	R-L	R-M	R-H
Small Community Care Facilities	P	P	P	P	P
Large Community Care Facilities	SUP	SUP	SUP	SUP	SUP
Health Facilities-Psychiatric Disabilities		AUP	AUP	SUP	SUP
Nursing Homes/Convalescent Homes		AUP	AUP	SUP	SUP
Small Family Day Care	P	P	P	P	P
Large Family Day Care		P	P	P	P
Farmworker Housing*				P	
Emergency Shelters/Transition Housing	D	D	D	D	D
Student Housing			SUP	SUP	

Source: Zoning Ordinance, City of Santa Cruz, 2009.

\*Use to be included after adoption of Housing Element.

P = Permitted AUP = Administrative Use Permit required

SUP = Special Use Permit required; D = Permitted via use determination

providing non-medical residential care, daycare, or home-finding services for disabled children or adults.

State law requires that licensed care facilities serving six or fewer persons be treated as a residential use for purposes of zoning and be allowed by right in all residential zones. Communities cannot require more stringent development standards, fees, taxes, and permit procedures for community care facilities than required of the same type of housing (e.g., single-family homes) in the same zone. The City’s land use policies, permitting procedures, and other applicable development processes for such facilities are consistent with State law.

**Family Day Care.** The State Legislature has declared that family day care for children should also be situated in residential surroundings so as to give children an environment conducive to healthy and safe development. Under State law, small family day care serving up to eight children must be allowed in all single-family homes subject to licensure by the State. Communities cannot prohibit large day care facilities serving up to 14 children on lots zoned for single-family

dwelling, but can require a use permit subject to compliance with local ordinances regarding noise, traffic control, parking, spacing, and concentration.<sup>14</sup>



To facilitate and encourage the adequate provision of child care opportunities, the City permits small family day care homes by right in all single-family homes and duplexes. The City also permits by right large family day care homes licensed by the State in any single-family zone and in the R-L and R-M districts. In nonresidential zones (e.g., C-T, C-N, C-B, etc.) which permit residential uses, they are a conditional use subject to local ordinances.

**Health Facilities for Persons with Psychiatric Disabilities.** In 1999, the United States Supreme Court ruled that unnecessary segregation of people with disabilities in institutions is a form of discrimination in violation of ADA, which requires that people with disabilities receive services in the most integrated setting possible. The Court did not use the word “housing” to define the most integrated setting possible, but rather used terms such as “community placements” and “less restrictive settings.” The Olmstead case specifically addressed psychiatric disabilities, although the logic extends to persons with any form of disability.

Santa Cruz is unique in its approach to providing housing for people with psychiatric disorders. The City allows health facilities for inpatient and outpatient psychiatric care and treatment in all residential zones (except the R-S zone) pursuant to an administrative or special use permit. Only an administrative use permit and design permit is required in lower density residential zones, while a special use permit is required in higher density residential zones.

**Emergency Shelters.** Santa Cruz permits emergency shelters, transitional housing, and permanent supportive housing in the city. Currently, such uses are allowed pursuant to the use determination process in any zone district. The Planning Commission allows, through a special use permit, any use determined



<sup>14</sup> California Health and Safety Code, § 1597 et. seq.

## Constraint Analysis

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to be of the same character as a principally permitted use that will not impair the present or potential use of adjacent properties.

Effective January 1, 2008, SB 2 Emergency Shelters and Transitional and Supportive Housing, requires that jurisdictions provide a zone district where emergency shelters are allowed without a conditional use permit or other discretionary action.

Pursuant to SB 2, the City will amend the Zoning Ordinance to allow emergency shelters as a permitted use in the PF (Public Facilities) zone districts. The PF district is comprised of 190 acres, of which most is adjacent to mass transit and services. Many other public services are provided within this zone district.

This is addressed by Program 3.3 (in Chapter 6) which states: Within one year of the housing element adoption, amend the Zoning Ordinance to allow the development of emergency shelters in the Public Facility (PF) zone districts without a conditional use permit or other discretionary review. In addition the City will evaluate adopting development and managerial standards that will be consistent with the Government Code Section 65583(a)(4). These standards may include such items as:

- Lighting
- On-site Management
- Maximum number of beds or persons to be served
- Off-street parking based on demonstrated need; and
- Security during hours that the shelter is in operation

Pursuant to SB 2, the city must also explicitly allow both supportive and transitional housing types in all residential zones. Program 3.4 (in Chapter 6) states that: Within one year of the housing element adoption, amend the Zoning Ordinance to include separate definitions of transitional and supportive housing as defined in Section 50675.2 of the Health and Safety Code. Further amend the Zoning Ordinance to allow transitional and supportive housing types as a permitted use subject to only the same restrictions on residential uses in the same type of structure.

Chapter 2 details the current number and capacity of the emergency shelters, transitional and supportive housing facilities which are situated in the community.

**Student Housing.** Santa Cruz is home to a University of California campus with an enrollment of more than 15,000 students. A settlement agreement from a lawsuit allows an increase in enrollment of 4,500 students from 15,000. The agreement also requires UCSC to provide housing to accommodate 67 percent of new student enrollment within four years of reaching that enrollment. At a total of 19,500 students, which is unlikely to occur earlier than the 2020-2021 academic year, UCSC would provide housing for 10,125 students. The City recognizes its role in absorbing the student population residing off-campus and in collaborating with UCSC on student housing. The City permits student non-dormitory housing in all districts allowing multifamily housing (e.g., R-L and R-M zones) pursuant to a special use permit. As depicted in the photo of the University Town Center above, the City also permits student housing in the CBD zone and the High Density Overlay District.

**Farmworker Housing.** As described in Chapter 2, less than one percent of the city of Santa Cruz population works in farming, forestry, or fishing occupations. The need for farmworker housing is therefore addressed in affordability programs identified in this Housing Element.

### Development Standards

The City's Zoning Ordinance sets forth regulations which determine the type, location, density, and scale of residential development. Such regulations are designed to promote the health, safety, and general welfare of residents, preserve the character and integrity of neighborhoods, and implement General Plan goals and policies. State law has also focused increasingly on how residential development standards affect the feasibility of building market rate and affordable housing.

**Table 3-5** describes the typical standards for developing new housing, including density ranges, building heights, yards, and open space.

**Table 3-5  
Residential Development Standards**

Standard	Zone Districts						
	C-C/Mixed Use	R-S	R-1	R-L	R-M	R-H	R-T*
Density Range (du/ac)	20-30	Up to 1	1.1 to 10	10 to 20	20 to 30	30 to 55	20 to 55
Maximum height (ft.)	40	30	27 to 30	30	SF: 30 MF: 35	SF: 30 MF: 48	SF: 30 MF: 36
Minimum lot area (sq.ft.)	4,400 to 5,000**	1 to 10 acres	5,000 to 10,000	5,000 to 5,500	4,400 to 5,500	4,000 to 5,000	5,000 to 8,000
Lot Coverage	N/A	N/A	N/A	N/A	N/A	70 percent	N/A
Front yard (ft.)	0*	40	20 to 25	15	15	15	15
Side yard (ft.)	0*	15 to 25	5 to 10	5	5	5	5
Rear yard (ft.)	0*	30	20 to 30	10	10	10	10
Open Space (sq.ft./unit)	100-150	N/A	N/A	200 sq. ft. per bedroom up to 400 sq. ft.		MF: 250	MF: 400

\*Except where yard abuts on R-District, then not less than the minimum yard required for adjacent yard in the said R-District.

\*\*Minimum lot area does not apply to SOU development

**Structural Standards.** The City permits new housing at various densities in the residential and commercial zones. Densities permitted vary from less than one unit per acre in the R-S zone to 55 units per acre in the R-H zone. Housing is also permitted in various commercial zones at a maximum density of 30 units per acre. The maximum height permitted ranges from 30 feet in residential and commercial districts to as high as 48 feet in higher density residential zones.

The City actively facilitates mixed use projects and housing in commercial zones: The setbacks are less restrictive, the open space requirement is only 150 square feet or less per unit, and parking reductions are available. SRO units in commercial areas also have less restrictive standards with respect to open space and parking (as noted below) and density. Furthermore, for mixed use projects in



the Central Business District, the residential density is based on a 2.0 FAR and the height limit is up to 75 feet. These standards facilitate the construction of mixed use projects or residential projects in commercial zones. Policy 1.3 and program 1.2 in Chapter 6 address mixed use standards as well supports expanding the mixed use overlay to the transit corridors.

**Open Space Requirements.** To improve the living environment of residential neighborhoods, communities typically require housing to have a certain amount of open space, such as yards, common space, and landscaping. For single-family homes, open space is reflected in setbacks, yard sizes, and lot coverage requirements. Multifamily projects (e.g., apartments and condominiums) are also required to have dedicated open space in lieu of private yards. Multifamily housing, with the exception of SRO and SOU developments, must have 200 to 400 square feet of open space per unit.

**Parking Requirements.** The City’s residential parking requirements are designed to accommodate vehicle ownership rates, reduce street congestion and traffic hazards, provide attractive and appropriate parking facilities, and encourage non-auto alternatives. According to the 2000 Census, the average vehicle ownership rate was 1.50 vehicles per renter and 1.95 vehicles per homeowner. The Zoning Ordinance requires parking spaces which approximate the average vehicle ownership patterns of residents. However, exceptions may be granted for publicly subsidized units if there is a conflict with state or federal regulations or funding (see **Table 3-6**).

**Table 3-6  
Parking Requirements**

Housing Type	Number of Bedrooms			
	Studio	1	2-3	4
Single-Family Home*	1	1	2	3 + 1 for ea. additional bd.
Apartments/Condominium*	1	1.5	2	3
Mobile homes*	1	1.5	2	3
Residence halls, dormitories	0.75 per each guest or occupant			
Senior housing development*	1 per 3 dwelling units plus area of land equal to apt. parking			
Community Care Facilities*	1 per 5 residents + 1 per staff on shift			
Small Ownership Unit	1.2 parking space for each unit			
Single-room occupancy unit	0.5 -1 space for each unit			
Accessory dwelling unit	1 space on-site per bedroom.			

Source: Zoning Ordinance, City of Santa Cruz 2009.

\* One parking space per unit is required to be covered.

### Building Codes and Site Improvements

To ensure that new housing is safe and accessible to residents, it is important to enforce building codes and provide site improvements.

The following discussion highlights the primary building and accessibility codes that affect the construction and rehabilitation of housing, including accessible housing, in Santa Cruz.

Building codes and site improvements can impact the cost of housing. Every three years, the State adopts new codes that contain the latest advances in construction practices and engineering concepts. The California Building Standards Commission adopted the California Building Codes in 2002, largely based upon “model” codes produced by various professional organizations. Local agencies are required to adopt these codes, but may make amendments to address geological, climatic, or topographical conditions in the community provided the modifications are no less restrictive than the state standards.

Since 1992, the City of Santa Cruz has participated in a regional effort, the “Silicon Valley Uniform Building Code Program,” to standardize building codes, streamline and delete unnecessary technical or time processes, and eliminate wide variations in local modifications. This alliance of the Monterey Bay, Peninsula, and East Bay Chapters of the International Conference of Building Officials (ICBO) succeeded in reducing some 400 local amendments to the current codes (total from all jurisdictions) to just eleven.

The City adopted local modifications to incorporate the latest advancements in seismic design and energy conservation technology developed by the Structural Engineers Association of California, California Building Officials, FEMA, and others. All the proposed and adopted amendments have detailed findings demonstrating the technical and local reason for the changes. Most amendments address seismic design or construction issues which are not addressed in the adopted State codes, because the city is located in an active seismic zone.

Site improvements include roads, water, sewer, and other infrastructure necessary to serve the new residential development. Requiring developers to make site improvements, pay pro rata shares toward infrastructure costs, and pay for additional public services

will increase the cost and affordability of housing. Improvement requirements intended to maintain fair share as appropriate are regulated by the subdivision ordinance. However, since the vast majority of housing sites have infrastructure in place, site improvements are not anticipated to constrain the availability or cost of producing housing in the community. In some cases, the City Redevelopment Agency contributes toward the improvement costs.

### Accessibility Codes

Government Code Section 65583(a)(4) requires localities to analyze potential and actual government constraints upon the maintenance, improvement or development of housing for persons with disabilities, as identified in the analysis pursuant to paragraph (4) of subdivision (a), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. Government Code Section 65583(c)(3) requires that the housing element provide a program to address and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for persons with disabilities, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. As part of the Housing Element process, the City conducted such an analysis to identify potential impediments. The findings of the analysis are summarized below.

**Allowance of Land Uses.** State and federal housing laws encourage an inclusive living environment, where persons of all walks of life have the opportunity to find suitable housing. Although the Zoning Ordinance permits a range of special housing types, some are by the use determination process. See the “Development Permit Procedures” section of this chapter, which describes how the use determination process facilitates the development of a wide variety of special needs housing in the community.

For special needs housing, the use determination process authorizes the use, a Special Use Permit sets operating conditions, and Design Review or a Planned Development Permit addresses physical layout issues. However, State law regulates the development and operating conditions for licensed residential care facilities serving six or fewer persons and other similar cases. The City does not require additional

## Constraint Analysis

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building codes or levels of review to build or convert housing for people with disabilities. The City's entitlement process ensures that facilities are built and operated in a manner compatible with surrounding land uses.

**New Construction.** Cities that use federal housing funds must meet federal accessibility guidelines. For new construction and substantial rehabilitation, at least 5 percent of the units must be accessible to persons with mobility impairments and an additional 2 percent of the units must be accessible to persons with hearing or visual impairments. New multifamily housing must also be built so that: 1) the public and common use portions of such units are readily accessible and usable by persons with disabilities; 2) doors allowing passage into and within such units can accommodate wheelchairs; and 3) all units contain adaptive design features. For example, one out of 25 units must have disabled-accessible showers.<sup>15</sup>

HUD also recommends, but does not require, that all design, construction, and alterations incorporate, wherever practical, the concept of visitability. This recommendation is in addition to requirements of Section 504 and the Fair Housing Act. Recommended construction practices include wide enough openings for bathrooms and interior doorways and at least one accessible means of egress/ingress for each unit.<sup>16</sup> The City enforces all federal and state accessibility laws. The Santa Cruz Municipal Code (SCMC) also requires new units to have standard width doorways on first floor units at least 32" wide (except for structures where the grade from the sidewalk to the front door exceeds 15 percent), thereby allowing wheelchair access to all interior rooms in a house (Section 18.06)

As part of its development regulatory framework, the City Council has appointed a Board of Building Appeals to interpret technical decisions of the building official or the fire marshal. Five regular members must be any of the following: architect, engineer, general building contractor, engineering contractor, electrician, plumber, mechanical or sheet metal contractor, non-jurisdictional building inspector, or fire inspector. From time to time, the Board calls upon special members to assist in making determinations on matters involving their field of expertise. Special members consist of at least two representatives of the disabled community and an energy conservation specialist, and have full voting rights.

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<sup>15</sup> Section 804(f)(3)(C) of the Fair Housing Act, SCMC, Section 18.06.015

<sup>16</sup> HUD Directive, Number 00-09.

**Rehabilitation of Units.** Given the age of Santa Cruz's housing stock, the issue facing people with disabilities is retrofitting existing homes built before modern accessibility standards. To facilitate the rehabilitation of these structures, the City allows a property owner to build a ramp to allow entrance into a single-family home upon securing a building permit and payment of fees totaling \$500. Moreover, the Municipal Code allows any structure, guardrail, or handrail which is necessary to provide access to the first floor of a residence for the physically challenged to protrude into the required yard area and street setbacks.

To assist in the retrofit costs of making housing more accessible, the City's Unified Rehabilitation Program provides federally funded loans to low income homeowners or rental property owners with low income households to make modifications to improve accessibility for people with disabilities. The Housing Plan proposes additional actions to consider revising program guidelines to allow tenants to apply for grants to retrofit homes and develop other incentives to encourage the rehabilitation of homes for greater accessibility.

**Transition Plan.** In October 1993, the City Council adopted a Self-Evaluation and Transition Plan in compliance with the Americans with Disabilities Act (ADA). The Plan called for changes in physical structures and public facilities to make programs and activities more accessible to persons with disabilities. Within the first year of implementation, the City completed policy and procedural changes to City forms to reflect ADA requirements. Longer term activities consisted of the following: 1) new signage for City facilities and structures; 2) physical changes to City department facilities and structures for basic program compliance; 3) physical improvements to facilities and structures for the Library and Recreation departments; and 4) street/sidewalk curb and ramp programs.

### **Mechanisms for Providing Flexibility**

The City offers various mechanisms to ensure that residential development standards do not constrain the development, maintenance, and improvement of conventional and special needs housing. These include the density bonus ordinance, the planned development permit process, and financial incentives. The following describes the three major programs in Santa Cruz.

**Density Bonus Ordinance.** The City enacted (and subsequently amended) a density bonus ordinance to implement State law.<sup>17</sup> The City allows a developer to build 35 percent more units than allowed under the Zoning Ordinance for projects that dedicate 10 percent of units for very low income households, or 20 percent for low income households and for qualified residents such as seniors. Additionally, a 27.5 percent density bonus is automatically allowed for rental properties upon request as part of an incentive package to encourage rental project development (SCMC 24.16.200). In September 2004, the Governor signed SB1818, substantially modifying the original state density bonus law and increasing the number of concessions or incentives (between one and three) which a jurisdiction must grant developers who qualify for a density bonus. To qualify for this density bonus, a development must have at least five units (not including any density bonus units), and the developer must apply for the density bonus when first submitting plans.

**Planned Development (PD).** Santa Cruz also provides an administrative technique to foster development plans for eligible lands which serve public objectives more fully than permitted under conventional zoning regulations. Under SCMC 24.08.700, the City will consider modifications to the following standards: 1) building setbacks, lot coverage, and lot area; 2) street standards; 3) parking and loading; 4) open space and landscaping; 5) maximum height; and 6) various other standards. To be eligible for a PD permit, a lot must exceed 20,000 square feet. The Planning Commission and City Council are the approving bodies. The intent is to facilitate creative projects which achieve greater public benefit than would otherwise be provided by the underlying zone district.

**Direct Financial Assistance.** At times, the City may also provide financial assistance to facilitate the production of affordable housing that addresses citywide goals. For instance, developers of very low and low income housing may apply for a waiver of the following fees: sewer and water connection, planning application and plan check, building permits, park land and open space, parking deficiency, and fire fees (SCMC, Section 24.16.300). The City may, in other cases, provide low interest loans, land write-downs, redevelopment funds, and other financial assistance for affordable housing projects. Santa Cruz has a long history of working with developers to build affordable housing.

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<sup>17</sup> Government Code, § 65915

**Development Permit Procedures**

Santa Cruz uses different processes to review proposed residential projects depending on the type and complexity, and whether a major variation in development standards, existing land uses, or operating conditions is requested (Table 3-7, below). New residential projects may require approval of one or more permits, including a design permit, administrative use, or special use permit.

**Table 3-7  
Housing Permit Processing Requirements**

Permit Characteristics	Major Permits		
	Design Review Only	Administrative Use	Special Use
Description	Review of architectural and site development proposal for compatibility with surrounding land uses.	Examination of the operation of land use which may have some impact upon surrounding uses	Examination of the operation of land use which may have a significant impact on surrounding uses
Applicable Housing Types	Multifamily units, some single-family homes, small mixed use projects, large community care facilities.	Multifamily housing with < 10 units in commercial zones; SROs with < 15 units; mixed use projects with < 10 units.	Multifamily housing with 10+ units in commercial zones; SROs with 15+ units; mixed use projects with 10+ units.
Approving Body	Zoning Administrator with no public hearing. Hearings req. for substandard lots and large homes.	Zoning Administrator with a hearing	Planning Commission with Public Hearing
Timeframe	1 to 2 months	2 to 3 months	3 to 4 months

Source: City of Santa Cruz, 2009.

The time required for development review increases with the complexity of the project, land constraints, and the number of agencies involved in the review. A typical process for a single-family home, that is not greater than 3,000 square feet or in a substandard lot, will require a building permit which can be given “over the counter.” At that point, the plans are routed to different departments for review and approval. This process will usually take about two months and does not require a public hearing. All multifamily projects will necessitate at least a design review permit to review the architectural and site development proposal for

## Constraint Analysis

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compatibility with surrounding land uses. Other findings include consistency with the General Plan, consideration of traffic, solar access open space and landscaping. This process will usually take two months to process and no public hearing is necessary. Larger multifamily projects, or projects requiring an EIR, take at least a year for review and approval due to State and CEQA regulations.

In the past, the City has shown flexibility in giving priority to projects, including affordable housing projects, to prevent permit processing time from being an undue financial constraint. The City will continue to show flexibility by fast-tracking affordable housing projects for lower-income households.

**Use Determination Process.** In some cases, not all permitted uses (particularly special needs housing) are specified in the Zoning Ordinance. Many types of special needs housing continue to evolve over time in a process which has blurred traditional distinctions between different uses. Examples include a simple transitional housing project which has varying levels of supportive services, and senior projects which provide assisted and independent living units. In these cases, the distinction between residential and group quarters is unclear.

The Use Determination process is an important tool for allowing housing in Santa Cruz where not explicitly defined in the Zoning Ordinance, thus expanding housing opportunities to persons with special needs. Specifically, the Zoning Ordinance states that “any other use or service establishment determined by the Planning Commission to be of the same general character as a principally permitted use or conditional use in the same zone which will not impair the present or potential use of adjacent properties, may be allowed by special use permit.”

Once the Use Determination process authorizes the use, a special use permit sets the operating conditions for the use. The special use permit typically covers operating conditions, such as hours of operation, capacity, and other items dealing with how the facility is used. The physical layout of the site is addressed through either the Planned Development Permit or Design Review. The PD permit is designed to facilitate creative projects which achieve greater public benefit than would otherwise be permitted in the underlying zoning district. The PD Permit regulates development standards, parking, and other physical site layout issues.



The present Homeless Services campus was originally approved through the Use Determination process by establishing that similar quasi-public uses were located in the I-G zone. A Special Use Permit set the operating conditions for the site. However, a Planned Development permit was later issued for planned expansions to the Homeless Services Center. The PD Permit allowed the applicant to propose development standards necessary to make the project feasible given site constraints. Under this permit, the site was allowed to reduce setbacks from 20 feet to only 5 feet, increase the number of stories from 2 to 3, and modify the parking requirements to be substantially less than SRO projects.

For the development of transitional housing projects, the same permitting process would typically be utilized. However, transitional housing projects are usually developed by buying an existing multifamily residential structure or single-family residence and converting the use to transitional living. In such cases, the applicant would still seek approval through the Use Determination Process, and the Special Use Permit would set general operating conditions if the use differed significantly from other residential uses in the same zone.

### Affordable Housing Ordinance

Passed by City voters in 1979, Measure O requires that for newly constructed for-sale or rental projects of five or more units, at least 15 percent of the units be capable of purchase or rental by persons with average or below average incomes. The City implemented this mandate in 1980 through adoption of the Inclusionary Housing Ordinance and established affordability thresholds through Council resolutions. The City monitors inclusionary units to ensure they are rented or sold at the appropriate income level. The Housing Authority verifies the incomes of potential renters or buyers to ensure that they meet the eligibility requirements.

In 2005, the City conducted a study to examine (1) Whether inclusionary program requirements employed in contemporary market conditions made the development of affordable housing difficult without significant public subsidy; (2) Whether modifying the inclusionary program to add flexibility and incentives would encourage the private market to build affordable units and minimize the need for public assistance; (3) Whether variations to

## **Constraint Analysis**

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“Investominiums” could be developed to provide additional incentives for development of rental and for-sale apartments, both affordable and market rate.

An analysis of development trends in Santa Cruz from 1986 to 2006 indicated that any sizable rental housing development required some form of financial subsidy or special zoning considerations from the City. This included a number of “Investominium” developments built during the 1990s with delayed inclusionary requirements, and numerous single room occupancy (SRO) developments built without density limits from 2001 to 2006.

In 2006, the City Council approved major amendments to the Inclusionary Housing ordinance to make it more financially feasible to develop unassisted rental housing. The Investominium category was eliminated but the concept was retained by allowing mapped projects to be rented at market rates until individual units are sold, at which time inclusionary units are required to be provided. Other (2007) revisions to the Inclusionary Ordinance included a provision for partial *in lieu* fees that would also help fund the Affordable Housing Trust Fund.

## **Housing Preservation and Replacement**

Santa Cruz has facilitated a significant amount of affordable housing through the City’s inclusionary program, State and federal subsidies, and other local programs. To preserve these resources, the City has implemented a variety of housing preservation programs regulating condominium conversions, mobilehome rent stabilization, preservation of at-risk housing, coastal zone housing, and a residential demolition/conversion program.

Of particular note is the residential demolition/conversion program which has had a significant impact on housing preservation. The program requires that multifamily housing with three or more units proposed for demolition or conversion be replaced. The basic requirements are threefold: Up to 100 percent of all low or moderate-income bedrooms lost must be replaced. All low and moderate income tenants displaced must receive relocation assistance. If the project is rebuilt, the developer must satisfy inclusionary requirements, up to and beyond the replacement requirement.

Although the program helped preserve multifamily housing, it also had unintended consequences. Beginning in the middle 1990s, rents began to rise dramatically, increasing 60 percent from 1996 alone. However, despite the most robust rental market since the late 1980s, no property owner had sufficient financial incentive to demolish housing, pay for the costs of new construction, and also fulfill the cumulative inclusionary and replacement requirements. Inasmuch as the City will eventually rely on infill development and the recycling of underutilized sites to meet its housing needs, the demolition/conversion ordinance may eventually constrain the production of multifamily housing.

Moreover, in an older city such as Santa Cruz, situations may arise where replacement of substandard housing is necessary. However, the demolition/conversion ordinance has had the unintended impact of making it financially difficult to demolish and replace substandard housing that contributes to neighborhood decline. As a result, the City must provide significant public subsidies to replace substandard housing. Future investment in similar rehabilitation projects is unlikely due to continuing City budget shortfalls.

The Housing Element thus contains a program to modify the demolition/replacement ordinance in order to facilitate the replacement of substandard housing and to further encourage the recycling of underutilized sites for new housing while maintaining the City's commitment to affordable housing units.

### C. Environmental Constraints

The City is committed to protecting the beauty and integrity of its natural environment, particularly in light of anticipated population growth, consumption levels, technological impacts, and other pressures associated with urban life. Balancing environmental preservation with housing goals and the provision of infrastructure and services is a priority in the Housing Element, Land Use Element, Public Facilities Element (Civic and Community Element 2030), and the Environmental Quality Element (Natural Resources and Conservation Element, 2030). This section summarizes these potential constraints.

### Environmental Hazards

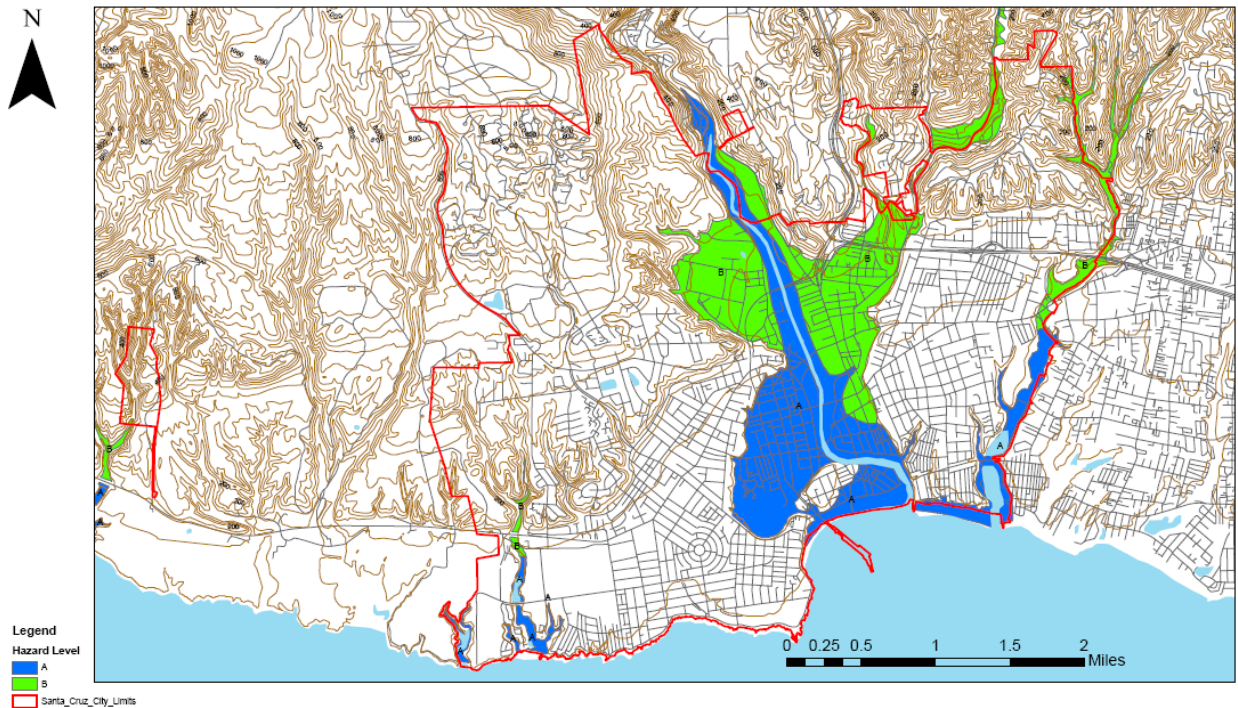
## Constraint Analysis

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Situated within the coastal terraces, Santa Cruz residents benefit from a range of natural features, including hillsides, rivers and streams, the coastline, and forest land. Although this setting contributes to the natural beauty of Santa Cruz, the same environmental features also impact the provision, maintenance, and improvement of housing in Santa Cruz. The following issues affect, in varying degrees, existing and future residential developments in the city.

**Seismic Hazards.** Santa Cruz lies within 25 miles of at least six major faults and fault systems, placing the community in an area of high seismic risk. Nearby faults include the San Andreas, Zayante, Ben Lomond, San Gregorio, Butano, and the Monterey Bay Fault Zone as well as the Hayward and Calaveras faults. Several of these local faults are considered to be possibly active or probably active. In October 1989, the Loma Prieta Earthquake (7.1 on the Richter scale) severely damaged hundreds of residential and commercial structures and caused considerable damage to the City's water and sewer infrastructure.

Earthquakes cause a significant amount of damage, particularly due to the impacts of ground shaking. Ground shaking can result in surface rupture, liquefaction, and landslides - ultimately causing the failure of buildings and City infrastructure. According to the City's Safety Element, (Hazards, Safety and Noise Element, 2030) the area most susceptible to ground shaking and liquefaction is central Santa Cruz, particularly along the San Lorenzo River. Historical flooding and a heightened water table in this area also pose a significant threat for liquefaction, ground failure, and damage to buildings.



Areas in Santa Cruz potentially vulnerable to liquefaction  
Source: City of Santa Cruz 2009

Following the 1989 Loma Prieta Earthquake, the City undertook an ambitious effort to repair the damage caused by the earthquake, estimated at \$21.5 million in Downtown Santa Cruz alone. Voters passed a ½-cent countywide sales tax for the next six years to assist in earthquake reconstruction. The City adopted a Merged Earthquake Recovery and Reconstruction Redevelopment Project Area. The federal and State governments also provided reconstruction funding.

To prevent or minimize damage associated with earthquakes, the Safety Element (Hazards, Safety, and Noise Element, 2030) provides for various land use 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 Uniform Building Codes (UBC); and

## Constraint Analysis

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- Complete the seismic retrofit of unreinforced masonry buildings in accordance with the Uniform Code for the Abatement of Dangerous Buildings.

According to the U.S Geological Survey, it is highly likely that an earthquake of magnitude 6.7 or greater will strike the San Francisco Bay Area before 2032. Such a quake may very well have an impact on Santa Cruz.

**Tsunami.** The City's 2007 Local Hazard Mitigation Plan identified a Tsunami as a "major" risk to Santa Cruz. Although the likelihood of a Tsunami hitting Santa Cruz is small, in the event it does occur, the damage could be great.

Tsunamis can be caused by earthquakes (on or off-shore). They can originate locally or distantly. In the case of distant Tsunamis, or one caused by an earthquake hundreds of miles away, there is adequate warning. For a Tsunami that originated in the Monterey Bay, there would be little to no warning, and little time to evacuate. The 2007 Local Hazard Mitigation Plan estimates the potential economic loss in Santa Cruz associated with damage caused by a Tsunami (see table below).

## Constraint Analysis

<b>TSUNAMI</b>								
Type	# of Parcels		# of Structures		Critical Structures		Loss in Value\$*	
	Total	Hazard	Total	Hazard	Total	Hazard	Total	Hazard
Residential	14,819	4,683	20,949	5,651			\$2,177,018,720	\$749,208,037
Commercial	1,305	832	1,300	724			\$512,449,080	\$365,388,343
Industrial	123	52	76	16			\$70,354,758	\$15,751,272
Religious	50	12	63	8			\$23,642,774	\$12,788,600
Government	389	213	213	127			\$0	\$0
Schools/Daycare	47	20	726	86			\$12,303,974	\$8,638,456
Utilities	7	5	22	10			\$0	\$0
<b>Total</b>	<b>16,740</b>	<b>5,817</b>	<b>23,349</b>	<b>6,622</b>	<b>38</b>	<b>22</b>	<b>\$2,795,769,306</b>	<b>\$1,151,774,708</b>
# of People	Community 54,593	Hazard 18,939						

DATE: 2006-2007  
 Total = total number of structures, residents, values within the entire community  
 Hazard= number of structures, residents, values that are located within the defined hazard area

\*Government Parcels, Public Schools and most Utilities are not assessed.

### Tsunami potential loss inventory in the City of Santa Cruz

Source: Table 8-2, 2007 Local Hazard Mitigation Plan

**Fire.** The threat of wildfires is a serious one in Santa Cruz County. This hazard became very real in Summer 2008 when two fires consumed over 4,800 acres. The “Summit Fire” on the border of Santa Cruz and Santa Cruz County started in May, after a relatively dry winter. The “Martin Fire” burned over 600 acres less than a month later in Bonny Doon.

Three main factors influence the magnitude and intensity of a wildfire: fuel, weather, and topography.

Santa Cruz County has an abundance of fuel that can increase the intensity of a fire. Some examples are chaparral, conifers, poison oak and eucalyptus. Eucalyptus trees, which require fire to reproduce, actually explode in a fire. Thunder storms, drought, and wind are weather events that can start or enhance a wildfire. Areas in and around the city that have steep slopes are also vulnerable to fires, as fire will tend to run uphill, and such areas are often difficult to access. The areas identified in the 2007 Local Hazard Mitigation Plan as being the most vulnerable to fires are: Pogonip, DeLaveaga, Moore Creek Preserve, Arana Gulch, and Arroyo Seco Canyon (see map below). Because fire is such a major hazard to Santa Cruz, providing excellent fire protection services has been, and will continue to be, a City goal.

## Constraint Analysis

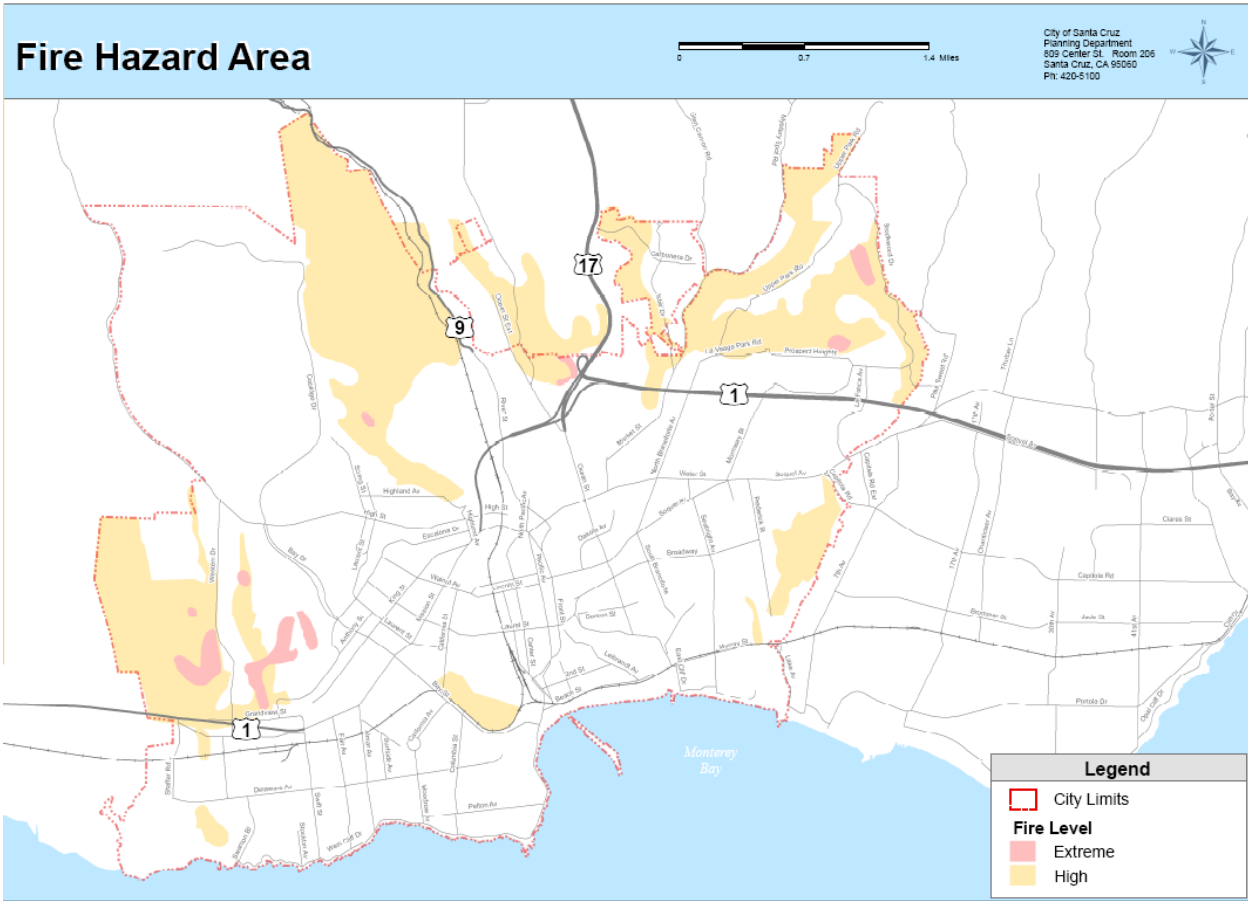
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The City Fire Department provides fire protection services for all areas within the city limits and works with the County fire districts, UCSC, and the California Department of Forestry (CDF) to provide fire protection to surrounding areas. The City fire department also sponsors education and prevention programs.

Growing residential and tourist populations have increased the demands on fire services. Maintaining well-trained firefighting staff and adequate equipment, response times, and fire flow (the ability to deliver a specific amount of water in a specific time) are essential for adequate fire protection and prevention.

The risk of structural fires within the city is minimal. Fire-fighting resources meet Cal OSHA minimum requirements. Development continues to comply with applicable building codes. Structures are relatively new and in good condition; and the fire department implements a building-inspection program. Emergency access is good in all areas.





**Fire Hazard Areas within the City of Santa Cruz**

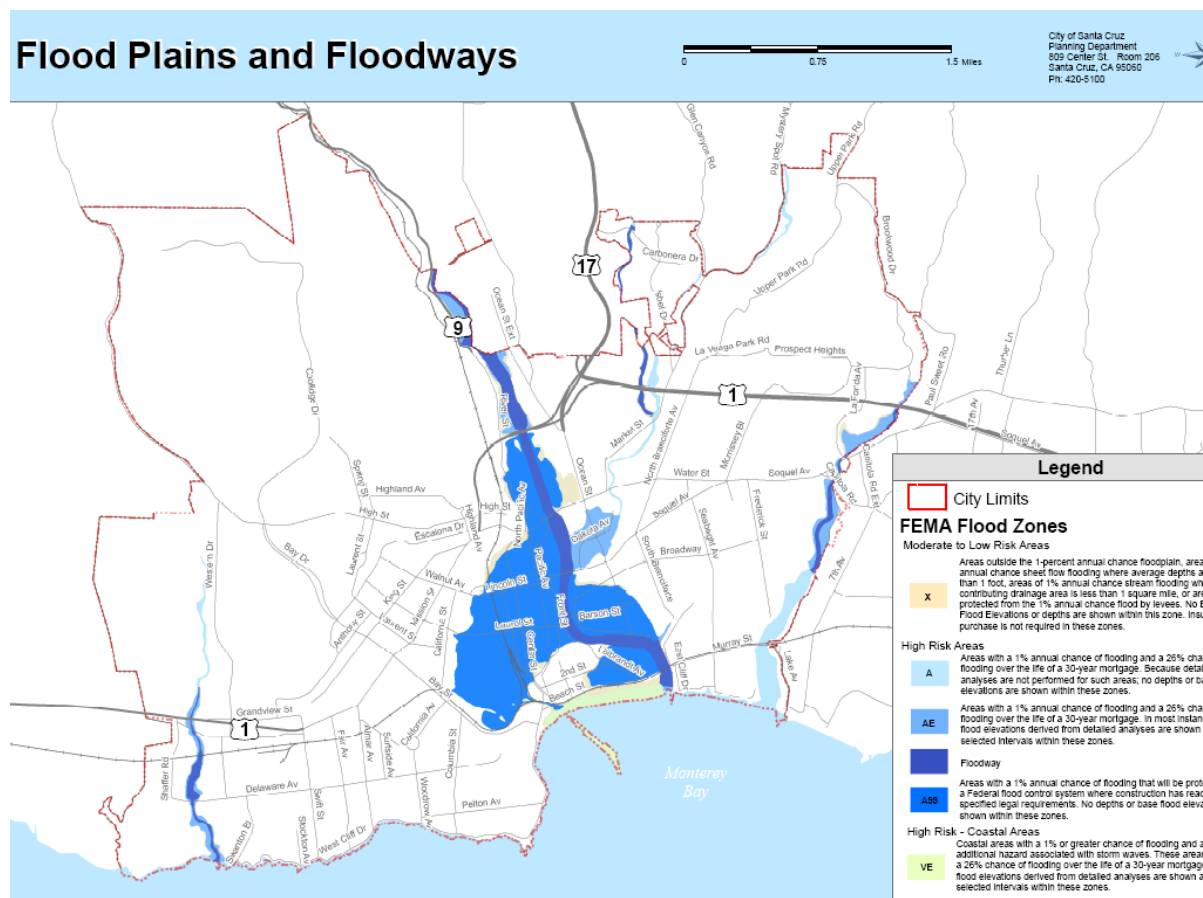
Source: City of Santa Cruz, 2009

**Geologic Hazards.** Because of the many hillsides and arroyos in Santa Cruz, some areas of the city are also at risk from non-seismic geologic hazards including soil erosion and landslides. Soils, slopes, and cliffs are subject to erosion, weathering, groundwater withdrawal, and seismic processes that cause instability. The instability can damage buildings, threaten lives, and degrade environmental quality. The General Plan identifies areas where landslide deposits and soil creep are not uncommon on slopes near DeLaveaga Park, Moore Creek Preserve, and the upper portions of Arana Gulch.

The General Plan and Zoning Ordinance contain regulations to minimize risks associated with development in areas with steep and/or unstable slopes, including requiring erosion control measures and minimizing grading activities in sensitive areas.

## Constraint Analysis

**Flood Hazards.** Flooding can result from intense rainfall, localized drainage problem, or the failure of levees, dams, or reservoirs. Flooding in Santa Cruz has historically occurred along the San Lorenzo River, which bisects the length of the community from Highway 1 southward to the Pacific Ocean. Flooding has also occurred along the lower portions of Carbonera and Branciforte Creeks. Flooding in 1955 and 1981 led to the City applying a Flood Plain Overlay District to the Downtown and Beach areas and adopting appropriate development regulations. Santa Cruz was declared a disaster area after a flood event in 2006.



**Flood Plains and Floodways Map**  
Source: City of Santa Cruz, 2009

During the 1990s, the City initiated the San Lorenzo River Flood Control and Environmental Restoration Project to improve the flood protection offered by the existing river levees and to provide 100-year FEMA flood protection. Construction is complete.

FEMA extension of the floodplain zone to cover the downtown core had a direct impact on Santa Cruz housing costs, because the new designation reduced insurance premiums 40-50 percent below those previously paid.

Although flooding issues have been dramatically reduced by the San Lorenzo River project, localized flooding still may occur. Thus, in some cases, developers of new multifamily projects have been required to upgrade storm drainage systems to mitigate the impact of new housing. The City also plays an active role in mitigating the impacts of affordable projects. For instance, as a financial incentive to build affordable housing, the City has dedicated funds to upgrade infrastructure critical to affordable housing projects.

Other areas of the community - where future residential development is expected to occur - are still subject to flooding. (See Map above.) These include undeveloped areas in the floodplain of Arana Gulch and Moore Creek, and other areas. The City's Zoning Ordinance (Part 4: Floodplain Management Chapter of Chapter 24.14, Environmental Resource Management) contains requirements that control the nature, type, and location of new construction in flood-prone areas.

**Climate Change.** Climate Change will likely increase the frequency and intensity of nearly all of the current environmental hazards. Through atmospheric warming, drought will be more likely, which will increase the city's vulnerability to greater wildfires. Sea-level rise will speed up coastal erosion. More intense storms will erode coastal bluffs and cliffs and increase the chance of more damaging floods and landslides. The City hopes to set planning goals to minimize future risks of sea level rise and climate change.

### Environmental Preservation

Situated in the coastal terraces, Santa Cruz's landscape includes hillsides, rivers and streams, the coastline, and forestland. Monterey Bay, protected by the National Marine Sanctuary, borders the community to the south. DeLaveaga Park, Henry Cowell State Park, Pogonip, and sparsely populated hilly terrain provide an open space buffer to the north. The Harbor, Arana Gulch, and topographical transitions buffer the city's eastern edge. To the west, the Moore

## Constraint Analysis

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Creek corridor, Younger Lagoon, and Wilder Ranch State Park make the transition to agriculture and grazing land.

Inside and within the vicinity of Santa Cruz, eleven habitat types support a variety of plant communities and wildlife. More than 50 species of mammals and 250 species of birds live in the vicinity of Santa Cruz. These plant communities border the City of Santa Cruz, particularly to the north as well as to a lesser degree along the east and western borders. This combination of agricultural and grazing lands, parks, and natural areas form a perimeter of open spaces around the city.



**Pogonip**

Santa Cruz's unique environmental features, and the desire to preserve habitats for sensitive species and shape future urban growth, eventually led to the concept of a greenbelt surrounding the community. Policies and actions expressed in the draft General Plan 2030, and present in the existing General Plan, provide the essential links between environmental protection and the City's urban form. The City desires to:

*Require or maintain an appropriate buffer to commercial agricultural fields where appropriate (Action CD1.4.3); Ensure that growth and development does not lead to the overdraft of any water source, the creation of unacceptable levels of air pollution, or the loss of prime agricultural land (Policy LU1.2); Preserve open space and agricultural land uses at the edge of the city (Policy LU2.3); Support County policies and programs aimed at preserving agricultural and grazing uses within the Planning Area and on the North Coast (Action LU2.3.5); and Conserve agricultural and known mineral resources in the Planning Area (Policy NRC3.4).*

To implement this early and ongoing vision, the City committed itself to a land conservation effort. In 1980, a Greenbelt Overlay District was created to maintain the open space character of the lands while they remained in private ownership. A Greenbelt Master Plan (1994) was prepared to evaluate acquisition strategies. Working with the Land Trust of Santa Cruz County and receiving funding from voter initiatives, the City spent \$23 million to help acquire more than 1,000 acres as permanent open space. The last remaining areas were purchased in 1998.

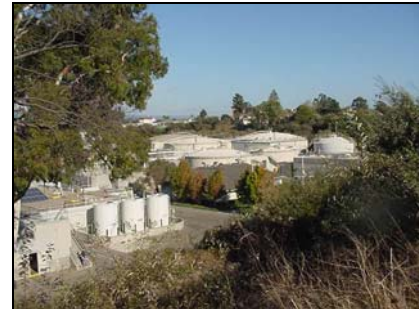


### Adequacy of Infrastructure

Site improvements include a range of water, sewer, circulation, and other services and infrastructure needed to facilitate residential developments. Although most of the community is well served by infrastructure, several areas still face various infrastructure constraints. Moreover, the provision of water for all communities in the Monterey Bay Area, including Santa Cruz, remains an issue, as discussed below. (Please refer to the Civic and Community Facilities Chapter of the General Plan for more detailed analyses and discussions.)

**Sewer System Capacity.** The City of Santa Cruz operates and maintains a regional wastewater treatment and disposal facility. Wastewater treatment and ocean outfall disposal is provided for the City of Santa Cruz and the County Sanitation District (includes Live Oak, Capitola, Soquel and Aptos). Ocean outfall disposal is provided for the City of Scotts Valley. The City's facility is located near Neary Lagoon.

The City has been treating sewage at the wastewater treatment facility near Neary Lagoon and disposing of the effluent in the ocean since 1928. Treatment capacity has been expanded to accommodate local and regional growth. The rated design capacity is 17 million gallons per day (MGD) with average daily flows of 10 MGD and wet weather flow of 81 MGD. Currently, the water treatment system is capable of handling flows from businesses and housing anticipated in the General Plan. Nevertheless, when the flow to the treatment facility reaches 13 MGD (estimated to occur in 2020), the City plans to conduct a study to determine the capacity of the facility. The results of the study could start a process of design modification and possible facility additions to increase treatment capacity.



**Neary Lagoon  
Treatment Facility**

The shortage of water in Santa Cruz underscores the need for water conservation. In recent years, the City has improved its wastewater treatment plant to use recycled water and thus save limited potable water resources in Santa Cruz. In April 1998, the City completed a

secondary biological treatment system consisting of trickling filters/solids contact tanks to improve effluent quality and satisfy all federal requirements. These technological improvements reduced water demand at the wastewater plant from 90 million gallons per year to only 10 million gallons per year.

**Water Supply.** Unlike many urban areas, surface water provides 95 percent of water used in Santa Cruz. The City's water system is drawn from four main supply sources: North Coast sources (three coastal streams and Liddell Spring), the San Lorenzo River, Loch Lomond Reservoir, and Live Oak wells. Groundwater constitutes only 4 to 5 percent of the city's entire water supply, but has been a crucial component for meeting peak season demands and during periods of drought.

Historically, the City has focused on conservation to preserve its water supply. Santa Cruz has achieved one of the lowest per capita water consumption rates in the State. Water conservation programs stress education activities, water conserving landscaping, and the installation of water saving devices. The City requires all residential, commercial, and industrial buildings to be retrofitted completely with low consumption plumbing fixtures at the time of sale. The City also implements water waste regulations, offers rebates for water-efficient home appliances, and provides technical assistance to control usage.



In 2005, the City Council adopted the Integrated Water Plan (IWP). The plan addresses the city's drought problems and provides a flexible, phased approach to providing water to the service area through 2030. The IWP consists of three components:

- **Conservation.** Reduce customer demand for water and increase water use efficiency to obtain greater public benefit from available water supplies.
- **Curtailment.** Reduce water use by up to 15 percent, through temporary water restrictions during times of drought.

## **Constraint Analysis**

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- **Supplemental Supply.** Plans for a supplemental water supply for drought protection to be provided by a 2.5 MGD desalination plant.<sup>18</sup>

Water conservation measures alone will not solve the city's long term water supply shortage. Desalination would provide an independent and drought-proof water source and would provide a necessary supplemental water supply. In 2008, the City began operating a desalination pilot plant to test various treatment processes over a 12-month period. Construction of a full-scale plant is dependent upon the successful completion of the pilot program, technical review of the data collected, and environmental approval and permitting. The preliminary project schedule anticipates full-scale plant design to be completed by 2012 with construction completed in 2015. The desalination plant could add 2.5 MGD.<sup>19</sup>

## **Opportunities for Energy Conservation**

The City hopes to invest in energy efficient infrastructure and increased use of renewable energy in order to reduce its contribution to greenhouse gas emissions. Benefits will include reduced facility life-cycle costs and the provision of healthier home and work environments. 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.

Events in 2000 underscored the importance of energy conservation to reduce the overall life-cycle costs of housing construction and improve housing affordability. In 2001, power plant outages led to inadequate electricity supplies in California, causing multiple Stage 3 alerts and rolling blackouts in Northern California. Subsequent high energy prices coupled with existing price restrictions caused California's largest utility to file Chapter 11 bankruptcy and depleted the State's surplus. The state's electrical system continues to be vulnerable to increasing electricity demand, generation supply shortages, transmission constraints, and high wholesale electricity costs.

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<sup>18</sup> Integrated Water Plan Update, Fall 2008

<sup>19</sup> SCWD, Spring 2008



Santa Cruz supports the concept of a sustainable urban community. To that end, the City has adopted various ordinances requiring energy conservation in new housing while also providing incentives to improve the efficiency of older homes. The following describes the City's efforts to improve energy efficiency, and the City's Housing Element provides guidance on Green Buildings to improve energy efficiency over the 2007-2014 planning period.

**Housing Construction.** The Warren-Alquist Act requires that all new buildings in California must meet the energy efficiency standards contained in Title 24, Part 6 of the California Code of Regulations. All new residential construction must comply with the standards in effect on the date a building permit application is made (not when the building permit is issued). The City has adopted all energy conservation requirements mandated by the California Energy and Reliability Act of 2000 and the California Energy Commission.

In brief, developers are required to meet minimum energy conservation standards in new housing through either a prescriptive or performance approach. The prescriptive approach requires each individual component of a building to meet a prescribed minimum energy requirement. The performance approach allows developers to choose measures which, in totality rather than individually, meet specified energy conservation targets. With either of these options, mandatory components must still be installed, such as minimum insulation, HVAC and water heating equipment efficiencies, and other requirements.

The City also requires additional energy conservation measures beyond the minimum requirements in State law. Chapter 18.07 of the Municipal Code requires the installation of *cost-effective* energy conservation devices in connection with title transfers on all existing residential structures of four or more units. "Cost effective" measures are those which produce life cycle savings which exceed the cost of implementing the specific measure. The ordinance also provides qualified exemptions based on a variety of criteria.

**Housing Rehabilitation.** Many housing projects were built prior to the availability of modern energy efficient technologies. Thus, the major issue in existing homes is how to retrofit these homes for the most energy-efficient technologies. To that end, the City's Unified Housing Rehabilitation program offers low interest loans to homeowners and property owners to install energy-efficient devices.

## Constraint Analysis

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Moreover, in 2001, the City Council eliminated the requirement of a design permit and reduced building permit fees to encourage the installation of solar panels.

Pacific Gas and Electric (PG&E) also offers a variety of programs to retrofit existing single-family and multifamily residences with energy saving devices. These include cooling and heating equipment, pool equipment, lighting, and other equipment. Home evaluation and energy saving calculators are offered online. A full range of energy saving programs can be viewed at <http://www.pge.com>.

**Green Building.** In 2002, a Council-appointed group of community and staff members formed the Green Building Working Group. Their mission was to design a program that would effectively address issues related to energy, waste, public health, and the natural environment through changes to the current and future built environment. The Green Building Working Group researched various Green Building materials, related technology, and existing programs from around the country.

The Santa Cruz Green Building ordinance was approved by the City Council in October 2005 and became effective in January 2006. The program is set up as a checklist with measures that address various aspects of Green Building. The program focuses on areas such as, but not limited to, the reduction of waste, energy efficiency, reduced water consumption, improved indoor air quality, erosion control, and native landscaping.

The Santa Cruz Green Building program became mandatory in 2007. Every residential and nonresidential project of a certain size must meet the requirements of the Green Building program in order to obtain a building permit. Nevertheless, the program allows applicants a great deal of freedom in deciding which Green Building measures to use. Each measure has a point value, and applicants can choose which measures to apply to their project so long as they meet the required minimum number of points set by the City.

The program has received support from the local building and architectural communities, and has been so successful, that it has served as a model for other Green Building programs in the county.

# HOUSING RESOURCES



Santa Cruz is committed to providing housing opportunities to all segments of the community to allow its diversity to flourish. A central function of the Housing Element is to encourage a sufficient level of housing production to meet the community's needs. This chapter analyzes the resources available for the development, rehabilitation, and preservation of housing in Santa Cruz. The following section 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.

## A. 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 and Monterey Counties. This process is called the Regional Housing Needs Allocation (RHNA) Plan. The enactment of Assembly Bill 1259 (Chapter 696, Statutes of 2007) extended the planning period for the AMBAG region by one year, establishing January 2007 through June 2014 as the effective planning period.

### Regional Housing Needs

The fair share allocation process begins with State Department of Finance (DOF) population projections for each region of the state. DOF updated its population projections in July 2007, based on which the State Department of Housing and Community Development (HCD) established January 1, 2007, as the baseline date for the 2007-2014 RHNA for Monterey Bay counties. AMBAG

then allocated a share of the regional housing need to each jurisdiction.

HCD determined that 15,130 new housing units would be required to address the region’s housing needs from population and employment growth between 2007 and 2014. This compares with 46,000 new units for the previous planning period (2000-2006).

AMBAG allocates the region’s housing need to each community in the region 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).

**Table 4-1** summarizes the City’s RHNA as adopted by AMBAG on June 11, 2008.

**Table 4-1  
Regional Housing Needs Production Goals**

Household Income Group	Affordability Level		Housing Production Goals
	Definition	Income Range*	
Extremely Low	0%-30% of AMFI	up to \$25,000	75
Very Low	31%-50% of AMFI	up to \$41,700	75
Low	51%-80% of AMFI	up to \$66,750	113
Moderate	81%-120% of AMFI	up to \$90,500	127
Above Moderate	121% + of AMFI	Above \$90,500	282
Total			672

AMBAG Regional Housing Needs Plan 2007-2014, June 11, 2008, Table 3.1.

Note: AMFI refers to the Area Median Family Income

\*2009 State Income Limits for a family of three

### Housing Production January 2007-April 2009

While the Housing Element normally covers five years, State law extended the planning period to seven years, to 2014. The RHNA covers the period beginning January 1, 2007, allowing jurisdictions to count the number of housing units built, under

construction, or approved since that date toward satisfying the allocation. The following section highlights the major market-rate and affordable projects that have been built or approved for construction from January 2007 through April 2009.

The 2000 Census defines a housing unit as “a house, an apartment, a mobile home or trailer, or a group of rooms or a single room occupied as separate living quarters... in which the occupant lives separately from any other person in the building and have direct access from outside the building or through a common hall.” Correctional facilities, nursing homes, schools, hospitals and wards, treatment centers, licensed care homes, dorms, emergency shelters, military quarters, and similar quarters are not counted as independent housing units.

**Table 4-2  
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: City of Santa Cruz, 2009

**Table 4-2** provides number and type of housing units approved since January 2007. **Appendix F** provides the details of each development, number of units, affordability and method for determining the affordability.

The City is actively involved in assisting the construction of affordable housing for families, seniors, and other special needs groups in the community. Between January 2007 and April 2009,

a total of 753 multifamily units have been built, are under construction, or are approved. Of this total, approximately 13 percent are located in industrial zones and about 28 percent are in commercial zones. In addition, 97 single-room occupancy rooms (SRO), primarily in commercial zones, have been built. The first single occupancy unit (SOU) development has been approved, and 67 accessory dwelling units have been constructed or approved for construction.

The following describes recent projects built within the community.

### Project Examples

***Grace Commons.*** Constructed in October of 2007, the fifteen unit apartment project provides supported housing for 14 adults with psychiatric disabilities and one manager's unit. Accessible design principles are applied throughout the development with the first floor being completely handicap-accessible. Thirteen of the units are designated for very low income renters and two units are designated low income renters. Financial assistance to the project included grants from the Redevelopment Agency, City HOME funds, fee waivers, and Federal Section 811 funds.

***111 Barson.*** The Barson project was a combination of rehabilitation of existing studio units and the building of additional units for a total of 12 studio units and two one-bedroom units. Serving previously homeless persons, residents are referred by the Santa Cruz County Homeless Persons Health Project. Special funding was allocated from State Affordable Housing Program, State Multifamily Housing Program, City Redevelopment Funds, City Affordable Housing Trust Fund, City fee waivers, and County In Lieu Fees.

***Redwood Commons.*** The 36 single room occupancy project known as Redwood Commons is uniquely designed to meet the particular needs of disabled individuals who require fully accessible units. Each floor of the three-story elevator building has 12 single room occupancy units; all units are fully ADA compliant. The units are targeted to housing mobility impaired individuals and their caregivers, if needed. Six of the units are affordable to very low income renters, and seven are affordable to low income renters.

**Tannery.** The City’s Redevelopment Agency collaborated with ARTSPACE to redevelop the 8.3-acre former Salz Tannery site as a multipurpose arts district. The Salz Tannery closed in 2001 after 145 years of operation. The site is zoned I-G, which allows for high density SROs. The project consolidated various nonprofit arts organizations in one location and created affordable artist live-work studios. Phase II will include the construction of performance venues, gallery and retail spaces, and educational spaces.

The Tannery offers 100 live-work spaces to very-low income artists through 4 percent low income housing tax credit financing (LIHTC). The City is committed to advance its economic and arts objectives and to provide affordable living and working environments for local artists. Funding for the project came from a variety of sources including Redevelopment funds, Mortgage Revenue Bonds, State Multifamily Housing Program funds, City Fee Waivers, among others.

**Other Multifamily Development.** An additional 245 multifamily units were built in Santa Cruz since the start of the planning period. Altogether, units built and planning permits issued between January 1, 2007 and April 1, 2009 total 1,045 units: 35 extremely low income units, 89 very low income units, 114 low income units, 291 moderate income units, and 516 above moderate income units (see **Table 4-2B**). This leaves a remaining regional housing need of 40 extremely low income units with overages of 14 very low income units, 1 low income units, 164 moderate income units, and 234 above moderate income units for the 2007-2014 planning period.

**Table 4-2B**  
**Remaining Need based on Units Built, Under Construction, or Approved**  
**January 1, 2007 - April 1, 2009**

Income Category	A	B	A-B
	RHNA: New Construction Need	Units Built, Under Construction or Approved	Remaining Need
Extremely Low (0-30% of AMI)	75	35	40
Very Low (31-50% of AMI)	75	89	-14
Low (51-80% of AMI)	113	114	-1
Moderate (81-120% of AMI)	127	291	-164
Above Moderate (over 120% of AMI)	282	516	-234
<b>TOTAL UNITS</b>	<b>672</b>	<b>1,045</b>	<b>-373</b>

Note: Column A assumes that 50 percent of RHNA for very-low income households (total 150) are extremely low income in accordance with Govt. Code §65583(a)(1).

The City has also experienced significant new construction of group quarters. The University of California has built 898 dormitory units (see **Table 4-2**), although State law does not count them toward meeting the City’s RHNA.

**Student Housing**

As discussed earlier in Chapter 2 of this Housing Element, the City recognizes the importance of the UC campus to the fabric of Santa Cruz and supports efforts to facilitate and encourage housing for students and faculty. Since January 2007 alone, UCSC has built or is planning to build up to 600 student on-campus apartments, 298 on-campus beds in residence halls, and 84 for-sale homes for faculty in the University Terrace Development. Future on-campus housing production is expected during the life of the 2005-2020 Long Range Development Plan. By the time enrollment reaches 19,500, which is unlikely to occur earlier than the 2020 academic year, UCSC would provide university housing for 10,125 students.

**Homeless Facilities**

The Rowland and Pat Rebele Family Shelter project was completed in 2005 and is located at Coral and River Streets. The site also contains the River Street Shelter, Page Smith Community House,



and Day Center. It provides emergency housing for up to 28 families for up to six months. The shelter provides family suites, three meals per day, children's indoors and outdoor play areas, a classroom/meeting room, a central lounge on each floor, and laundry facilities. Adults receive counseling, health-care, and job assistance support, and children attend area schools. The City has granted modifications to setbacks, building heights, and off-street parking through the Planned Development and Special Use Permits.

Also built in 2008 is the 42-bed Paul Lee Loft Shelter which replaces services previously provided by the Interfaith Satellite Shelter Program. The rapid rise in transportation costs made the church-based program difficult to sustain. Built with funds from the City of Santa Cruz Community Development Block Grant and with assistance from Habitat for Humanity volunteers, the new shelter provides 14 beds for women and 32 beds for men.

## B. Availability of Sites

From the time the housing element planning period began on January 1, 2007 until April 1, 2009, a total of 1,045 new housing units were constructed or approved for construction. (See Table 4-2B.) Although, overall, the City has already exceeded its RHNA goals, there remains a deficiency of 40 extremely low units. Therefore, an important component of the Housing Element is the identification and evaluation of sites to accommodate the City's remaining share of its affordable housing needs.

State law requires that the Housing Element identify adequate sites which will be made available through appropriate zoning and development standards and with services and facilities, including sewage collection and treatment, domestic water supply, and septic tanks and wells, to facilitate and encourage the development of a variety of housing for all income levels in order to meet the City's housing goals. Such sites can be credited toward the City's regional housing production goals set by AMBAG for the 2007-2014 planning period. The city of Santa Cruz is virtually built out with public improvements reaching all parcels within the city limits.

For this Housing Element update, the City conducted an inventory of potential housing sites using the City's Geographic Information System (GIS), the 2002-2006 Housing Element, and the County Assessor's database. The General Plan and Zoning Ordinance were used to determine the potential development capacity of each site. City staff first screened each site to identify environmental constraints. If constraints included lack of access or steep slopes they were not included in the inventory. Where environmental constraints were identified, the General Plan development capacity was reduced accordingly. It should be noted that almost all of the parcels in the inventory are infill parcels and are surrounded by existing similar development. The city's remaining infill parcels have very minimal environmental or physical constraints. The General Plan development capacity and zoning for each parcel directly relate to the zoning development standards.

The zoning development standards for parcels within the city are limited by height and setbacks and do not include a floor area ratio (unless located in the central business district).

When determining residential development expectations for 2007-2014, an assumption was made that 25 percent of the parcels zoned for single family use and 50 percent of the parcels zoned for multi-family use would be developed in the 2007-2014 housing period. This assumption is based on historic development trends of the construction of 100 to 150 units per year.

### Housing Sites in Residential Zones

Single-family Residential. Santa Cruz has 70 vacant residential parcels comprising a total of 41 acres. The General Plan designations for these residential sites are primarily low, low-medium, or medium density residential. Also, given the underlying zones, the predominant development type will be single-family homes. Taken together, these sites may yield 276 single-family homes. Assuming that only 25 percent will be constructed in this housing element period, the sites will yield 69 single-family homes. All of these units will likely be affordable only to above moderate income households (See Appendix B). The 25 percent construction assumption is based on the limited vacant land available within the city, a historic development trend of an average range of 100-150 units produced a year and the range of constraints that these parcels carry. Programs to encourage the creative development of these limited land resources include:

- Program 1.3, Alternative Housing Types
- Program 1.4 Planned Development Permit
- Program 1.5 Development Review Process

Several large housing sites (including the Swanson and Golf Club Drive properties) will, based on existing General Plan designations and zoning, accommodate detached single-family homes, townhomes, and condominiums. The General Plan allows a range in density for projects on each parcel consistent with their land use designation. However, clustering of units through the planned development (PD) process is encouraged to facilitate projects being built at the higher end of the allowable density range.

The draft General Plan 2030 proposes both land use designation and policy changes for the 20-acre Golf Club Drive area located north of the Harvey West industrial area. The changes could increase residential density in the area from Low Density Residential (1.1 - 10 DU/acre) to Low Medium Density Residential (10.1-20 DU/acre). It is anticipated that the draft General Plan will be adopted in 2010. This

20-acre parcel was not included in the land inventory analysis for potential opportunity sites, but could potentially be analyzed in the next housing element.

**Multi-family Infill.** The City has a few remaining infill sites that can accommodate multifamily developments. The 1.7-acre Riverbend site, located along the San Lorenzo River, is zoned for high density housing (R-H, 30-55 units per acre). The site is bordered by residential uses to the south, the San Lorenzo River to the east and retail commercial to the north and west. The retail commercial that is in this area includes clothing stores, restaurants, coffee shops and public services. The site was formerly occupied by an automotive dealership. The southern larger portion of the site is a vacant parking lot with a retail tire shop located on the northern portion of the site. This site comprises two parcels bisected by Spruce Street. The city supports the combination of the two parcels and the removal of the Spruce Street right of way.

Impediments to the development of the site are limited to the relocation of the tire store on the north and the abandonment of a section of Spruce Street. The site does not include any known resources or development restrictions. Its location near open space, retail, transit and employment make this a desirable high density site.

Based on the development standards for the high density designation, “R-H” 95 housing units could be accommodated. Due to the density of development on this site, the 95 units were divided in the inventory between the extremely low, very low and low income categories, with half the units allocated to low income, and the other half divided between the extremely low and very low income categories.

The city has an additional 2.11 acres of residentially zoned, multifamily infill sites which are generally modest in size. These sites are zoned R-L, R-M, and R-T and permit residential development at densities ranging from 10 to 30 units per acre. The majority of these sites are less than .5 acres. The 2007-2014 Housing Element proposes specific programs to encourage the development of these small sites at the higher densities. The objectives under Program 1.3, Alternative Housing Types, includes the following:

- Examine development regulations to identify potential barriers to the development of alternative types of housing and, if such barriers are found, develop actions to remove or modify them as feasible.
- Create and/or revise development standards for co-housing, live/work, and other alternative and appropriate housing types which respond to Santa Cruz's diverse population and housing needs.

In addition, the objectives of program 1.4, Planned Development Permits, include a re-examination of parking requirements and other regulatory constraints that may hinder small lot development.

- Examine parking requirements and other regulatory constraints that may deter the development of Planned Developments. Initiate study within 1 year of adoption of the Housing Element.

Finally, the City's General Plan requires that site be developed to their highest potential if unconstrained by resources or hazards and having adequate service. All of the sites included in the inventory are within the existing development pattern and are served by services and are adjacent to improvements.

- GP 2.1.2. Maximize land intensity of density or densities in areas unconstrained by resources or hazards and having adequate service capabilities.

These sites can accommodate a total of 48 multifamily units, which are anticipated to be affordable to moderate income households. For this planning period, it is assumed that 25 multifamily residential units (about half of the potential yield) will be constructed. Recent development trends in Santa Cruz show that multi-family housing, SRO's, and SOU's are developing at a faster rate than single family housing. Given the limited availability of these sites and past development trends for the City it is estimated

that 50 percent of the sites will be developed within the planning period (See Appendix B).

**Accessory Units.** Accessory dwelling units (ADUs) can provide affordable housing options for seniors and students. The City



**Accessory Dwelling Unit  
Prototype**

facilitates the construction of ADUs in several ways. The City allows the front yard setback to be used to meet parking requirements, and waives various development fees in return for affordability restrictions. From January 1, 2007 to April 1, 2009, the City approved a total of 67 accessory dwelling units in the community.

The ADU program has been very successful, especially since the availability of design prototypes and technical assistance as part of the ADU

Development Manual. Other incentives include low interest loans of up to \$100,000 to build an affordable (rent restricted) ADU. Homeowners may also reduce or eliminate building permit fees in exchange for agreeing to rent their ADU to lower income tenants. The cost to build an ADU can range from \$80,369 for garage conversion to \$115,000 for new construction. Non-affordable restricted ADU rents can average about \$1,000 per month for a studio or one bedroom unit.

**University Housing.** The University of California at Santa Cruz is planning housing for University faculty and staff on two sites. According to UCSC's Long Range Development Plan, Ranch View Terrace (formerly called Inclusion Area D) was originally designed for apartments and condominiums. But with the acquisition of Laureate Court by the University, the site is now anticipated to accommodate 84 three and four bedroom single-family units for faculty and staff. UCSC officials indicate that the for-sale units would sell at below market prices ranging from \$479,000 to \$655,000. Although below market, the anticipated sales prices of these homes would only be affordable to above-moderate income households for purposes of the regional housing needs allocation.

The University is embarking on additional on-campus housing projects, including approximately 600 beds of infill apartments at

Porter College, Stevenson College, and Cowell College. The Housing Element, Policy 3.3, commits the City to continuing to work in cooperation with UC Santa Cruz to encourage the provision of housing accommodations for, and which reflect the housing needs and preferences of, students, faculty, and employees. These units do not count toward the City's RHNA.

### **Housing Sites in Mixed Use Zones**

When establishing the greenbelt around the city during the 1990's, the community recognized that new housing would be accommodated within a dense urban core and along the major transportation corridors. To that end, the Land Use Element envisions the development of housing along the three major corridors, and at other "opportunity sites." The major corridors are zoned Community Commercial (C-C) and allow for mixed use development including residential development with a density of 20-30 units per acres. This zone district also allows for the development of SROs or SOUs (Single Room Occupancy or Small Ownership Units) that are not restricted by the underlying density and result in higher density projects.

Land use controls for the C-C include minimal setbacks and three stories in height. There are no restrictions related to FAR (See Table 3-5). Residential uses in this district, especially higher density housing, provide incentives that include low parking requirements. Currently there are no restrictions on the percentage of development that can serve as housing on these corridors. Existing uses in the C-C are neighborhood serving and residentially based uses; this district does not allow industrial uses or other uses that would be serious impediments to residential development.

**Major Corridors.** In keeping with the General Plan's vision of promoting "Smart Growth" concepts, the Soquel, Water, and Mission Street corridors are considered suitable for medium density apartments and single-room occupancy units (SROs). The Soquel, Ocean, and Mission corridors have 16 acres of very underutilized sites consisting of surface parking lots and underperforming uses which could be utilized for housing. The 16 acres of very underutilized sites are included in the 80 acres Community Commercial (C-C) zoned land identified as "opportunity areas" located along major nodes and public transit, with streetscape and supporting infrastructure.

As the parcels along the corridor are interdependent and function as a group, eight “nodes” or “Opportunity Areas” were identified. Each Opportunity Area is comprised of a mix of parcels; vacant, underutilized or developed. The nodes were identified through the General Plan 2030 process and were selected for their proximity to major intersections, location on a major transportation corridor and inclusion of underdeveloped sites. Planners and developers often use improvement to land ratios<sup>1</sup> to determine if the land is fully developed. The lower the ratio, the lesser the improvements and the greater the opportunity for redevelopment.

In the opportunity areas there are 140 of the 271 parcels that have improvement to land ratios of 1.0 or less (see Appendix B, Column I). This represents the older buildings, vacant parcels and existing single story development of these underdeveloped areas.<sup>2</sup> A map of the Opportunity Areas is provided as Exhibit 2.

Over the last three years, 76 units were approved or constructed along the major corridors (Table 4-2D) (not including the downtown or beach area). These projects typically include; the consolidation of several smaller lots, utilization of the planned development permit and/or the density advantages of the SOU or SRO programs and the removal of old structures.

Table 4-2D Corridor Development Trends 2007-2009			
Address	Number of Units	Size of Parcel	Density/Units per acre
1606 Soquel Avenue	36	18666 sq.ft.	77 units per acre
710 Soquel Avenue	9	6745 sq.ft.	58 units per acre
1804 Mission	18	15897 sq. ft.	49 units per acre
1024 Soquel	4	35411 sq.ft.	5 units per acre
1101 Ocean Street	9	11932 sq. ft.	32 units per acre
<b>Total</b>	<b>76</b>	<b>Average density</b>	<b>44 units per acre</b>

<sup>1</sup> The relative value of Improvements to the value of Unimproved Property .

<sup>2</sup> DC&E Land Use Background Report, 2008. City of Santa Cruz.



Recent corridor development is averaging 44 units per acre, a greater density than the 20-30 units per acre allowed under the C-C district. Although these projects demonstrate that new development can greatly exceed the density range of the C-C, the estimated density for the development of the corridor for the purpose of the Housing Element is 33 units per acre. This more conservative estimate will allow for setback and land use requirements, greater possibility of mixed use development and the inclusion of on-site parking.

There is a total of 80 acres of land included in the corridor area. Of that, 16 acres (70 parcels out of 271) have an I/L ratio of less than .30 and are considered very underutilized. (140 out of 271 have ratios less than 1.0 which is considered moderately underutilized). Developed at a conservative 33 units per acre, the very underutilized parcels in the opportunity areas could yield a total of 528 units. Based on past development trends, the city can assume that 25 percent of the potential yield will be constructed in the 2007-2014 planning period; providing at least 133 units.

Densities of 33 units per acre can produce low, very low, and extremely low income housing. All corridors are included in the City's Redevelopment Project Area making them eligible for city improvement and funding for affordable housing. However, it is likely that because of the location of such development, moderate income housing will also result in these mixed use developments. Therefore, the 133 units are divided among four affordable housing categories. A description of the each of the Opportunity Areas identified is included below. Included in the descriptions are the included parcel's lot sizes, uses and configuration and any potential constraints. The list and description of each of the parcels within the opportunity areas is included as Appendix B.

### **Mission Street Corridor**

#### Opportunity Area 1

Opportunity Area 1 is located at the southwest end of Mission Street and is centered at the Mission and Almar Street intersection. The node is made up of 15 parcels, all of which are designated Community Commercial (CM) by the General Plan and Community Commercial (CC) by the Zoning Ordinance. Both designations allow for 20.1-30 units per acre. The parcels include a mix of commercial

uses; parking lots, a major grocery store and small office uses as well as vacant parcels and limited residential uses. Total acreage of parcels within Opportunity Area 1 is 6.47 acres.

### Opportunity Area 2

There are 22 parcels included in this opportunity area. This node includes the intersection of Bay Avenue and Mission Street. Bay Avenue is the major bus route from downtown to UCSC and is noted in the draft General Plan 2030 as a potential rapid bus route. Parcels in this area vary in size from 1 ½ acres to 3,000 square feet and are commercial uses and parking lots. The commercial uses include a major drug store, a strip mall, a closed gas station and several smaller businesses in older buildings. The total acreage of parcels in Opportunity Area 2 is 6.72 acres. In 2006, a mixed-use project with commercial on the ground floor and 18 units on the upper floors was approved on a parcel adjacent to the west side of Opportunity Area 2. It is currently under construction.

### Opportunity Area 3

At the intersection of Laurel and Mission Street are 10 parcels that make up the 3.3 acres of Opportunity Area 3. Uses at this intersection include several small markets, a bakery and a two-story office building. Included in the opportunity area is a 15,000 square vacant parcel that is used for seasonal sales. Opportunity Area 3 is an ideal location for residential development as it is walkable to and within ¼ mile of the downtown.

## **Ocean Street Corridor**

### Opportunity Area 4

Opportunity Area 4 runs from the intersection of Ocean Street and Water to north of the intersection of Ocean and Market Street. The node is made up of 54 parcels and totals 12.1 acres. The General Plan designation for all parcels is Community Commercial (CM) and the Zoning for the area is Community Commercial (C-C). Housing densities in these designations are allowed at 20.1 - 30 units per acre. The current uses include convenience stores, gas stations, car rentals, hotels and motels, retail, banks, parking lots, offices, multifamily and senior housing and vacant parcels.

### Opportunity Area 5

Opportunity Area 5 runs from the intersection of Ocean Street and Water Street to the south of the intersection of Ocean Street and Broadway. The node is made up of 70 parcels and covers 23.2 acres. The General Plan designation is Community Commercial (CM) with a Zoning of Community Commercial (C-C). Housing densities in these designations are allowed at 20.1 - 30 units per acre. The current uses include gas stations, small strip malls, car rentals and sales, retail, restaurants, offices, single and multifamily housing, parking lots, vacant parcels, and motels. The County Government Center, a major employer, is adjacent to Opportunity Area 5.

### **Water Street/Soquel Avenue Corridor**

### Opportunity Area 6

Opportunity Area 6 is located at the top of the hill on Soquel Avenue and is centered at the Soquel Avenue and South Branciforte intersection and totals four acres. The node is made up of 20 parcels, all of which are designated Community Commercial (CM) by the General Plan and Community Commercial (C-C) by the Zoning Ordinance. Both designations allow for 20.1-30 units per acre. The parcels include a mix of parking lots, commercial uses, including a local grocery store, offices, retail, a café, and vacant parcels. In 2008 a three story, mix-use project with nine apartments was approved within this opportunity area.

### Opportunity Area 7

Opportunity Area 7 runs from the intersection of Soquel Avenue, Water Street and Morrissey Boulevard west along Soquel Avenue to the intersection with Pennsylvania Avenue. The node covers 21.6 acres and is made up of 55 parcels, all of which are designated Community Commercial (CM) by the General Plan and Community Commercial (C-C) by the Zoning Ordinance. Both designations allow for 20.1-30 units per acre. The parcels include a mix of restaurants, retail, a major grocery store, banks, small strip malls, daycare centers, auto dealerships, a theatre, parking lots and vacant parcels. In 2008, a multi-story, mixed use development was approved with the opportunity area that includes two commercial condominiums and four residential condominiums.

### Opportunity Area 8

Opportunity Area 8 is located at the top of the hill on Water Street and is centered at the intersection of Water Street and North Branciforte Avenue. The node covers 2.2 acres and is made up of 11 parcels, all of which are designated Community Commercial (CM) by the General Plan and Community Commercial (C-C) by the Zoning Ordinance. Both designations allow for 20.1-30 units per acre. The parcels include a mix of restaurants, retail, small scale used car sales, a small strip mall with a large parking area and self service car wash. The elementary school on the southeast corner of the intersection is not included in the opportunity area.

### **Other Opportunity Sites:**

Most of the opportunity sites in the current Housing Element did not get developed. Therefore they are still available for consideration, and they still represent substantial housing opportunities. By definition, an opportunity site is one that will develop at a “favorable time” with the “right set of circumstances.” Just because those circumstances didn’t arise in the last Housing Element planning period, or because the economy has now turned down, doesn’t mean that opportunities to develop housing on those sites will never arise. These sites are not included in the estimated units shown in the adequate sites for this Housing Element and if developed will bring additional units into the city. Additionally, the city is doing further study in search of housing possibilities in the following areas:

### **Area Plans and Studies underway:**

**Ocean Street Area Plan.** The City is in the process of development an Ocean Street Area Plan for this major corridor. The plan will address increasing existing visitor serving uses as well as providing incentives and design guidelines for mixed use and residential development.

**RiverFront and Lower Pacific.** The City is completing a study that could potentially identify opportunity sites for housing in the area. The study describes issues and strategies related to the potential redevelopment and revitalization of the areas adjoining River Street, Front Street, and Lower Pacific Avenue. It also describes existing conditions along the corridor, identifies opportunities for

redevelopment and revitalization, and discusses possible strategies for promoting such activity.

### Site Suitability

This section shows how sites recently constructed and proposed for new housing will meet the housing production goals remaining for the 2007-2014 planning period. Specifically, this section details the relationship between zoning and development standards (e.g., density and zoning), public assistance (e.g., regulatory incentives and financial assistance), and other factors which allow the City to achieve its housing goals.

**Development Standards.** The City's zoning and development standards are facilitating the construction of affordable housing. Redwood Commons and the Tannery project are being built in higher density commercial zones at a density of 30 to 35 units per acre. In the aforementioned housing projects, between 40 percent and 100 percent of the housing units are dedicated as affordable to very low and low income households, which is much higher than the requirements of the City's inclusionary ordinance.

Projects in commercial zones are built at higher densities, yet still are affordable. Along the Water and Soquel corridors, SRO units are being built at 40 to 60 units per acre, with rents that are affordable to lower income households. In addition to increased densities, the City is committed to helping development happen. In 2009 the City Council gave a one year extension to all existing planning permit approvals to help struggling developers affected by the 2008-2009 economic downturn.

**Affordable Housing (Inclusionary) Ordinance.** Developers are required to set aside 15 percent of units in new rental or for-sale projects with five or more units for targeted income groups. The Ordinance is structured to encourage for-sale projects to meet inclusionary requirements with moderate-income units. Rental housing projects have the option to meet inclusionary requirements with low or very low income units. Between January 1, 2007 and April 1, 2009, at least 16 projects were built or approved that will address the City's inclusionary requirements, including projects mentioned below.

The City's inclusionary housing ordinance does not allow developers of multifamily rental projects to opt out of the affordable rentals with in-lieu fees; and because of ongoing regulatory and financial assistance provided by the City of Santa Cruz, the new housing projects are providing a significantly higher number of affordable units than required by the inclusionary ordinance.

**Regulatory and Financial Assistance.** The limited remaining vacant land for housing in Santa Cruz means that the City must offer regulatory concessions to facilitate the production of housing. The City has processed Zone Changes and General Plan amendments, processed planned development permits, granted parking reductions, and streamlined permit processing, as well as processed and approved density bonus applications. The Tannery, Redwood Commons, 111 Barson, and Grace Commons projects have all received some level of regulatory concessions from the City.

The City has also supported affordable housing through infrastructure improvements, subsidized ground leases, City loans or grants, fee waivers, and other assistance. The City also continues to support mortgage revenue bonds, low income housing tax credits, and federal financial assistance for affordable housing. The Tannery project, Redwood Commons, Grace Commons, and 111 Barson projects have all received some level of financial assistance from the City.

Table 4-3 summarizes the major subsidized affordable projects in Santa Cruz and the development tools used to encourage and facilitate their development.

**Table 4-3  
Financial and Regulatory Assistance for  
Affordable Housing Projects**

Financial Incentives	Grace Commons	111 Barson	Tannery	Redwood Commons
Mortgage Revenue Bond			✓	
Low Income Tax Credits			✓ 4%	
State MHP Funds		✓	✓	
State AHP Funds		✓		
CalHFA		✓		
City RDA	✓	✓	✓	
City HOME	✓			
City AHTF		✓		✓
Subsidized Ground Lease			✓	
City Fee Waivers	✓	✓	✓	✓
County In Lieu Fees		✓		
Federal Section 811	✓			
<b>Regulatory Requirements</b>				
High Density (CBD)				✓
Density Bonus	✓			
General Plan/Zone Change	✓		✓	
Priority Processing		✓		
Planned Developments	✓		✓	
Parking Modifications	✓	✓	✓	✓

Source: City of Santa Cruz, 2009

Based on the above analysis of zoning and development standards, regulatory and financial assistance, and development capacity on housing sites, it is possible to determine the suitability of sites in Santa Cruz for affordable housing.

All sites proposed for single-family housing will likely be affordable to above moderate income households. By April 2009, the City produced more units in the above moderate income category than the RHNA goal. See **Table 4-2B** and **Table 4-2C**.

Housing in Santa Cruz is typically affordable to moderate and above-moderate income households, and accessory and SRO units are affordable to lower income households. Of a projected 67 accessory dwelling units, 753 multifamily units, and 105 SRO and SOU units, about 23 percent will be affordable to lower income households based on market rents and sales price. When these units are credited toward the regional housing needs goals, a deficit of 40 extremely low income units remain. See **Table 4-2B**.

As discussed earlier, the City can realistically accommodate 133 multifamily units on vacant and underutilized sites in other commercial and industrial areas. Development activity since January 2007 shows that a considerable amount of new multifamily housing is projected to be affordable to lower and moderate income households—well in excess of the City’s inclusionary requirements. Assuming these patterns continue, the City can fully address its remaining housing needs.

**Table 4-4** summarizes the City’s ability to address fully its regional housing needs allocation by 2014.



**Table 4-4  
Comparison of RHNA and Adequate Sites**

RHNA Goal vs. Credits	RHNA Goal	RHNA Goals by Affordability Level				
		Extremely Low	Very Low	Low	Moderate	Above Moderate
<b>RHNA Goals (2007-2014)</b>	<b>672</b>	<b>75</b>	<b>75</b>	<b>113</b>	<b>127</b>	<b>282</b>
<b>Housing Production (1/2007 - 4/2009)</b>	<b>1,045</b>	<b>35</b>	<b>89</b>	<b>114</b>	<b>291</b>	<b>516</b>
Remaining Deficit	(373)	40	(14)	(1)	(164)	(234)
<b>Single-Family Units*</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70</b>
Riverbend	95	23	24	48	0	0
Corridors*	133	23	23	40	47	0
Multifamily*	25	0	0	0	25	0
Remaining Needs	0	0	0	0	0	0
Overage	696	6	61	89	236	304

Source: City of Santa Cruz, 2009.

\* Included in Appendix B

## C. Financial and Administrative Resources

Private-public partnerships are an important tool for developing and managing affordable housing. Santa Cruz has access to a variety of local, state, federal and private resources. These resources, in tandem with nonprofit organizations, can help the City achieve its housing goals. This section describes the major funding sources used in Santa Cruz and the main nonprofits in the area.

### Financial Resources

Local, state and federal housing funds available to Santa Cruz include Community Development Block Grants, redevelopment set-aside funds, HOME funds, and Proposition 1C funds. Each is described below.

**Community Development Block Grants (CDBG).** This federal program funds a range of community development activities: acquisition and/or disposition of real estate or property, public

facilities and improvements, relocation, rehabilitation and construction of housing, homeownership assistance, and clearance activities. The City typically receives approximately \$600,000 in CDBG funds annually, of which 15 percent is allocated to nonprofit service providers and 20 percent to program administration. Two code enforcement positions also are funded (a total of approximately \$180,000 per year). The remainder is available for projects or for community based development organizations that serve the Beach/South of Laurel Neighborhood Revitalization Strategy Area. From 2007-2011, all additional project funds are committed to improvements completed in 2008 at the Homeless Services Center.

**Redevelopment Housing Set-Aside.** State law requires the Santa Cruz Redevelopment Agency (RDA) to set aside for affordable housing purposes a minimum of 20 percent of all tax increment revenue generated from redevelopment project areas. The Agency's set-aside funds must be used for activities that increase, improve, or preserve the supply of affordable housing. Housing developed under this program must remain affordable to the targeted income group for at least 55 years for rentals and 45 years for ownership housing.

The housing set-aside budget for the year 2009 is approximately \$2.8 million and it is anticipated that the housing set-aside budget will increase to approximately \$2.9 million for each of the next five years. Of that amount, approximately 2.17 million is committed for the year 2009 for past projects. Specific project commitments in the future include a \$1,200,000 loan guarantee to the Tannery Artist Lofts project to cover funding that was anticipated to be available for the City's Affordable Housing Trust Fund that, due to the downturn in the economy, did not materialize. In addition, the RDA budgeted \$2,000,000 in Fiscal Year 2009 for the Pacific Station project, a four or five story mixed use project that will include the expansion and reorganization of the METRO center on the ground floor, parking on the second floor, and residential uses on the upper floors. Limited commercial and office uses are also anticipated in the project. The Agency funding would be utilized to fund the affordable housing portion of the project.

**HOME Program.** As an entitlement jurisdiction, Santa Cruz receives HOME funds from the federal government. HOME funds

must be targeted to lower income families and can be used to promote housing production, rental assistance, housing rehabilitation, and homeownership assistance. To secure HOME funds, the City must provide matching contributions of 25 percent for rental assistance, rehabilitation, or new construction. The City currently receives about \$550,000 annually, of which 10 percent is used for administration. For the 2009-2010 Plan Year, the City built up funding from prior years, and is expending funds on the following programs: \$1.29 million for the Homeless Services Center acquisition and for rehabilitation of Mission Gardens Apartments, \$600,000 for rehabilitation of Neary Lagoon, and the remainder for the City's First Time Homebuyer Program.

**Proposition 1C Funds.** When California voters approved the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C), a record \$2.9 billion in bond funds were made available to address the state's affordable housing crisis. Proposition 1C's investment in housing and infrastructure programs is expected to produce an estimated 118,000 housing units, 2,350 homeless shelter spaces, and infrastructure projects such as water, sewer, parks, and transportation improvements that will facilitate infill housing development. These bond funds are available on a highly competitive basis and present an opportunity to leverage local monies for affordable housing.

### **Administrative Resources**

A number of public and nonprofit organizations in Santa Cruz County offer expertise in the construction and management of affordable housing or the provision of supportive services.

**Housing Authority of the County of Santa Cruz.** The County Housing Authority provides housing assistance to the county's lower- and moderate- income residents; administers the Section 8 rental assistance program; and administers the Mortgage Credit Certificate Program, First Month's and Security Deposit Program, and various other programs. The Authority also manages public housing developments including a limited number in the city of Santa Cruz.

**Community Action Board of Santa Cruz County (CAB).** CAB administers programs to combat poverty in Santa Cruz and Monterey Counties. CAB offers energy/utility payment assistance; the Shelter Project; job training and employment services;

immigration assistance; and community building. Under the Shelter Project, CAB operates five services for homeless people or those at risk of homelessness, including Housing for Medical Emergencies Program, Motel Vouchers for homeless persons facing emergency medical situations, Emergency Rent Assistance to prevent eviction, the Message Center (voice mail), Shelter Hotline, and a Countywide Resource Guide.

**Front Street, Inc. (FSI).** FSI is the primary provider of social rehabilitation facilities in Santa Cruz County. The nonprofit is committed to supporting its clients at the highest level of independence possible with board and care, independent housing, and wrap-around services. FSI began operating in 1990, when it took over the 47-bed Front Street board and care facility in Santa Cruz. FSI also operates the 15-bed Darwin House for persons with mental illness and/or chemical dependency.

**Mercy Housing California.** With the help of public and private funding, Mercy Housing builds or rehabilitates housing according to community needs. The types of housing include apartments, single family homes, single room occupancy units, handicap-accessible units for individuals with physical impairments, and self-help housing programs. As of 2008, 70 percent of Mercy's residents were families, 20 percent were seniors, and 10 percent had special housing needs. Mercy Housing has participated in developing, preserving, and/or financing more than 35,700 affordable homes in the United States, both rental and single family. As of 2008, Mercy Housing served more than 10,000 people at about 100 properties in California. Mercy's properties in Santa Cruz include El Centro Residential (Senior), 1110 Pacific Avenue; Gault Street Senior, 211 Gault Street; La Playa Apartments (Family), 216 Leibrandt Avenue; Lagoon Beach (Family), 540 13th Avenue; Neary Lagoon Partners (Family), 81 Chestnut Street; Nueva Vista Apartments (Family), 136 Leibrandt Avenue; Sycamore St. Commons (Family), 125 Sycamore Street; and Washington Street (Family), 81 Chestnut Street.

**Habitat for Humanity.** Habitat for Humanity is a nonprofit, ecumenical Christian ministry dedicated to decent, safe, and affordable housing for people in need, regardless of race or religion. Habitat builds and rehabilitates homes and offers them to very low income families at no profit with affordable, no-interest loans. Volunteers, churches, businesses, and other groups

provide most of the labor, and public agencies or private individuals donate the land. From 2002-2008, Habitat Santa Cruz built three homes in the city of Santa Cruz.<sup>3</sup>

**South County Housing.** SCH is a nonprofit community development corporation that operates in Santa Clara, Santa Cruz, Monterey, and San Benito counties, building communities through affordable housing development, property management, and neighborhood development. Since it was founded in 1979, SCH has built nearly 2,700 units including apartments, single family homes, senior housing, co-housing (where several families share a kitchen, dining and living room), and single room occupancy. Where supportive services are available, SCH has built housing for families in transition and for homeless adults, as well as for individuals with developmental disabilities. The nonprofit also redevelops housing (e.g., mobile home parks) to provide home ownership opportunities to people with very low to moderate incomes. Projects in the city of Santa Cruz include Nuevo Sol Apartments (111 Barson Street, 2007), a full-circle solution for 14 chronically homeless adults; Pleasant Acres Mobile Home Park (2008) 65 units; and Pacific Family Mobile Home Park (2009), 33 units.

**Mid-Peninsula Housing Coalition (MPHC).** Mid-Peninsula is an established regional nonprofit organization that develops, manages, acquires, and rehabilitates affordable rental housing, with a focus on affordable family and senior rental apartments. From 1970-2004, MPHC designed and built, or acquired and rehabilitated, almost 5,500 units of affordable housing in six northern California counties. In addition, MPHC has been involved in the preservation of affordable housing units that are at risk of converting to market rate uses. MPHC has one property in Santa Cruz at 314 Jessie Street. It is a two story apartment complex near downtown, convenient to shopping, transportation, and services. Originally built as a motel in the 1940s, it required extensive rehabilitation to make it suitable for permanent housing. Jessie Street now provides three single-room occupancy (SRO) studios and 10 one bedroom apartments for adults with mental disabilities and/or transitioning from homelessness.

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<sup>3</sup> <http://www.habitatsc.org/Projects/Local-Projects.aspx>

**Santa Cruz Community Counseling Center, Inc.** A nonprofit agency serving Santa Cruz County since 1973, SCCCC offers a child development program (early childhood education, social services, and parent education to families with young children); youth services (related to school, family conflicts, substance use, homelessness, emotional turmoil, and juvenile justice involvement); community recovery services (residential and outpatient drug and alcohol recovery services for adults); and community support services (for individuals challenged by loss, poverty, and stigma associated with mental illness or experience as a foster youth). SCCCC programs are funded through a wide variety of governmental entities at the school district, city, county, state, and federal levels. Funds for services also come from foundations, corporations, service clubs, third party insurers, and individual clients.

With an annual budget of approximately \$20 million, SCCCC manages a range of affordable and special needs housing projects throughout the city and county. A few of the organization's many facilities in the city include the River Street Shelter (a 32-bed emergency shelter for homeless adult men and women); Pioneer House (community support services in the Harvey West area); and Front Street Residential Care Facility (a 47-bed residential care facility located at 126 Front Street on the southeastern edge of downtown Santa Cruz). SCCCC recently completed Grace Commons (1041 Soquel Avenue), 15 units of special-needs housing for residents with very low incomes.

The 2002 Housing Element set forth a series of goals, policies, and programs to address the community's housing needs. An important step in developing the City's housing strategy for 2007-2014 is to evaluate the success of the prior Housing Element in meeting the community's housing needs. This chapter presents the goals of the 2002 Housing Element and examines the progress made in implementing its major housing programs. Also provided is a detailed program by program description of progress. Chapter 6 contains policies and programs to be pursued for the 2007-2014 planning period.

## **A. 2002 Housing Element Goals and Objectives**

### **2002 Housing Element Goals**

The 2002 Housing Element was prepared during a housing crisis in the community. A survey released in 2000 indicated that only 7 percent of the area's homes could have been purchased at prevailing interest rates by a family earning the area's median income (AMFI). Projected University enrollment and projected employment growth foreshadowed increasing demand for housing. Meanwhile, the limited availability of land for new housing suggested the need for fundamental changes in land use development patterns.

The crisis was not limited to a shortage of new housing. The city was still in the process of recovering from the 1989 Loma Prieta Earthquake, which damaged hundreds of structures, destroyed half the Downtown, and caused \$70 million in damage. The City Council, Redevelopment Agency, and City departments faced the need to reconstruct the Downtown, remove substandard residential structures, replace affordable housing, and undertake long-term capital improvement projects to restore the community. As of 2009, the process is nearing completion as the last replacement building is expected to be constructed in the next several years

Although housing production and community development issues remained critical, the City committed to addressing the housing needs of existing lower income residents and persons with special housing needs. Preceding preparation of the 2002 Housing Element, the City had developed its Comprehensive Housing Affordability Strategy (CHAS) to address these needs. The policy and program direction in the CHAS was incorporated into the 2002 Housing Element.

Thus, the 2002 Housing Element responded to a variety of challenges regarding the need for affordable housing and community development, while still addressing the special needs of its residents. The 2002 Housing Element was organized around six goals:

**Goal H1:** Encourage an adequate diversity in housing types and affordability levels to accommodate present and future housing needs of Santa Cruz residents.

**Goal H2:** Increase and protect the supply of housing affordable to extremely low, very low, low, and moderate income households.

**Goal H3:** Provide for the development of accessible housing and appropriate supportive services that provide equal housing opportunities for special needs populations.

**Goal H4:** Provide increased opportunities for low and moderate income residents to rent or purchase homes.

**Goal H5:** Conserve and improve housing, neighborhoods and health of residents throughout Santa Cruz and in designated target areas.

**Goal H6:** Strive to fulfill the city's housing needs while promoting an environmentally sustainable, compact community with clearly defined urban boundaries.

Supporting these six goals, the Housing Element contained approximately 125 policies, programs, and objectives. A detailed listing of each policy and program as well as the City's progress in achieving each is contained in Appendix D.



## Housing Element Objectives

Table 5-1 lists the quantified objectives as directed by the RNHA process and set forth in the 2002 Housing Element.

**Table 5-1  
Quantified Objectives for 2000-2006**

Target Household Income Levels	Housing Goals (Number of Units)		
	Rehabilitation <sup>1</sup>	Production <sup>2</sup>	Conservation
Very Low Income	75	694	216
Low Income		410	216
Moderate Income	136	543	n/a
Above Moderate	373	1204	n/a
<b>Total</b>	<b>585</b>	<b>2,851</b>	<b>432</b>

Source: 2002 City of Santa Cruz Housing Element

The following discussion summarizes the City’s progress in achieving its housing goals and objectives.

## B. Progress in Meeting Objectives

### Housing and Neighborhood Conservation

A major theme of the City’s 2002 Housing Element was to improve and preserve the quality of housing and neighborhoods. To that end, the City implemented three major efforts: (1) code enforcement programs to ensure that housing is maintained; (2) loan programs to help rehabilitate single-family and multifamily properties; (3) neighborhood improvement programs for the Beach/South of Laurel Comprehensive Area Plan.

**Code Enforcement.** Significant progress was made in maintaining and improving the housing stock during the past planning period. Code enforcement activities were implemented on a citywide basis,

in CDBG-targeted neighborhoods, and in Redevelopment Project areas. Still, significant enforcement efforts continue to be needed. Santa Cruz’s older housing stock, much of which has historical value, requires continued effort to identify and correct substandard conditions and encourage the rehabilitation of substandard housing where feasible. During the 2002-2006 Housing Element planning period, the City responded to over 250 code enforcement cases regarding substandard housing city-wide.

**Housing Rehabilitation Programs.** The City provides loans and grants to finance the repair and rehabilitation of residential structures. From 2001-2006, the City funded the rehabilitation of about 80 units for lower income households. The majority of these were multifamily units. For the period 2001-2006, approximately 430 homeowners secured conventionally-financed loans to make home improvements, which include minor and substantial repairs.

**Table 5-2  
Home Improvement Activity in Santa Cruz, 2001-2006**

Household Income Level	1996-2000		2001-2006	
	City Sponsored	Conventional Financing	City Sponsored	Conventional Financing
Very Low	53	27	77	n/a
Low	54	57	3	n/a
Moderate	-0-	136	0	n/a
Above-Mod	-0-	373	0	n/a
Total	107	593	80	430

Source: Home Mortgage Disclosure Act, 2001-2006. City of Santa Cruz, 2009.

**Neighborhood Programs.** Certain neighborhoods, such as the Beach/South of Laurel Area, experience larger-scale problems beyond code enforcement. Home to 5,800+ residents, this neighborhood is the only low-moderate and minority concentration in Santa Cruz. With the exception of Beach Hill properties, a large number of homes are small, overcrowded, and substandard. Improvement of the physical infrastructure, housing, and employment base in this area is vital to maintaining this area’s significant contribution to the city’s economy. In 1998, the City Council adopted the Beach and South of Laurel Comprehensive Area Plan to provide a strategy to guide the improvement of physical, economic, and social conditions of the beach area. During the last planning period, the City contributed significantly to this area

through the development of the Nueva Vista project – a complex of 48 two- and three-bedroom affordable units, a community center, play area, and child care facility. The City followed up in 2007 by adopting a Neighborhood Revitalization Strategy Area for Beach/South of Laurel under HUD’s CDBG program.

**Earthquake Recovery.** The Loma Prieta Earthquake of 1989 profoundly impacted Santa Cruz. Measuring 7.1 on the Richter scale, the earthquake destroyed more than 50 percent of the Downtown Core, displaced more than 200 businesses, 5,000 employees, and hundreds of residents, and caused more than \$70 million in damage. Thus a major effort of prior Housing Elements was to repair the Downtown Business District and public infrastructure. During the early to mid 1990s, the City’s efforts focused on rebuilding structures and strengthening the community. This effort continued into the 2000s. Two major projects approved in the Downtown district during the 2002-2006 Housing Element planning period were 1010 Pacific and 1547 Pacific Avenue.

**1010 Pacific Avenue.** In 2000 the City Council approved a seven story apartment building with 108 apartment units and ground floor retail for a major corner on lower Pacific Avenue. Of the 108 apartment units, 40 percent are affordable, with 20 percent for moderate-income households and 20 percent affordable to very low-income households. Unit affordability was guaranteed through an Owner Participation Agreement with the Redevelopment Agency.

**1547 Pacific Avenue.** In 2002 the Planning Department engaged in a study of housing opportunity sites in the downtown, primarily along Front and Cedar Streets. Several potential sites were identified, including the subject property known at that time as the Lau Trust property. The study promoted the concept of locating high density housing in the downtown core and making use of City-owned properties to achieve this objective. The subject property is also identified as a housing opportunity site in the City’s 2002-2006 Housing Element. The proposed project is consistent with the Downtown Recovery Plan, will provide 58 new ownership housing units in the downtown area, and will redevelop an underutilized parcel semi-vacant since the 1989 earthquake. The project site is the last major downtown parcel which has not been redeveloped since the earthquake. The City Council approved the project in 2006 with a development agreement to construct within five years.

**Summary.** Taken together, the City’s housing improvement policies have been largely effective in maintaining, improving, and conserving the city’s affordable housing stock. Neighborhood revitalization programs have also largely been successful in targeting problem areas of the community. Because of the success, the programs for housing and neighborhood conservation will be continued for the 2007-2014 planning period covered by this Housing Element.

## Housing Production, 2000-2006

The Association of Monterey Bay Area Governments (AMBAG) assigned Santa Cruz housing production goals as part of the 2000-2006 Regional Housing Needs Allocation (RHNA). This assessment provided a total number of housing units needed to accommodate population and employment growth within Santa Cruz during this time frame. The RHNA determined that the City needed to accommodate 2,851 new units during the seven-year planning period from 2000-2006. Therefore jurisdictions can count the number of housing units built since January 1, 2000 towards satisfying the regional housing needs allocation. The following section reviews the production for the Housing Element planning period.

The 2002 Housing Element set forth policies to identify housing sites and stimulate housing production through the removal of governmental constraints and offering of regulatory and financial incentives.

**Identifying Housing Sites.** With earthquake recovery efforts well underway, housing policies began to change in the mid-1990s. The Housing Element and General Plan attempted to balance meeting the city’s emerging housing needs while promoting a sustainable compact city with defined urban boundaries.



As a result, the 1990-2005 General Plan set forth a series of goals, policies, and programs to guide the location and intensity of future housing development. General Plan policies encouraged the production of new housing along major commercial corridors, in the Downtown Core, and on larger “housing

opportunity” sites. At the same time, the Affordable Housing Ordinance (AHO) continued to ensure that at least 15 percent of all new housing would be affordable to lower and moderate-income households.

**Providing Housing Production Incentives.** To stimulate the production of housing, the Housing Element set forth various goals and programs to remove governmental constraints and provide development incentives. Major actions completed during the 2000-2006 planning period were:

- Partially modified the Demolition/Replacement requirements.
- Adopted the Mixed Use Overlay District with development incentives.
- Relaxed regulations for second units and single-room occupancy units.
- Instituted fee waiver policies and revised the density bonus ordinance.
- Used RDA funds to directly support new affordable housing.
- Modified the Affordable Housing (Inclusionary) Ordinance.

**Actual Housing Production.** The RHNA allocated to Santa Cruz a housing production goal of 2,851 housing units from 2000 through 2006. During the 2000 through 2006 planning period, City records show that approximately 1,156 housing units were built in Santa Cruz, 41 percent of the original housing production goals set forth in the regional housing needs plan. Of those 1,156 units, 320 were affordable to very low, low, and moderate households. Major projects developed during the 2000-2006 Housing Element planning period include:

- Beach Flats Affordable Housing, Child Care Center and Community Center Project - 48 units family affordable
- 1010 Pacific Avenue - 43 units affordable and 70 units market rate
- 1280 Shaffer Road - 83 units affordable and 123 market rate units
- Neary Lagoon Affordable Housing Coop - 95 units affordable
- 155 Chestnut Street - 14 units affordable and 82 units market rate
- Swift Street Artist Housing - 9 units live/work
- 211 Gault Street - 37 units of HUD section 202 senior housing

- 515 Leibrandt Avenue - 7 low and moderate income units

As of 2009, UCSC is constructing or planning for the near future an additional 298 on-campus dormitory beds, 600 beds in on-campus student apartments and 84 for-sale faculty homes. Pursuant to UCSC’s Long Range Development Plan (2005-2020) the University is embarking on additional on-campus housing projects to include up to 3,000 additional dormitory beds and no more than 250 units of off-campus residential beds and 201 faculty student housing units. Policy 3.3 in this Housing Element commits the City to continuing to work in cooperation with UC Santa Cruz to encourage the provision of housing accommodations for students, faculty, and employees that reflect their housing needs and preferences.

Table 5-3 compares housing production and the regional housing needs production goals from 2000 through 2006.

**Table 5-3  
Housing Production Activity in Santa Cruz, 2000-2006**

Housing Production	Estimated Affordability Level				Total
	Very Low	Low	Moderate	Above Moderate	
Quantified Objectives for the 2000-2006 RHNA	694	410	543	1204	2,851
Total Dwelling Units Built from 2000-2006	153	85	82	837	1,157
Percent of Units Built from 2000-2006	22%	21%	15%	70%	41%

Source: City Housing and Community Development Department, 2009.

**Summary.** Taken together, the City’s progress toward achieving the community’s and RHNA housing production goals was mixed. Approximately 41 percent of the housing production goals were met, but developments in the city fell short of producing the specific quantified objectives for housing at different income levels. However, if the housing market and economy (both affected by the 2001 recession) had supported the production of an additional 1,694 units between 2000 and 2006, the City had in place policies and

programs that would have resulted in meeting the housing production goals for all income levels.

### Housing Conservation

The City has facilitated a significant amount of affordable housing through its inclusionary program, State and federal subsidies, and other local programs. As a result, when combined with HUD Section 8 vouchers, the City estimates that 10 percent of the housing in the community is affordable to very low, low, and moderate income households. To preserve these resources, the City implemented four programs: 1) Condominium Conversion; 2) Preservation of At-Risk Projects; 3) Residential Demolition/Conversion program; and 4) mobile-home rent stabilization program.

**Condominium Conversion.** Market-rate apartments in the city provide a significant amount of affordable housing for moderate income households. To preserve affordable rental units, the City prohibits the conversion of apartments to a community housing project unless the multifamily dwelling vacancy rate in the city exceeds 5 percent. However, this restriction is waived if at least two-thirds of the units are sold to tenants currently occupying the structure proposed for conversion. In such cases, at least 20 percent of the total units must also be offered for purchase by households of “below-average” income, as defined in the Zoning Ordinance. From 2000 through 2006, however, no apartments were converted to condominiums.

**Preservation of At-Risk Affordable Housing.** The City has a significant stock of affordable housing. Affordable units built pursuant to Measure O since 1991 are affordable in perpetuity. However, other projects built with local, State and federal subsidies or below-market-rate loans have affordability controls that expire over time. For that reason, the City adopted a Preservation of Assisted Affordable Housing Ordinance in 2002 in order to govern noticing procedures for the conversion of affordable projects. Among other things, this ordinance allows nonprofits the time to become an active partner in preserving at-risk projects.

Where at-risk multifamily residential projects are identified, the City plays an active role in helping the property owner extend affordability controls for the longest time feasible. The 2002 Housing Element identified 10 assisted projects that were at risk of

converting to market rate rents between 2002-2012. The City played an active role in preserving three of these projects; the Riverfront Apartments, San Lorenzo Apartments and Mission Gardens:

**Riverfront.** The City negotiated two five-year contract renewals with HUD in exchange for assisting the owners of Riverfront Apartments in constructing a new parking lot and providing funding for handicapped improvements.

**San Lorenzo.** The City provided assistance with a rehabilitation loan in return for extended affordability controls.

**Mission Gardens.** During the 2000-2006 Housing Element planning period the City began discussions with the property owner on a strategy to retain the affordability and rehabilitate the project. During the 2007-2014 Housing Element planning period, the City is providing assistance for acquisition and rehabilitation of 50 units at Mission Gardens Apartments to extend the HUD Section 8 agreement for 20 years when it expires in 2011. Additional RDA restrictions will preserve affordability for 55 years total.

**Demolition/Conversion Ordinance.** The Municipal Code requires a developer to build replacement housing for the demolition or conversion of three or more units occupied by households of low or moderate income. The basic requirement is that 100 percent of all low-moderate income bedrooms lost must be replaced, and all affected tenants must receive relocation assistance. As an alternative, a developer can pay in-lieu fees for up to 50 percent of the total number of low and moderate income bedrooms to be provided. During the planning period from 2000 to 2006, only one four-unit multifamily project was demolished but it was replaced as part of the approval of additional units.

**Mobile Home Preservation.** The City's housing preservation policies also extended to its three mobile home parks - El Rio, Clearview Court, and De Anza. In 1991, the City adopted a voluntary rent control ordinance, whereby the owner could request rent control in return for resale price restrictions on their unit. In 2003, the City Council modified the ordinance to exempt mobile home parks if they offered tenants long-term leases with caps on annual rent increases. Both Clearview Court and De Anza mobile home parks took action in compliance with the ordinance and are no longer covered by City



rent control. El Rio is a tenant-owned park and thus the rent control ordinance does not apply to mobile homes in that park.

**Assessment.** Taken together, the City's housing preservation policies have been successful in discouraging the conversion of apartments to condominiums. The demolition/conversion ordinance has also precluded the demolition of multifamily apartments in Santa Cruz. The Affordable Housing Preservation Ordinance has helped to a limited degree to preserve affordable housing units at-risk of conversion to market rents. And finally, with respect to mobile homes, the El Rio Mobile Home Park is to remain an affordable low-income project in perpetuity.

# HOUSING PLAN



The provision of housing that fulfills the diverse needs of the community is a fundamental priority for the City. The Housing Plan provides a statement of the community's goals, quantified objectives, and policies relative to housing production, rehabilitation, conservation, and assistance for all residents in Santa Cruz. This

chapter builds upon the earlier chapters which identified housing needs and evaluated constraints and resources to addressing housing needs in the community. To that end, this chapter is organized around three themes:

- 1) Summary of the key housing needs facing the City, followed by goals and policies to guide efforts to address those needs;
- 2) Quantified objectives for housing production, rehabilitation, and conservation for the 2007-2014 planning period; and
- 3) Specific City programs along with an action plan to achieve the goals, policies, and objectives of the Housing Element.

## A. Major Issues, Goals, and Policies

Santa Cruz is in the midst of a housing crisis that challenges the fabric of the community. From 2002 to 2007<sup>10</sup>, the median price of a single-family home increased by 14.9 percent, while rental prices increased 23 percent. Household income increased, but not at the same pace. These conditions have long-term implications for maintaining Santa Cruz's diversity. Presently, lower-income residents likely live in subsidized units and have limited choices to move elsewhere. Moderate income families with children and young professionals can typically afford apartments, yet often must leave the city to buy a home.

Therefore, the primary challenge of the 2007-2014 Housing Element is to facilitate and encourage a variety of housing types and prices in Santa Cruz. Moreover, the Housing Element must also serve to define

<sup>10</sup> From [http://rereport.com/szc/index\\_a.html](http://rereport.com/szc/index_a.html)

and implement the City's broader social goals and further a living environment in which people of all walks of life and circumstances can flourish. The Housing Element strives to create a housing climate that enables young families to remain in the community and allows the city's workforce to live and work here. In addition, the Housing Element must be sensitive to local and global resources, including programs to reduce climate change. Thus, the Element must address the needs of residents, the vitality and stability of neighborhoods, the quality of the environment, the availability of resources and infrastructure, as well as other important issues which affect the health and well-being of residents. The following summarizes the major housing issues in Santa Cruz, with each issue followed by the housing goals and policies to address those needs.

### Housing Production

Persons and households of different ages, types, incomes, and lifestyles have a variety of housing needs and preferences. Moreover, housing needs evolve over time in response to changing life circumstances. Providing an adequate supply and diversity of housing accommodates changing housing needs of residents, promotes an inclusive community that welcomes all residents, and achieves larger social and equity goals in Santa Cruz.

**GOAL 1** An adequate diversity in housing types and affordability levels to accommodate present and future housing needs of Santa Cruz residents.

**Policy 1.1** Provide adequate sites and supporting infrastructure to accommodate housing through land use, zoning, and specific plan designations that encourage a broad range of housing opportunities.

**Policy 1.2** Concentrate new housing in the Central Core, along major commercial corridors, and on major opportunity sites consistent with the Land Use Element.

**Policy 1.3** Facilitate the production of mixed residential-commercial uses through the use of appropriate development standards, design and compatibility review, and regulatory and financial incentives.

**Policy 1.4** Establish and maintain residential development standards that support housing production yet promote the vitality of established neighborhoods.

**Policy 1.5** Provide appropriate development standards and incentives to facilitate co-housing, live-work, mixed-use, accessory dwellings, single-room occupancy, and other alternative types of housing.

**Policy 1.6** Periodically review development regulations, permit processes, and fees and their effect on development to ensure that such requirements facilitate housing production and rehabilitation.

**Policy 1.7** Consider expanding housing options by allowing the conversion of larger homes to multiple units, where appropriate.

**Policy 1.8** Explore the relationship between development standards and the production of for-sale versus rental housing. Recognize the need to maintain a mix of for-sale and rental housing in the City.

## Affordable Housing

Affordable housing for extremely low, very low, low, and moderate-income households is of utmost concern. Affordable housing allows persons of all economic segments to live in the community, provides housing for the city's workforce, allows the integration of families and racial/ethnic groups, and furthers larger social goals. The City's affordable housing policies encourage the production and preservation of affordable housing.

**GOAL 2** Increased and protected supply of housing affordable to extremely low, very low, low, and moderate income households.

**Policy 2.1** Encourage the production of affordable rental and ownership housing through inclusionary requirements.

**Policy 2.2** Facilitate the development of affordable housing through the provision of regulatory concessions, financial incentives and assistance, density bonuses, and other means.

**Policy 2.3** Collaborate with nonprofit organizations, private developers, employers, special needs groups, state and federal agencies, and other interested parties to develop affordable housing.

**Policy 2.4** Encourage the preservation of affordable rental housing at-risk of conversion by working with interested parties and offering financial incentives and technical assistance, as feasible and appropriate.

**Policy 2.5** Promote meaningful and informed participation of residents, community groups, and governmental agencies, in local housing and community development activities.

**Policy 2.6** Encourage the development, through acquisition of existing housing and new construction, of affordable housing projects that provide longer term and in-perpetuity affordability through homeownership, nonprofit ownership, residentially owned cooperatives, and housing land trusts.

**Policy 2.7** Encourage more fully integrated neighborhoods through the development of mixed income and affordable infill housing and through the placement of other affordable housing projects in

neighborhoods that do not already have high levels of low-income housing.

### Special Housing Needs

Santa Cruz is home to people with special housing needs that result from income, family characteristics, disability, or other issues. These groups include, but are not limited to: seniors, families with children, people with disabilities, single parent families, college students, farm workers, and people who are homeless. Santa Cruz is committed to furthering a socially and economically integrated community and therefore is committed to providing a continuum of housing and supportive services to help address the diverse needs of residents.

**GOAL 3 Accessible housing and appropriate supportive services that provide equal housing opportunities for special needs populations.**

**Policy 3.1** Support the development of accessible and affordable senior rental housing readily accessible to support services; provide assistance for seniors to maintain and improve their homes.

**Policy 3.2** Facilitate and encourage the development of larger rental units appropriate for families with children, including the provision of supportive services such as child care.

**Policy 3.3** Work in cooperation with UC Santa Cruz to encourage the provision of housing accommodations for students, faculty, and employees that reflect their housing needs and preferences.

**Policy 3.4** Continue to fund, as feasible, emergency shelters, transitional housing, permanent supportive housing, and appropriate supportive services for people who are homeless, including families and unaccompanied youth.

**Policy 3.5** Increase the supply of permanent, affordable, and accessible housing suited to the independent living needs of persons with disabilities; provide assistance to persons with disabilities to maintain and improve their homes.

**Policy 3.6** Encourage the integration of special needs housing in residential environments, readily accessible to public transit, shopping, public amenities, and supportive services.

**Policy 3.7** Encourage the provision of supportive services for persons with special needs to further the greatest level of independence and equal housing opportunities.

**Policy 3.8** Recognize and encouraged farm worker housing as a special housing need.

### Housing Assistance

Rapid increases in rents in recent years have placed a disproportionate burden on and, in some cases, have displaced lower income residents. Due to rising housing prices, moderate-income households (e.g., health care workers, public safety workers, teachers, and others) may leave Santa Cruz to seek affordable housing in neighboring cities. Providing housing assistance, where feasible, helps maintain an economically and socially balanced community.

**GOAL 4** Increased opportunities for low and moderate income residents to rent or purchase homes.

**Policy 4.1** Support the provision of permanent and emergency rental assistance for very low and low income renters.

**Policy 4.2** Expand homeownership opportunities to low and moderate income buyers through homebuyer assistance.

**Policy 4.3** Explore and pursue City participation in other affordable homeownership assistance programs in the private market.

**Policy 4.4** Support the continuation of a Housing Trust Fund to promote the development and preservation of affordable housing.

**Policy 4.5** Support the provision of child care services, employment training, rental assistance, and other supportive services to enable households to be self-sufficient.

**Policy 4.6** Seek and support collaborative partnerships of nonprofit organizations and the development community to aid in the provision of affordable housing.

**Policy 4.7** Prohibit discrimination in all aspects affecting the sale, rental, or occupancy of housing based on status or other arbitrary classification.



Policy 4.8 Support the development of a variety of housing types, specifically smaller units and single-room occupancy units which address the needs of extreme-low income households.

## Neighborhood Vitality

Quality of life is shaped, in part, by neighborhood conditions in Santa Cruz. As an older, established community, Santa Cruz requires a concerted effort to encourage the maintenance, rehabilitation, and improvement of housing and to promote sustainable, livable neighborhoods in the face of increasing density. In neighborhoods, a continued focus is needed on upgrading infrastructure, improving community facilities, protecting quality of life, and providing public services. City community development policies seek to balance the need for accommodating new housing, respecting neighborhood character, enhancing infrastructure and public services, and promoting vital residential neighborhoods.

**GOAL 5** Improved housing and neighborhoods throughout Santa Cruz and in designated target areas.

**Policy 5.1** Improve the quality of housing and neighborhoods by educating landlords, tenants, and property owners about code compliance issues and enforcing compliance with building and property maintenance standards.

**Policy 5.2** Promote the repair, improvement, and rehabilitation of housing and encourage replacement of substandard housing to enhance quality of life in neighborhoods.

**Policy 5.3** Ensure that the character and design of both infill development and remodel/rehabilitation projects promote the vitality of existing neighborhoods.

**Policy 5.4** Promote the overall vitality and livability of neighborhoods by providing adequate public services, community facilities, infrastructure, landscaping and open space, adequate parking, traffic management, pedestrian and bicycle routes, and public safety to meet the needs of each individual neighborhood, as well as by preventing and eliminating blighting conditions.

### Resource Conservation

Santa Cruz residents benefit from a range of natural features, including hillsides, rivers and streams, the coastline, and forestland. These resources enhance quality of life for Santa Cruz residents and make Santa Cruz a popular tourist destination. The City remains committed to protecting the beauty and integrity of its natural environment particularly in light of anticipated population growth, consumption levels, technology impacts, tourism, and other pressures associated with urban life. Balancing environmental preservation with housing goals and the provision of infrastructure and services remains a priority.

**GOAL 6** Fulfill the city's housing needs while promoting an environmentally sustainable, compact community with clearly defined urban boundaries.

**Policy 6.1** Ensure a compatible relationship between new housing and circulation patterns and encourage pedestrian and bicycle friendly communities in order to minimize traffic impacts on quality of life.

**Policy 6.2** Ensure that adequate water supplies and sewer services continue to be available for residents and businesses.

**Policy 6.3** Preserve the city's designated historic, visual, and cultural resources including landmarks, archaeological sites, and areas of special locational character.

**Policy 6.4** Ensure that wetlands, fish and wildlife habitat areas, and sensitive species are protected from the impacts of new residential development.

**Policy 6.5** Encourage the use of environmentally sensitive development practices to minimize the effects of growth on the city's natural resource systems.

**Policy 6.6** Investigate the feasibility of offering various regulatory and financial incentives to encourage developers to use green building and energy efficient technologies.

**Policy 6.7** Promote transit-oriented mixed-use residential developments that are close to services, reduce dependence on automobile use, and are of high quality.

**Policy 6.8** Continue to require, monitor, and enforce National Pollutant Discharge Elimination Systems permits, Standard Urban Stormwater Mitigation Plans, Best Management Practices, Total Maximum Daily Loads for impaired water bodies, Storm Water Quality Management Programs, and Storm Water Pollution Prevention Plans, as applicable.

**Policy 6.9** Amend the Housing Element as needed for consistency with the City's General Plan including changes related to Government Code Section 65302 and the management of areas subject to flooding.

### Climate Change

The City hopes to reduce its contribution to greenhouse gas emissions (GHG) through land use planning, program development, investment in energy efficient infrastructure, and increased use of renewable energy. Benefits will include reduced facility life-cycle costs and the provision of healthier home and work environments. 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. In addition to defining shorter-term strategies to address likely impacts of climate change on city infrastructure and resources, the City must set planning goals to minimize future risks of sea level rise and climate change.

**Goal 7 Effective leadership and action in reducing and responding to global warming.**

**Policy 7.1** Reduce communitywide GHG emissions 30 percent by 2020 and 80 percent by 2050 (compared to 1990 levels).

**Policy 7.2** Support initiatives, legislation, and actions for reducing and responding to climate change.

**Policy 7.3** Encourage community involvement and public-private partnerships to reduce and respond to global warming.

**Policy 7.4** Take early action on significant and probable global warming land use and development issues, including those that might arise after 2030.

**Policy 7.5** Minimize impacts of future sea level rise.

### **B. Quantified Objectives**

Santa Cruz has established quantified objectives for housing production, rehabilitation, and conservation for the Housing Element. These objectives are based upon expected availability of resources to address the City's housing needs, expectations regarding future housing development, as well as prior objectives established in other City housing plans.

## Housing Production

The Association of Monterey Bay Area Governments (AMBAG) has prepared a Regional Housing Needs Allocation (RHNA) for the period 2007 through 2014. The RHNA determines the region’s need for housing and allocates a portion to jurisdictions in Monterey and Santa Cruz counties. AMBAG has assigned a housing production goal of 672 units to Santa Cruz. The City is required to show that sites will be available to accommodate these units. The City has adequate sites and housing programs in place to achieve AMBAG’s goals.

The City has adequate sites to accommodate its RHNA goals from 2007 through 2014, based on the assumption that public subsidies are required to facilitate the majority of affordable housing to be produced in the city. **Table 6-1** summarizes the City RHNA goals and quantified objectives for the 2007-2014 planning period. Chapter 4 outlines the progress already made toward meeting those objectives.

**Table 6-1**  
**Quantified Housing Production Objectives,**  
**2007-2014**

Income Category	Housing Production (Number of Units)		
	Definition	RHNA Goals	City Objectives
Extremely Low income	0% to 30% of MFI	75	75
Very Low income	31% to 50% of MFI	75	75
Low Income	51% to 80% of MFI	113	113
Moderate income	81% to 120% of MFI	127	127
Above-Moderate Income	More than 120% of MFI	282	282
<b>Total</b>		<b>672</b>	<b>672</b>

Source: AMBAG Regional Housing Needs Plan, 2007. Also see tables 4-1 and 4-2B.

## Housing Rehabilitation and Conservation

Housing rehabilitation helps maintain housing conditions, preserve neighborhoods, and contribute to a higher quality of life for residents. Moreover, the conservation of publicly-assisted affordable

housing is particularly important given that existing rents and sales prices make it financially infeasible for many low income households to live in Santa Cruz. While the once-steady increase in house prices was interrupted in 2008-2009, the long term outlook is for rents and sales prices to resume their rise no later than halfway through the Housing Element planning period. Quantified objectives expectations are summarized below in **Table 6-2**.

The City’s goal for the 2007-2014 Housing Element planning period 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. Private financial institutions will finance the rehabilitation of units for moderate and upper income households. Assuming past trends (based on actual for 2000-2006), 594 households will be assisted.

As described in Chapter 2, there are approximately 1,500 publicly assisted rental units in the city that are deed-restricted as affordable to lower-income households. Over the Housing Element planning period, 594 of these are at-risk of converting to market rates, but few are at *high* risk of conversion, as many are Section 8 units which historically renew their contracts every five years. During the planning period, the City will continue to work with apartment owners and nonprofit organizations to develop options for preserving the at-risk units. In addition, the City will continue to implement its condominium conversion ordinance to prevent the conversion of apartments to condominiums.

**Table 6-2  
Housing Rehabilitation and Conservation Objectives,  
2007-2014**

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

Source: AMBAG Regional Housing Needs Allocation Plan 2007

1. City of Santa Cruz Action Plan, 2006, 2007, 2008
2. Based on loans tracked by HMDA, 2001-2006

Note: HDMA is bank industry self-reporting data and may not be accurate

### Housing Assistance

Santa Cruz is committed to supporting the provision of housing and supportive services for persons and families with special housing needs. These include people with disabilities, seniors, single parents, families with children, people who are homeless, college students, and other special needs groups in the community. The City thus funds a wide variety of nonprofit and for-profit organizations which specialize in providing services tailored to each individual group.

Several City Council-adopted documents identify housing needs in the community and establish specific objectives for addressing those needs. The City is committed to implementing the goals and objectives in these plans as described below.

**Consolidated Plan.** The City's 2005-2010 Consolidated Plan contains a strategic plan for allocating available financial and human resources to meet the housing needs of the community, including the homeless, special need populations, and persons with extremely low, very low, and low income. One of the missions of the Plan is to assist extremely low, very low, and low income households in the areas of decent housing, expanded economic opportunities, and a suitable living environment. The Plan describes the financial resources available, analyzes priorities, and sets specific objectives for fulfilling those priorities. Each year, the City prepares an Annual Action Plan to review the progress towards achieving the goals and priorities of the Consolidated Plan and to outline specific implementation actions for that year.

**Redevelopment Implementation Plan.** The Implementation Plan (IP) is the Redevelopment Agency's policy statement regarding the types of projects and programs it intends to undertake over the five-year periods 2005-2009 and 2010-2014. The IP includes an Affordable Housing Plan (AHP) to identify how the Redevelopment Set-Aside funds will be used to address the city's housing needs. The IP is prepared to assist the Agency in setting priorities and allocating resources during this period for redevelopment activities within its two redevelopment project areas: the Eastside Business Improvement (Eastside Project) and the Merged Earthquake Recovery and Reconstruction (Merged Project) Project Areas. The Implementation

Plan provides an explanation of how the goals, objectives, programs and expenditures for the next five years will promote revitalization, eliminate blight, foster economic development and develop affordable housing. The AHP establishes targets for increasing, improving, and preserving the community's supply of affordable housing. The IP is dynamic in nature and, as time passes, adjustments can be made to reflect changing project conditions or other factors that affect the five-year goals and objectives.

**Ten Year Strategic Homeless Continuum of Care Plan.** The City participated as a member of the Santa Cruz County Continuum of Care Coordinating Group, and is an active partner in the implementation of the resulting Ten-Year Strategic Plan on Homelessness. The Plan outlines a comprehensive and coordinated approach to reduce, prevent, and ultimately end homelessness. The Plan identifies outcome objectives in the areas of housing, jobs and incomes, supportive services, health care and the overall administration and coordination of the County's Continuum of Care system. For each outcome objective identified in the plan, specific action steps are laid out for implementation.



## C. Housing Programs

The Housing Element goals and policies are implemented through programs administered by the City and other agencies. This section describes the major programs that Santa Cruz will implement to address identified housing needs. Table 6-3 at the end of this Chapter summarizes the program, numerical objectives, potential funding sources and amounts, and the agencies or entities responsible for implementing each program.

### 1. Housing Production Programs

#### 1.1 Provision of Adequate Sites

Providing new housing to accommodate projected employment and population growth and to meet the needs of existing residents is a major objective of the City. To that end, the Housing Element identifies “adequate” sites to accommodate the city’s share of the region’s housing needs from 2007-2014. Adequate sites are those with sufficient development and density standards, water and sewer services, and adequate infrastructure. The Land Use Element, in concert with a vacant and underutilized land survey, shows that housing can be accommodated on vacant and underutilized sites along major corridors, in the Central Core, and on larger housing opportunity sites.

#### Five-year Objective:

- Maintain an inventory of available vacant and underutilized sites that can accommodate new housing.
- Require the preparation of Specific Plans or Area Plans for larger developable residential areas identified in the Land Use Element.
- Continue to require housing production goals for the larger housing opportunity sites described in the Land Use Element

#### 1.2 Mixed Use Development

Recognizing the limited availability of land and the City’s commitment to preserve open space, the General Plan encourages a

compact urban form. High density development, mixed-uses, transit and pedestrian-oriented land uses, and other creative housing types are encouraged. To that end, the City's Zoning Ordinance currently allows higher densities, reduced parking requirements, and higher building heights for residential projects in the Central Core and along major corridors. The City also financially supports many of the projects in the Central Core. Since 2000, the City's policies have facilitated more than 1,415 multifamily units and 282 single-room occupancy units in commercial districts. The City will continue to focus on mixed use to expand housing opportunities.

### Five-year Objective:

- Evaluate mixed-use development standards to encourage housing along transit corridors, including density levels, parking and open space requirements, and other development standards; and consider expanding the mixed-use overlay along transit corridors in conjunction with General Plan 2030.
- Conduct an urban design study of major commercial corridors to further identify opportunities for redeveloping inefficient commercial space, obsolete supermarkets, and parking lots for new housing.
- Complete the Ocean Street Area Plan and the RiverFront design guidelines and incentives study with an emphasis on identifying housing opportunities and mixed use development.
- Initiate study within 1 year of adoption of the Housing Element. If actual constraints are found, propose revisions within 2 years of adoption of the Housing Element.

### 1.3 Alternative Housing Types

Santa Cruz faces the challenge of meeting the housing needs of residents, particularly given the needs of single person households, small families, and special needs groups. Given diminishing vacant land and a diversity of housing needs, alternative housing types will need to be built in a creative manner on less than optimal housing sites. To that end, the City revised its Zoning Ordinance to facilitate development of live-work, single-room occupancy units and accessory dwelling units (ADU).

**Five-year Objective:**

- Create and/or revise development standards for co-housing, live/work, and other alternative and appropriate housing types which respond to Santa Cruz's diverse population and housing needs.
- Continue to implement the ADU program and monitor the effect of the new ADU ordinance on neighborhood vitality.
- Amend the ADU program to allow larger ADUs on lots with houses listed on the historic building survey, within historic districts, and within conservation districts. The range of allowable ADUs would be increased to allow an ADU no larger than 500 sq. ft. on lots as small as 4,500 sq.ft. (where none is currently allowed), up to an ADU of 940 sq. ft. on lots over 10,000 sq. ft. in area (where the maximum ADU allowed is now 800 sq. ft.).
- Examine development regulations to identify potential barriers to the development of alternative types of housing and, if such barriers are found, develop actions to remove or modify them as feasible.
- Encourage the State to recognize appropriate non-traditional housing types as housing units.
- Examine the possibility of utilizing graduated density for mixed use development.

**1.4 Planned Development Permit**

The Planned Development Permit (PD) is an administrative technique to foster development plans which serve public objectives more fully than plans permitted under conventional zoning. In such cases, the City will consider modifications to: 1) building setbacks, lot coverage, and lot area; 2) street standards; 3) parking and loading; 4) open space and landscaping; and 5) maximum height. The PD permit has been used successfully to facilitate a range of housing projects in recent years. To be eligible for a PD permit, however, the project must occupy a lot of at least 20,000 square feet in area and be approved by the Planning Commission and City Council. The minimum lot size requirement could, in some cases, constrain the production of nontraditional housing on smaller infill lots.

**Five-year Objective:**

- Examine parking requirements and other regulatory constraints that may deter the development of Planned Developments. Initiate study within 1 year of adoption of the Housing Element.

### 1.5 Development Review Process

Housing developers undertake the risk of purchasing property, borrowing funds, and drafting architectural and site plans in anticipation of building new housing. In addition to these investments, developers must secure various permits, pay planning and impact fees, and comply with environmental regulations. These investments are financially attractive only when the development review process has reasonable certainty. The development community has expressed concern that the cumulative impact of project review procedures, fee structures, and public hearing process may, at times, constrain the development of housing. To that end, the City should undertake a periodic review of such processes.

#### Five-year Objective:

- Work with the development community to continue to streamline the project and design review processes to provide a greater level of certainty in the outcome of housing proposals.
- Periodically audit the effectiveness of the development review process to promote efficiency and predictability.
- Within one year of housing element adoption, review the existing development fee structure, including water and sewer connection fees, to determine if the current structure is appropriate and equitable.
- Within one year of housing element adoption, review and adjust the fee structure for Single Occupancy Units and propose changes for City Council consideration.

### 1.6 Public Education and Participation

Meaningful and informed public participation helps ensure that proposals for new housing meet community expectations and are consistent with the City's General Plan. Santa Cruz offers many

venues for residents to learn of proposed projects and provide meaningful input.

### Five-year Objective:

- Continue to provide accurate and clear information to the public and the development community about City policies and the development review process and make such information available at the public counter.
- Continue to develop educational materials such as brochures and videos that provide information on the development process, planning and housing issues as programs change.
- Continue to ensure that information is accessible and available to all members of the community on the City web page and at the public counter.

## 2. Affordable Housing

### 2.1 Affordable Housing Ordinance

The City's Inclusionary Housing Program is an important means for encouraging new affordable housing. Measure O states that "at least 15 percent of those housing units newly constructed for sale or rental each year shall be capable of purchase or rental by persons with average or below average incomes." Pursuant to Measure O, the City requires projects built after 1991 which contain five or more units to set aside at least 15 percent as affordable in perpetuity. Rental units must be provided as affordable to lower income households, while for-sale units can also be affordable to moderate income households. Developers may pay a fee or dedicate land in lieu of providing ownership units. Since its inception, 576 affordable units have been created, but significant City assistance has been necessary to offset high land costs, prevailing rents, and ordinance requirements. This trend is problematic given continuing cutbacks in local and state funding.

### Five-year Objective:

- Examine whether current inclusionary program requirements, in tandem with market conditions, make

the development of affordable housing difficult without significant public subsidy.

- Examine feasibility of modifying the current program to add flexibility and incentives that could encourage the private market to build affordable units and minimize public assistance needed to make projects feasible.
- Prioritize a portion of public housing funds for the extremely-low income household housing category.

### 2.2 Regulatory and Financial Incentives

The City may provide regulatory and/or financial incentives to facilitate affordable housing production, particularly in the case of inclusionary units not otherwise able to secure additional state and federal financial assistance. Developers of very low and low income housing may apply for a waiver of planning, development, and impact fees. The City may also provide low interest loans, land write-downs, infrastructure improvements, redevelopment funds, and other financial assistance for affordable housing. The Planned Development Permit, in tandem with regulatory and financial incentives, can further encourage the production of affordable housing. City staff is committed to expeditiously processing development proposals for affordable housing.

#### Five-year Objective:

- Identify residential projects for City financial or regulatory incentives subject to City Council approval.

### 2.3 Density Bonus Program

The City's density bonus ordinance implements California's Density Bonus Law, and allows a developer to construct 35 percent more units than allowed under the Zoning Ordinance for projects that dedicate 10 percent of units for very low income households or 20 percent for low income households and for qualified residents such as seniors. The Density Bonus program includes the opportunity for developments of at least five units to utilize up to three incentives. The Density Bonus Program continues to be a valuable tool, in tandem with the Affordable Housing Ordinance, to allow developers to build additional housing units which help subsidize the inclusion of affordable units in the project.

### Five-year Objective:

- Continue implementation of the density bonus ordinance.
- Within one year of the housing element adoption review and revise the City's residential development standards to ensure housing projects can be built at the maximum density allowed under the underlying district.

### 2.4 Public Private Housing Partnerships

In today's housing market, creative approaches and partnerships are required to finance and build affordable housing. The County Housing Authority, Mercy Housing California, Habitat for Humanity, Community Housing Land Trust, Santa Cruz Community Counseling Center, Inc., and other agencies offer expertise in developing and managing affordable housing. In addition, the City has partnered with nonprofit developers to build housing. The City has granted regulatory concessions (such as density bonuses), subsidized the replacement of infrastructure, modified development regulations, lowered development and impact fees, and provided direct assistance to such groups. Working with nonprofit developers enables the City to better provide high quality and affordable housing. The City's Redevelopment Agency cultivates public-private partnerships to develop affordable housing. Recent projects include 111 Barson Street, the Tannery, Grace Commons, and Redwood Commons.

#### Five-year Objective:

- Continue to encourage public-private housing partnerships as a means to incentivize the production of affordable housing and build local capacity to manage such projects.
- Explore creative approaches to developing and financing affordable housing such as the establishment of a Housing Trust fund, "sweat equity" program, or other innovative methods.

### 2.5 Preservation of Housing Opportunities

Apartments provide affordable housing opportunities for low and moderate income households. To preserve these units, the City prohibits the conversion of apartments to a community housing project as long as the multifamily dwelling vacancy rate is less than 5 percent. This restriction is waived if at least two-thirds of the units are sold to tenants currently occupying the structure and 20 percent of the total units are offered for purchase to households of below-average income. In addition, three mobile home parks provide a total of 360 homes for residents. To protect the supply of such housing, the Mobilehome Rent Stabilization Ordinance regulates rent increases



and other regulations to ensure adequate noticing, findings, and relocation assistance in case of a conversion.

**Five-year Objective:**

- Continue implementation of the condominium conversion ordinance.
- Maintain current mobilehome rent stabilization and conversion regulations to preserve 360 mobilehomes in parks in the community.

**2.6 Preservation of At-Risk Affordable Housing**

Santa Cruz has approximately 1,500 units of affordable housing units for very low, low, and moderate income households created through various City, state and federal programs. Although Measure “O” units built after 1991 are permanently affordable, the affordability controls of 594 affordable units are at-risk of expiration between 2007 and 2018. The City’s Affordable Housing Preservation Ordinance governs noticing procedures for the conversion of at-risk affordable units and allows the City and qualified nonprofit housing organizations an opportunity to negotiate to purchase the project or extend the affordability restrictions. In addition, the City plays an active role in financially assisting at-risk projects in return for extended affordability controls on the projects.

**Five-year Objective:**

- Work with interested agencies and community organizations to preserve at-risk units by monitoring their status, providing technical and/or financial assistance in return for extended affordability controls, and ensuring proper tenant notification prior to project conversion.
- Assist projects approved by City Council in return for extensions of their affordability controls for as long as feasible.

### 3. Special Needs

#### 3.1 Housing for Families with Children

Santa Cruz recognizes the importance of a living environment conducive to families and children, and is committed to the development of affordable and accessible family housing in the city. In recent years, the City has entered into owner participation agreements with the Chestnut Street Apartments, Sycamore Commons, and various other ownership and rental projects to facilitate and encourage the development of affordable family housing. Additionally, the City provided financial assistance to the Nueva Vista complex of 48 affordable 2 and 3-bedroom units, a community center, play area, and child care services.

##### Five-year Objective:

- Work with nonprofit organizations to identify proposed family housing projects suitable to families with children, and consider the use of City financial assistance, subject to Redevelopment Agency approval, to facilitate and encourage their development.
- Encourage the development of childcare opportunities in conjunction with residential development.

#### 3.2 Children and Youth Development

Santa Cruz recognizes that our children represent the future. In today's market, the high cost of rental and ownership housing typically requires that all adult family members work. The availability of affordable care for children and youth is necessary to provide an environment conducive to healthy and safe development and to enable families to continue to live in Santa Cruz. The City is committed to making high quality care alternatives for children and youth available, affordable, and accessible to those persons who live or work in the City, including child care centers and family day care homes in appropriate locations. The City is committed to planning affirmatively for child care through land use, zoning, and permitting procedures.

**Five-year Objective:**

- Continue to assist nonprofit and for-profit organizations that provide services, to children, youth, and families with children.
- Encourage the establishment of childcare centers in appropriate locations and consider modified zoning standards and review procedures and other incentives to facilitate their development.
- Facilitate establishment of family daycare in single-family homes by considering modified permit fees and zoning standards including parking requirements and fence heights. Ensure the zoning code reflects State laws including protecting renters operating family daycare homes.

**3.3 Continuum of Care**

Santa Cruz has the county's largest population of people who are homeless and, as a member of the Continuum of Care Coordinating (COC) Group, maintains the most extensive program in the county for assisting homeless people. The City funds five agencies that provide homeless outreach services, three emergency shelters, and a bad weather shelter. In addition to offering shelter and services to the homeless, the City is committed to preventing homelessness by assisting at-risk populations, such as those with extremely low incomes, through emergency assistance and the development of stable, affordable housing. Santa Cruz also has a significant number of transitional and permanent supportive housing units for people with disabilities, psychiatric illness, HIV/AIDS, and substance problems. The City also contracts with nonprofit organizations providing employment training, childcare, rental assistance, and other supportive services. The City plays an instrumental role in the COC by supporting the continued operation of homeless services, funding the majority of the Continuum's operations, and applying for grants on behalf of nonprofits.

**Five-year Objective:**

- Continue to implement current programs aimed at the reduction and the prevention of homelessness.
- Support the development of a Recuperative Bed Program to be managed by Homeless Health Care Project and located at the Homeless Service Center
- Participate with other Santa Cruz County communities in implementing the County's Ten-Year Strategic Plan on Homelessness (2003-2013).
- Consider the recommendations of the City's Housing Strategy.
- Within one year of the housing element adoption, amend the Zoning Ordinance to allow the development of emergency shelters in the Public Facility (PF) zone district without a conditional use permit or other discretionary review. In addition the City will evaluate adopting development and managerial standards that will be consistent with the Government Code Section 65583(a)(4). These standards may include such items as:
  - Lighting
  - On-site Management
  - Maximum number of beds or persons to be served
  - Off-street parking based on demonstrated need; and
  - Security during hours that the shelter is in operation

### 3.4 Supportive Living Housing Services

Santa Cruz has a large population requiring supportive living services to preserve and maintain equal housing opportunities and choice. This includes people with disabilities, formerly homeless people, persons recovering from substance abuse, persons living with chronic disabling conditions such as HIV/AIDS, and other special needs groups. "Supportive Living Housing Services" is a broad term that encompasses a range of community services and types of assistance. The concept goes beyond the traditional single-service delivery "supportive services" and seeks to enable individual special needs recipients to achieve a significantly greater quality of life and independence and to adapt as individual needs change over time.

The City recognizes that permanent supportive housing can broadly service a variety of special needs groups. Whatever the level of service or setting required, the City remains committed to continue providing appropriate permanent supportive housing options for residents as funds are available.

### Five-year Objective:

- Continue supporting organizations in maintaining permanent supportive housing and providing assistance to special needs groups.
- Encourage the location of permanent supportive housing for the able-bodied in residential settings or other locations readily accessible to public amenities, public transit, shopping, and supportive services.
- Within one year of the housing element adoption, amend the Zoning Ordinance to include separate definitions of transitional and supportive housing as defined in Section 50675.2 of the Health and Safety Code. Further amend the Zoning Ordinance to allow transitional and supportive housing types as a permitted use subject to only the same restrictions on residential uses in the same type of structure.

### 3.5 Student Housing

As of 2009, UCSC is planning for the near future or currently constructing an additional 298 on-campus dormitory beds, 600 beds in on-campus student apartments and 84 for-sale faculty homes. Over the next 11 years, the University may construct additional housing pursuant to its Long Range Development Plan (LRDP, 2005-2020) to provide up to 10,125 total on campus beds (7,948 are existing or under construction), no more than 579 units of off-campus residential beds (354 beds are existing or under construction), and 443 faculty or staff housing units (318 units existing or under construction).<sup>11</sup>

The City supports UCSC's goal to provide housing opportunities commensurate with goals set forth in the LRDP, as financially feasible. As mandated by the City Council and Chancellor, City and University staff meet regularly to collaborate on facilitating new student, faculty, and staff housing.

#### Five-year Objective:

- Continue to collaborate with UCSC on ways to increase the supply of student, faculty, and staff housing serving the University campus.
- Promote housing strategies that reflect student housing needs including affordability and the siting of high density apartments and townhouses along transit corridors.
- Support state and federal legislation that would advance the housing goals of the community, such as increasing the funding for housing at University of California campuses.
- Explore innovative methodologies for development, funding models, and delivery methods for new housing.
- Implement a code enforcement program in conjunction with the University that will monitor rental housing within the city.
- Fund two new code compliance specialists to implement the above programs.

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<sup>11</sup> Up to 3,000 new beds above 7,125 beds will be available to accommodate 67% of enrollment above 15,000 if enrollment reaches 19,500 (2005 LRDP, 2005 LRDP EIR, 2008 Comprehensive Settlement Agreement).

### 3.6 Housing for Persons with Disabilities

Consistent with SB520 (2007), Government Code Sections 65583(a)(4) and 65583(a)(4), the Housing Element analyzed potential constraints to the development, maintenance, and improvement of housing for persons with disabilities. The analysis included an evaluation of land use controls, permit processing, and building codes among others. The analysis found that the City permits, encourages, and facilitates a range of special needs housing in the community. With respect to housing for persons with physical disabilities, the City has a visitability ordinance that incorporates Universal Design principles and incentives to encourage the production and rehabilitation of accessible housing; a reasonable accommodation ordinance; and offers grants and loans to homeowners to make basic accessibility modifications. Nonetheless, people with physical disabilities continue to have difficulty finding accessible units or sufficient funds to purchase or retrofit their homes. Additional measures could be undertaken to improve their housing opportunities.

#### Five-year Objective:

- Work with other Santa Cruz County jurisdictions and the County Housing Authority to support the compilation and publicizing of housing accessible to persons with disabilities.
- Within one year of the housing element adoption revise the Uniform Housing Rehabilitation Program Guidelines to allow tenants to apply for grants to retrofit homes for accessibility, and pursue grant funding to support this program.
- Amend the City's Zoning Code to provide individuals with disability reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing. The purpose of this is to provide to improve the existing process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning or building laws of the City.

### 3.7 Housing and Community Development Program

The City's Housing and Community Development Program provides approximately \$1.9 million in grants each year to 50 nonprofit human service and housing development organizations supporting numerous programs that assist; homeless persons, very low and low income households, families with children, women, and others in finding housing and appropriate supportive services. Funding is provided annually, contingent on adequate funds and City Council approval, through the City's General Fund, HOME funds, Community Development Block Grant Funds, and other sources.

### Five-year Objective:

- Continue funding nonprofit human service and housing development organizations through the City's Housing and Community Development Program subject to funding availability and City Council approval.

## 4. Housing Assistance

### 4.1 Housing Choice Vouchers

The County Housing Authority administers the Housing Choice Voucher (Section 8) rental assistance program for Santa Cruz. This program extends rental subsidies to very low income households and offers the tenant a voucher that pays the difference between the current fair market rent (FMR) established by the Housing Authority and 30 percent of the tenant's income. The voucher is accepted on a voluntary basis by the landlord. A tenant may choose housing that costs more than the FMR and pay the extra rent above the standard. In recent years, the volatility of the local rental market, as related to the FMR, has presented challenges in ensuring that the voucher program remains attractive to landlords.

### Five-year Objective:

- Work with Santa Cruz County jurisdictions and interested community organizations to continue to advocate for a payment standard that keeps pace with changes in market rents.
- Advertise the Section 8 program to property owners.

### 4.2 Rental Assistance



In recent years, rising rental costs mean that some households may have insufficient income for a security deposit and cannot secure an apartment. The City contracts with the County Housing Authority to assist low-to-moderate income households with the security deposit and last month's rent. The security deposit is provided in the form of a grant to the tenant. With agreement of the landlord, the Housing Authority guarantees the last month's rent as a Letter of Credit and the tenant pays 1/12 the amount each month over one year. The Housing Authority pays the shortfall if the tenant defaults. The City also funds, through the Community Action Board, an emergency rental assistance program to prevent the eviction of tenants or homeowners for a short transition period to allow tenants to stabilize their finances.

### **Five-year Objective:**

- Continue program implementation and assist households with security deposit and last month's rent and/or emergency rent assistance.

### **4.3 "Silent Second" Mortgage Program**

Housing prices have increased so significantly since 1999 that very low, low and even moderate income households can no longer afford a home. In recognition of the high cost of housing, the City offers financial assistance to lower income buyers to purchase a home. The assistance is secured as a "silent second" mortgage loan and all payments are deferred until the property is sold, refinanced, or title transferred. To be eligible, the low income applicant must qualify for a conventional first mortgage, have at least a 5 percent down-payment, and purchase a home priced below \$506,000. In conjunction with the Beach/South of Laurel Comprehensive Area Plan, the City offers additional financial incentives to purchase homes within that neighborhood, including first priority over applicants from other areas, lower down payment requirements, and other program incentives.

### **Five-year Objective:**

- Continue implementation of silent second mortgage program and investigate additional sources of

homeownership assistance to help moderate-income households afford to buy a home.

### 4.4 Mortgage Credit Certificate

Other public agencies also offer homeownership programs. The Mortgage Credit Certificate (MCC) program is a federal program that provides tax credits to income-eligible home buyers. The program allows buyers to receive a tax credit of up to 20 percent of the annual interest paid on a mortgage. This enables homebuyers to have more income available to qualify for a mortgage loan and to make monthly payments. The MCC program has covenant restrictions to ensure the affordability of participating homes for 15 years. Santa Cruz participates through the County Housing Authority and has issued 157 MCC's since the program began. The Housing Authority determines the quantified objectives for each community.

**Five-year Objective:**

- Continue to support and advertise the program, and encourage the assistance of up to three households each year.

**4.5 Grant Application Program**

Various State, federal, and private sources provide financing for the construction of new housing and provision of supportive services. CalHome Grants, Proposition 1C, and other State and federal sources fund affordable ownership and rental housing, neighborhood revitalization efforts, special needs housing and supportive services, downtown revitalization, and a variety of other programs that address housing needs of communities across the state. Many of these programs benefit Santa Cruz residents and nonprofit organizations.

**Five-year Objective:**

- Continue to investigate and apply for additional sources of funding for new housing and supportive services.
- Investigate and apply for funds available under Proposition 1C that help meet the housing needs of Santa Cruz residents.
- Annually review and apply for appropriate funding resources for new housing and supportive services.

**4.6 Fair Housing Services**

The City contracts with California Rural Legal Assistance, Senior Network Services, Familia Center, Santa Cruz Community Counseling Center, and other organizations to provide services that improve housing opportunities. These organizations provide counseling and referrals, landlord and tenant dispute resolution, discrimination and complaint processing, education and outreach, training and technical assistance, advocacy, and relocation assistance. The City has also adopted an anti-discrimination ordinance affecting all aspects of the rental, sale, and occupancy of housing. The City supports equal opportunity lending programs and ensures that nondiscriminatory practices are followed in the selection of participants for City

housing programs. The City's 2008 Analysis of Impediments made several recommendations to improve fair housing services.

### Five-year Objective:

- Strengthen reporting and monitoring requirements for City-funded fair housing agencies and service providers.

## 5. Neighborhood Vitality

### 5.1 Code Enforcement

Code enforcement is important to ensuring that the character and quality of neighborhoods and housing is maintained. The City's Code Compliance Division inspects properties for compliance with State and local regulations governing building and property maintenance. If deficiencies are found, the property owner has a specified period of time to voluntarily correct the problem. Should corrections not occur, the City can issue citations or initiate legal action. In situations where violations threaten the safety of tenants, property owners must provide up to three months of relocation assistance. However, the City seeks voluntary compliance through educating property owners and may refer property owners to programs for available financial and technical assistance.

### Five-year Objective:

- Continue to implement code enforcement program.
- Conduct targeted code enforcement efforts in concert with the Beach/South of Laurel Comprehensive Area Plan and the HUD target areas.
- Consider expanding the Target Areas for proactive code enforcement efforts.

### 5.2 Housing Inspection Program

Given the age of housing in Santa Cruz, older homes may experience deferred maintenance or have substandard electrical or plumbing systems. Lead-based paint or asbestos may require removal to ensure the health and safety of residents. Many of these conditions may not be evident to residents or property owners. In order to improve the

quality of housing, neighborhood conditions, and health of residents, the City could benefit from a housing inspection program. Such a program would require periodic inspections to ensure the prevention and correction of housing code violations. The inspection program could be done in tandem with the City's code enforcement programs.

### Five-year Objective:

- Consider developing and staffing a self-funding pre-sale inspection program of for-sale units in conjunction with code enforcement.
- Consider developing a self-funding, pro-active inspection program for rental units in conjunction with code enforcement.

### 5.3 Housing Rehabilitation

The Unified Housing Rehabilitation Program provides federally-funded loans to low-income homeowners or rental property owners with low income tenants to upgrade housing or eliminate substandard or unsafe housing conditions. Eligible work includes repairs to electrical and plumbing systems, seismic upgrades to foundations, painting, replacement of roofing, energy conservation devices, and modifications to improve accessibility for people with disabilities. Depending on the funding sources, the loan terms require the unit to remain affordable to low income households for up to 15 years after rehabilitation.

### Five-year Objective:

- Issue home improvement loans to rehabilitate housing units, with an emphasis on the Beach/South of Laurel Area and lower Ocean Street.
- Continue to seek funding for the Lead Paint Abatement program.
- As part of a comprehensive rehabilitation project, offer loans to households for the removal of lead based paint and asbestos hazards
- Advertise availability of housing rehabilitation loans, along with home-ownership assistance, to allow people with disabilities to retrofit homes.

### 5.4 Beach/South of Laurel Comprehensive Area Plan

The Beach/South of Laurel area in Santa Cruz has long experienced disinvestment in housing and infrastructure, is home to a large proportion of the city's low-moderate income and minority households, and also experiences very low homeownership, a high prevalence of overcrowding, and substandard living conditions. Thus, the City Council has adopted the Beach/South of Laurel Comprehensive Area Plan that establishes a series of land use and circulation plans, enhanced code enforcement efforts, development and design regulations, and financial assistance programs to rehabilitate substandard housing, improve the homeownership rate, upgrade deteriorating infrastructure, and improve community services and facilities.

#### Five-year Objective:

- Continue to provide pro-active code enforcement, upgrade services and infrastructure, provide homeownership assistance, and other community development activities for the Beach/South of Laurel Area and the Neighborhood Revitalization Strategy Area.

### 5.5 Housing Replacement

The City requires developers to replace affordable housing proposed for demolition or conversion to other uses. The basic requirements are as follows: 50 percent to 100 percent of low or moderate-income bedrooms lost must be replaced (depending on the zoning district), those displaced must receive relocation assistance, and the developer must also meet the City's 15 percent inclusionary requirement. As an alternative to replacement housing, a developer can pay in-lieu fees for up to 50 percent of the total eligible bedrooms lost. These requirements have helped preserve affordable housing from recycling to market rate projects. However, the ordinance has had the unintended impact of making it financially difficult, without significant public subsidies, to demolish and replace substandard housing that contributes to neighborhood decline.

#### Five-year Objective:

- In conjunction with an economic analysis, modify the demolition/replacement ordinance to allow for the replacement of substandard housing which otherwise would lead to neighborhood decline.

## 6. Resource Conservation

### 6.1 Water Provision and Conservation

Santa Cruz receives the majority of its water supply locally from the San Lorenzo River and other surface water sources, which have also been identified as a sensitive habitat for steelhead trout. A serious drought or federally-imposed cutbacks could significantly reduce water supplies and require water rationing among customers. The City's approach to providing water to customers is twofold – conserve water usage in the short-term and improve the City's water supply and storage capacity in the long-term. The City currently implements water waste regulations, offers rebates for water-efficient home appliances, and provides technical assistance to control usage. The City's 2005 Urban Water Management Program sets forth long-term plans to address water supply issues.

#### Five-year Objective:

- Continue to require all residential, commercial and industrial buildings to be retrofitted completely with low consumption plumbing fixtures at the time of sale of the property.
- Continue to implement water conservation measures and publicize efforts at the City Hall and on the City's Water Conservation Office website at <http://www.ci.santa-cruz.ca.us>.
- Maintain and implement short and long-term contingency plans to ensure an adequate water supply for residents and business.

### 6.2 Green Building Program

Santa Cruz is committed to protecting the environment and promoting a sustainable community. To fulfill this commitment, the City established a Green Building Working Group to explore the use of green building products and sustainable design practices with the

## Housing Plan

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intent to apply them to local and regional construction projects. The program is envisioned as a progressive effort, beginning with introductory applications and voluntary compliance and incentives followed by mandatory applications in conjunction with other programs to include best management practices, deconstruction and reuse of materials, erosion control and grading ordinances, energy and waste management, and application to residential, commercial, and industrial projects.



**Five-year Objective:**

- Continue the Green Building Program for design and construction of new housing.

**6.3 Transit Oriented Development Program**

Santa Cruz’s desire to preserve environmental features, protect sensitive habitats, and shape future urban growth led to the establishment of a greenbelt surrounding the community. Residents recognized as a *quid pro quo* that future housing growth would be accommodated within a dense urban core and along major transportation corridors. The City supports connections between land uses and transportation networks (including transit, bicycle, and pedestrian) to minimize automotive dependence. To that end, the City is processing high density multifamily projects in the Downtown Core, single-room occupancy units along major corridors, and other similar projects. Zoning Ordinance incentives allow for higher density residential structures in these areas because of their proximity to transportation, public services, and facilities.

**Five-year Objective:**

- Continue to facilitate the development of transit-oriented housing projects through regulatory concessions, financial assistance, and zoning.
- Link land uses and transportation systems and promote bicycle- and pedestrian-friendly neighborhoods.

**7. Climate Change**

**7.1 Greenhouse Gas (GHG) Reduction**

The City hopes to reduce its contribution to greenhouse gas emissions through land use planning, program development, investment in energy efficient infrastructure, and increased use of renewable energy. Benefits will include reduced facility life-cycle costs and the provision of healthier home and work environments. 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. In addition

to defining shorter-term strategies to address likely impacts of climate change on city infrastructure and resources, the City must set planning goals to minimize future risks of sea level rise and climate change.

### Five-year Objective:

- Implement municipal, community, and business sections of the Climate Action Plan on energy efficiency and expanded use of renewable energy.
- Implement sections of the Climate Action Plan that reduce vehicle emissions, identify metrics for tracking success, and address objectives not met.
- Work with the Santa Cruz Regional Compact on Climate Change to draft a countywide strategy to meet GHG reduction targets.
- Support initiatives, legislation, and actions for reducing and responding to climate change.
- Continue to support the Santa Cruz Regional Compact on Climate Change, and encourage participation from other cities in the County.
- Adopt and implement key programs developed by the Regional Compact that meet city GHG reduction goals.
- Encourage community involvement and public-private partnerships to reduce and respond to global warming.
- Implement tracking and reporting procedures that meet AB32 requirements and the public interest.

## 7.2 Energy Conservation

The energy measures included in this chapter will guide Santa Cruz toward a sustainable energy future. Strategies that conserve existing energy resources and develop future renewable energy systems will help preserve nonrenewable resources for future generations, reduce long term energy costs, reduce the environmental impacts of burning fossil fuels, and help to reduce the nation's dependency on imported fuel.

### Five-year Objective:

- Continue to expand municipal energy efficiency programs to reduce building energy use to a defined level. Provide incentives for departments to meet efficiency goals.
- Complete solar analysis and implement a five year plan to increase solar generation significantly on municipal buildings.
- Establish an Energy Conservation team responsible for defining and achieving building efficiency goals.
- Promote efficiency upgrades and renewable energy projects over the use of carbon offsets to meet climate reduction goals.

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
<b>Housing Production Programs</b>				
1.1 Provision of Adequate Sites	<ul style="list-style-type: none"> <li>▪ Maintain an inventory of available vacant and underutilized sites that can accommodate new housing.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>▪ Require the preparation of Specific Plans or Area Plans for larger developable residential areas identified in the Land Use Element.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>▪ Continue to require housing production goals for the larger housing opportunity sites described in the Land Use Element.</li> </ul>	GF	PCD	2007-14
1.2 Mixed Use Developments	<ul style="list-style-type: none"> <li>▪ <u>Establish mixed-use development standards to encourage housing along transit corridors, including density levels, parking and open space requirements, and other development standards; and consider expanding the mixed-use overlay along transit corridors.</u></li> </ul>	GF	PCD	2009-10
	<ul style="list-style-type: none"> <li>▪ Complete the Ocean Street Area Plan and the RiverFront design guidelines and incentives study with an emphasis on identifying housing opportunities and mixed use development.</li> </ul>	GF RDA	PCD	2008-12
	<ul style="list-style-type: none"> <li>▪ Conduct an urban design study of major commercial corridors to further identify opportunities for redeveloping inefficient commercial space, obsolete supermarkets, and parking lots for new housing.</li> </ul>	GF	RDA PCD	2007-14

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	<ul style="list-style-type: none"> <li>Initiate study within 1 year of adoption of the Housing Element. If actual constraints are found, propose revisions within 2 years of adoption of the Housing Element.</li> </ul>	GF	RDA PCD	2010-13
1.3 Alternative Housing Types	<ul style="list-style-type: none"> <li>Create and/or revise development standards for co-housing, live/work, and other alternative and appropriate housing types which respond to Santa Cruz's diverse population and housing needs.</li> </ul>	GF	PCD	2010-12
	<ul style="list-style-type: none"> <li>Continue to implement the ADU program and monitor the effect of the new ADU ordinance on neighborhood vitality.</li> </ul>	GF CDBG CPCFA	PCD	2007-14
	<ul style="list-style-type: none"> <li>Amend the ADU program to allow larger ADUs on lots with houses listed on the historic building survey, within historic districts, and within conservation districts. The range of allowable ADUs would be increased to allow an ADU no larger than 500 sq. ft. on lots as small as 4,500 sq.ft. (where none is currently allowed), up to an ADU of 940 sq. ft. on lots over 10,000 sq. ft. in area (where the maximum ADU allowed is now 800 sq. ft.).</li> </ul>	GF	PCD	2009-10
	<ul style="list-style-type: none"> <li>Examine development regulations to identify potential barriers to the development of alternative types of housing and, if such barriers are found, develop actions to remove or modify them as feasible.</li> </ul>	GF	RDA PCD	2009-10
	<ul style="list-style-type: none"> <li>Examine the possibility of utilizing graduated density for mixed use development.</li> </ul>	GF	PCD	2009-11
	<ul style="list-style-type: none"> <li>Encourage the State to recognize appropriate non-traditional housing types as housing types.</li> </ul>	GF	PCD	2007-14
	1.4 Planned Development Permit	<ul style="list-style-type: none"> <li>Examine parking requirements and other regulatory constraints that may deter the development of Planned Developments. Initiate study within 1 year of adoption of the Housing Element.</li> </ul>	GF	PCD
1.5 Development Review Process	<ul style="list-style-type: none"> <li>Work with the development community to continue to streamline the project and design review processes to provide a greater level of certainty in the outcome of housing proposals.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Periodically audit the effectiveness of the development review process to promote efficiency</li> </ul>	GF	PCD	Annually

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	and predictability.			
	<ul style="list-style-type: none"> <li>Review the existing development fee structure, including water and sewer connection fees, to determine if the current structure is appropriate and equitable.</li> </ul>	GF EF	PCD PW W	Annually starting 2010
	<ul style="list-style-type: none"> <li>Review and adjust the fee structure for Single Occupancy Units and propose changes for City Council consideration.</li> </ul>	GF	PCD	Annually starting 2010
1.6 Public Education and Participation	<ul style="list-style-type: none"> <li>Continue to provide accurate and clear information to the public and the development community about City policies and the development review process and make such information available at the public counter.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Continue to develop educational materials such as brochures and videos that provide information on the development process, planning and housing issues as program change.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Continue to ensure that information is accessible and available to all members of the community on the City's web page and at the public counter.</li> </ul>	GF	PCD	2007-14
<b>Affordable Housing Programs</b>				
2.1 Affordable Housing Ordinance	<ul style="list-style-type: none"> <li>Examine whether current inclusionary program requirements, in tandem with market conditions, make the development of affordable housing difficult without significant public subsidy. Initiate study within 1 year of adoption of the Housing Element.</li> </ul>	GF	PCD	2009-10
	<ul style="list-style-type: none"> <li>Examine the feasibility of modifying the current program to add flexibility and incentives that could encourage the private market to build affordable units and minimize the public assistance needed to make projects feasible.</li> </ul>	GF	PCD	2009-12
	<ul style="list-style-type: none"> <li><u>Prioritize a portion of public housing funds for the extremely-low income household housing category.</u></li> </ul>	CDBG GF	PCD	2007-14
2.2 Regulatory and Financial Incentives	<ul style="list-style-type: none"> <li>Identify other residential projects for City financial or regulatory incentives subject to City Council approval.</li> </ul>	CDBG HOME RDA	RDA	2007-14
2.3 Density Bonus Program	<ul style="list-style-type: none"> <li>Continue implementation of the density bonus ordinance.</li> </ul>	GF	PCD	2007-14

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	<ul style="list-style-type: none"> <li>Evaluate and revise the City residential development standards to ensure housing projects can be built at the maximum density allowed under the underlying district.</li> </ul>	GF	PCD	Annually starting 2010
2.4 Public-Private Housing Partnerships	<ul style="list-style-type: none"> <li>Continue to encourage public-private housing partnerships as a means to incentivize the production of affordable housing and build local capacity to manage such projects.</li> </ul>	GF	PCD RDA	2007-14
	<ul style="list-style-type: none"> <li>Explore creative approaches to developing and financing affordable housing such as the establishment of a Housing Trust fund, “sweat equity” program, or other innovative methods.</li> </ul>	GF	PCD RDA NP	2007-14
2.5 Preservation of Housing Opportunities	<ul style="list-style-type: none"> <li>Continue implementation of the condominium conversion ordinance.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Maintain current mobilehome rent stabilization and conversion regulations to preserve 360 mobilehomes in parks in the community.</li> </ul>	GF	PCD	2007-14
2.6 Preservation of At-Risk Affordable Housing	<ul style="list-style-type: none"> <li>Work with interested agencies and community organizations to preserve at-risk units by monitoring their status, providing technical and/or financial assistance in return for extended affordability controls, and ensuring proper tenant notification prior to project conversion.</li> </ul>	CDBG HOME RDA	PCD RDA	2007-14
	<ul style="list-style-type: none"> <li>Assist projects approved by City Council in return for extensions of their affordability controls for as long as feasible.</li> </ul>	CDBG HOME RDA	PCD RDA NP	2007-14
<b>Special Housing Needs Programs</b>				
3.1 Housing for Families with Children	<ul style="list-style-type: none"> <li>Work with non-profit organizations to identify other proposed housing projects suitable to families with children and consider use of City financial assistance, subject to Redevelopment Agency approval, to facilitate and encourage their development.</li> </ul>	RDA NP	RDA PCD NP	2007-14
	<ul style="list-style-type: none"> <li>Encourage the development of child care opportunities in conjunction with residential development.</li> </ul>	RDA NP	PCD	2007-14
3.2 Children and Youth Development	<ul style="list-style-type: none"> <li>Continue to assist nonprofit and for-profit organizations that provide services, to children, youth, and families with children.</li> </ul>	CDBG	PCD RDA NP	2007-14
	<ul style="list-style-type: none"> <li>Encourage the establishment of child care centers in appropriate locations and consider modified</li> </ul>	GF	PCD City	2007-14

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	zoning standards and review procedures and other incentives to facilitate their development.		Office of Ed	
	<ul style="list-style-type: none"> <li>Facilitate establishment of family daycare in single-family homes by considering modified permit fees and zoning standards including parking requirements and fence heights. Ensure the zoning code reflects State laws including protecting renters operating family daycare homes.</li> </ul>	GF	PCD	2007-14
3.3 Continuum of Care	<ul style="list-style-type: none"> <li>Continue to implement current programs aimed at the reduction and the prevention of homelessness.</li> </ul>	CDBG	PCD NP	2007-14
	<ul style="list-style-type: none"> <li>Participate with other Santa Cruz County communities in implementing the County's Five-Year Strategic Plan on Homelessness (2003-2007).</li> </ul>	CDBG	PDC	2007-14
	<ul style="list-style-type: none"> <li>Consider the recommendations of the City's Housing Strategy.</li> </ul>	GF	PCD RDA	2009-11
	<ul style="list-style-type: none"> <li><u>Within one year of the housing element adoption, amend the Zoning Ordinance to allow the development of emergency shelters in the Public Facility (PF) zone district without a conditional use permit or other discretionary review. In addition the City will evaluate adopting development and managerial standards that will be consistent with the Government Code Section 65583(a)(4). These standards may include such items as:</u> <ul style="list-style-type: none"> <li><u>Lighting</u></li> <li><u>On-site Management</u></li> <li><u>Maximum number of beds or persons to be served</u></li> <li><u>Off-street parking based on demonstrated need; and</u></li> <li><u>Security during hours that the shelter is in operation</u></li> </ul> </li> </ul>	GF	PCD	2009-10
3.4 Supportive Living Housing Services	<ul style="list-style-type: none"> <li><u>Within one year of the housing element adoption, amend the Zoning Ordinance to include separate definitions of transitional and supportive housing as defined in Section 50675.2 of the Health and Safety Code. Further amend the Zoning Ordinance to allow transitional and supportive housing types as a permitted use subject to only the same restrictions on residential uses in the</u></li> </ul>	GF	PCD	2009-10

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	<u>same type of structure.</u>			
	<ul style="list-style-type: none"> <li>Continue supporting organizations in maintaining permanent supportive housing and providing assistance to special needs groups.</li> </ul>	CDBG	RDA NP	2007-14
	<ul style="list-style-type: none"> <li>Encourage the location of permanent supportive housing for the able-bodied in residential settings or other locations readily accessible to public amenities, public transit, shopping, and supportive services.</li> </ul>	GF CDBG	PCD RDA NP	2007-14
3.5 Student Housing	<ul style="list-style-type: none"> <li>Continue to collaborate with UCSC on ways to increase the supply of student, faculty, and staff housing serving the University campus.</li> </ul>	GF State Bonds	UCSC PCD	2007-14
	<ul style="list-style-type: none"> <li>Promote housing strategies that reflect student housing needs including affordability and the siting of high density apartments and townhouses along transit corridors.</li> </ul>	GF State Bonds	UCSC PCD	2007-14
	<ul style="list-style-type: none"> <li>Support State and federal legislation that would advance the housing goals of the community, such as increasing the funding for housing at University of California campuses.</li> </ul>	GF State Bonds	UCSC PCD	2007-14
	<ul style="list-style-type: none"> <li>Explore innovative methodologies for development, funding models, and delivery methods for new housing.</li> </ul>	GF State Bonds	UCSC PCD	2007-14
	<ul style="list-style-type: none"> <li>Implement a code enforcement program in conjunction with the University that will monitor rental housing within the city.</li> </ul>	UCSC GF	UCSC PCD	2009-10
	<ul style="list-style-type: none"> <li>Fund two new code compliance specialists to implement the above programs.</li> </ul>	UCSC GF	UCSC PCD	2009-10
3.6 Housing for Persons with Disabilities	<ul style="list-style-type: none"> <li>Work with other Santa Cruz County jurisdictions and the County Housing Authority to support the compilation and publicizing of housing accessible to persons with disabilities.</li> </ul>	GF CDBG	PCD RDA HA	2007-14
	<ul style="list-style-type: none"> <li><u>Revise the Uniform Housing Rehabilitation Program Guidelines to allow tenants to apply for grants to retrofit homes for accessibility, and pursue grant funding to support this program.</u></li> </ul>	CDBG GF	RDA	2009-10
	<ul style="list-style-type: none"> <li><u>Amend the City's Zoning Code to provide individuals with disability reasonable</u></li> </ul>	GF	PCD	2009-10



**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	<u>accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing. The purpose of this is to provide to improve the existing process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning or building laws of the City.</u>			
3.7 Housing and Community Development Program	<ul style="list-style-type: none"> <li>Continue funding nonprofit human service and housing development organizations through the City's Housing and Community Development Program subject to funding availability and City Council approval.</li> </ul>	CDBG HOME GF	PCD RDA	2007-14
<b>Housing Assistance Programs</b>				
4.1 Housing Choice Vouchers	<ul style="list-style-type: none"> <li>Work with Santa Cruz County jurisdictions and interested community organizations to continue to advocate for a payment standard that keeps pace with changes in market rents.</li> </ul>	RDA	HA PCD	2007-14
	<ul style="list-style-type: none"> <li>Advertise the Section 8 program to property owners.</li> </ul>	RDA	HA PCD	2007-14
4.2 Rental Assistance	<ul style="list-style-type: none"> <li>Continue program implementation and assist households with security deposit and last month's rent and/or emergency rent assistance.</li> </ul>	RDA	HA CAB	2007-14
4.3 Silent Second Mortgage Program	<ul style="list-style-type: none"> <li>Continue implementation of silent second mortgage program and investigate additional sources of homeownership assistance to help moderate-income households afford to buy a home.</li> </ul>	HOME RDA	RDA	2007-14
4.4 Mortgage Credit Certificate	<ul style="list-style-type: none"> <li>Continue to support and advertise the program, and encourage the assistance of up to three households each year.</li> </ul>	RDA	HA RDA	2007-14
4.5 Grant Application Program	<ul style="list-style-type: none"> <li>Investigate and apply for funds available under Proposition 1C that help meet the housing needs of Santa Cruz residents.</li> </ul>	GF CDBG	PCD RDA	2007-14
	<ul style="list-style-type: none"> <li>Continue to investigate and apply for additional sources of funding for new housing and supportive services.</li> </ul>	GF CDBG	PCD RDA	2007-14 2007-14
	<ul style="list-style-type: none"> <li>Annually review and apply for appropriate funding resources for new housing supportive services.</li> </ul>	GF	RDA	2007-14
4.6 Fair Housing Services	<ul style="list-style-type: none"> <li>Strengthen reporting and monitoring requirements for City-funded fair housing agencies and service</li> </ul>	CDBG	RDA	2007-14

## Housing Plan

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	providers.			
<b>Neighborhood Vitality Programs</b>				
5.1 Code Enforcement	<ul style="list-style-type: none"> <li>Continue to implement code enforcement program.</li> </ul>	CDBG GF	RDA	2007-14
	<ul style="list-style-type: none"> <li>Conduct targeted code enforcement efforts in concert with the Beach/South of Laurel Comprehensive Area Plan and the HUD target areas.</li> </ul>	CDBG	RDA	2007-14
	<ul style="list-style-type: none"> <li>Consider expanding the Target Areas for proactive code enforcement efforts.</li> </ul>	CDBG	RDA	2007-14
5.2 Housing Inspection Program	<ul style="list-style-type: none"> <li>Consider developing and staffing a self-funding pre-sale inspection program of for-sale units in conjunction with code enforcement.</li> </ul>	CDBG GF	PCD RDA	2007-14
	<ul style="list-style-type: none"> <li>Consider developing a self-funding, pro-active inspection program for rental units in conjunction with code enforcement.</li> </ul>	CDBG GF	PCD RDA	2009-10
5.3 Housing Rehabilitation	<ul style="list-style-type: none"> <li>Issue home improvement loans to rehabilitate housing units, with an emphasis on the Beach/South of Laurel Area and lower Ocean Street.</li> </ul>	CDBG HOME RDA	RDA	2007-14
	<ul style="list-style-type: none"> <li>Continue to seek funding for the Lead Paint Abatement program.</li> </ul>	CDBG HOME	RDA	2007-14
	<ul style="list-style-type: none"> <li>As part of a comprehensive rehabilitation project, offer loans to households for the removal of lead based paint and asbestos hazards</li> </ul>	CDBG HOME	RDA	2007-14
	<ul style="list-style-type: none"> <li>Advertise availability of housing rehabilitation loans, along with home-ownership assistance, to allow people with disabilities to retrofit homes.</li> </ul>	CDBG HOME	RDA	2007-14
5.4 Beach/South of Laurel Comprehensive Area Plan	<ul style="list-style-type: none"> <li>Continue to provide pro-active code enforcement, upgrade services and infrastructure, provide homeownership assistance, and other community development activities for the Beach/South of Laurel and the Neighborhood Revitalization Strategy Area.</li> </ul>	CDBG HOME	RDA	2007-14
5.5 Housing Replacement	<ul style="list-style-type: none"> <li>In conjunction with an economic analysis, modify the demolition/replacement ordinance to allow for the replacement of substandard housing which otherwise would lead to neighborhood decline.</li> </ul>	GF	PCD	2007-14
<b>Resource Conservation Programs</b>				
6.1 Water	<ul style="list-style-type: none"> <li>Continue to require all residential, commercial</li> </ul>	EF	W	2007-14

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
Provision and Conservation	and industrial buildings to be retrofitted completely with low consumption plumbing fixtures at the time of sale of the property.			
	<ul style="list-style-type: none"> <li>Continue to implement water conservation measures and publicize efforts at the City Hall and on the City’s Water Conservation Office website at <a href="http://www.ci.santa-cruz.ca.us">www.ci.santa-cruz.ca.us</a></li> </ul>	EF	W	2007-14
	<ul style="list-style-type: none"> <li>Maintain and implement short and long-term contingency plans to ensure an adequate water supply for residents and business.</li> </ul>	EF	W	2007-14
6.2 Green Building Program	<ul style="list-style-type: none"> <li>Continue the Green Building Program for design and construction of new housing.</li> </ul>	GF	PCD	2007-14
6.3 Transit Oriented Development	<ul style="list-style-type: none"> <li>Continue to facilitate the development of transit-oriented housing projects through regulatory concessions, financial assistance, and zoning.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Link land uses and transportation systems and promote bicycle- and pedestrian-friendly neighborhoods.</li> </ul>	GF	PCD	2007-14
<b>Climate Change Programs</b>				
7.1 Greenhouse Gas (GHG) Reduction	<ul style="list-style-type: none"> <li>Implement municipal, community, and business sections of the Climate Action Plan on energy efficiency and expanded use of renewable energy.</li> </ul>	GF	PCD	2009-12
	<ul style="list-style-type: none"> <li>Implement sections of the Climate Action Plan that reduce vehicle emissions, identify metrics for tracking success, and address objectives not met.</li> </ul>	GF	PCD	2009-12
	<ul style="list-style-type: none"> <li>Work with the Santa Cruz Regional Compact on Climate Change to draft a countywide strategy to meet GHG reduction targets.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Support initiatives, legislation, and actions for reducing and responding to climate change.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Continue to support the Santa Cruz Regional Compact on Climate Change, and encourage participation from other cities in the County.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Adopt and implement key programs developed by the Regional Compact that meet city GHG reduction goals.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>Encourage community involvement and public-private partnerships to reduce and respond to</li> </ul>	GF	PCD	2007-14

**Table 6-3  
Summary of Quantified Objectives and Implementation**

Housing Program	Five Year Objectives	Funding Source	Agency	Time-Frame
	global warming.			
	<ul style="list-style-type: none"> <li>▪ Implement tracking and reporting procedures that meet AB32 requirements and the public interest.</li> </ul>	GF	PCD	2007-14
7.2 Energy Conservation	<ul style="list-style-type: none"> <li>▪ Continue to expand municipal energy efficiency programs to reduce building energy use to a defined level. Provide incentives for departments to meet efficiency goals.</li> </ul>	GF	PCD	2007-14
	<ul style="list-style-type: none"> <li>▪ Complete solar analysis and implement a five year plan to increase solar generation significantly on municipal buildings.</li> </ul>	GF	PCD PW	2007-14
	<ul style="list-style-type: none"> <li>▪ Establish an Energy Conservation team responsible for defining and achieving building efficiency goals.</li> </ul>	GF	PCD PW	2007-09
	<ul style="list-style-type: none"> <li>▪ Promote efficiency upgrades and renewable energy projects over the use of carbon offsets to meet climate reduction goals.</li> </ul>	GF	PCD PW	2007-14

**Notations:**

PCD = Planning and Community Development Department  
 RDA = Redevelopment Agency/Redevelopment Agency Set Aside Funds  
 W = Water Department  
 PW = Public Works Department  
 NP = Non-Profit Organizations  
 CAB = Community Action Board  
 HA = Housing Authority of the County of Santa Cruz  
 CDBG = Community Development Block Grants  
 GF = General Fund  
 HOME = HOME Program  
 CPCFA = California Pollution Control Financing Authority Grant  
 EF = Entitlement Fund

## Inventory of Affordable Housing in Santa Cruz

Project Name and Address	Housing Characteristics			Affordability Levels			Funding Information		
	Total Units	Afford Units	Unit Type	VLow	Low	Mod	Fund * Source	Year Entered	Afford. Expires
1008 Soquel Ave	15	2	SRO	0	2	0	Meas. O	2003	Perpetuity
1010 Pacific Ave	112	44	APT	22	0	22	LIHTC	Building	2058
106 Campbell/307 Barson	7	1	APT	0	1	0	Meas. O	1999	Perpetuity
1111-A River St	7	1	L/W	0	1	0	Meas. O	2003	Perpetuity
115 Dubois St	49	7	SRO				Meas. O	pending	Perpetuity
1223 Broadway	5	5	APT	5	0	0	P.H.		Perpetuity
125 Sycamore St	60	59	APT	50	9	0	LIHTC*	1998	Perpetuity
140 Vernon St	29	4	SRO	0	4	0	Meas. O	1999	Perpetuity
143 Bixby St.	4	4	PSH	4	0	0	HOME	Building	2024
1430-1438 N. Branciforte		1	SFD			1	Meas. O	Pending	Perpetuity
175 Belvedere Terrace	6	1	APT				Meas. O	Pending	Perpetuity
195 Harvey West Blvd.	15	2	APT	0	2	0	Meas. O	Pending	Perpetuity
205 Maple St	11	2	SRO	0	2	0	Meas. O	2002	Perpetuity
206 Locust St.	2	2	MFD	0	2	0	CDBG	1988	2018
219 Fern St	8	1	SRO	1	1	0	Meas. O	2001	Perpetuity
251 High Str	10	1	APT	0	1	0	Meas. O	Pending	Perpetuity
269 Goss Ave	7	1	SFD	0	0	1	Meas. O	Pending	Perpetuity
301 La Fonda	12	12	APT	12	0	0	P.H.		Perpetuity
313 Spruce St, 1-7	6	1	APT	0	1	0	Owner*	1980	Perpetuity
314 Jessie St	14	13	SRO	11	2	0	Meas. O*	2002	Perpetuity
502/ 506 Soquel Ave	34	5	SRO	0	5	0	Meas. O	2003	Perpetuity
505 Leibrandt Ave.	7	7	APT	2	4	1	HOME	2000	2030
520 Laurel St	5	1	APT	0	1	0	Meas. O	1999	Perpetuity
718 Water St	9	9	MFD				FEMA 403		2022
81 Grandview St	15	15	APT	15	0	0	P.H.		2012
Arbor Cove 84 Blackburn	35	35	APT	35	0	0	Sec 202	1982	2022
Belmont Court 142 Belmont St	6	1	APT	0	1	0	Meas. O	1989	2019
Bergman Apts. A1-C 226 Mora St	6	1	APT	0	1	0	Meas. O	1990	2020
Branciforte Commons 632 Water St	53	13	SRO	0	13	0	Meas. O	Pending	Perpetuity
Brooke Hill 109-127 Button St.	9	1	TH	0	0	1	Meas. O	1995	Perpetuity
Brookside Glen 101-156 Stoneycreek Rd	40	6	TH	0	0	6	Meas. O	1984	2015
Chestnut St. Apts 131-150 Chestnut St	96	14	APT/TH	0	0	14	Owner*	2002	Perpetuity

**Appendix  
A**

**Inventory of Affordable Housing in Santa Cruz**

Project Name and Address	Housing Characteristics			Affordability Levels			Funding Information		
	Total Units	Afford Units	Unit Type	VLow	Low	Mod	Fund * Source	Year Entered	Afford. Expires
Chestnut St. Com. 739-757 Chestnut St	10	1	TH	0	1	0	Meas. O	1988	2019
City Bluff 208 Bay St	10	1	TH	0	1	0	Meas. O	2003	Perpetuity
Claremont Cove 100-155 Claremont Terrace	41	1	TH	0	0	1	Meas. O	1995	2025
Community House 109 Coral St	9	8	Transitio n	8	0	0	Owner*	1998	Perpetuity
Downtown Manor 126 Front St	26	26	MFD				FEMA 403		2027
Downtown Villas 130-148 Walti St	9	1	SFD	0	0	1	Meas. O	1997	Perpetuity
Downtown Villas 612 Washington St.	5	5	APT	5	0	0	CALDAP*	1995	Perpetuity
El Centro 1108 Pacific Ave	45	44	SRO	44	0	0	LIHTC*	1993	2024
El Rio Mobilehome Park 2120 N. Pacific Ave.	91	91	Co-Op	0	91	0	CDBG/ HOME		Perpetuity
Frederick St. Apts 517-33 Frederick St	36	5	APT	5	0	0	Meas. O	1986	2019
Garfield Park 721 Bay St	94	19	APT	94	0	0	Sec 202	1964	2024
Gault Street 211 Gault St	37	37	APT	37	0	0	Sec 202	Building	2023
Guarte Building 1114 Pacific Ave	24	4	SRO	0	4	0	CALDAP*	1993	2023
Hanover Court 10-36 Hanover Ct	5	1	TH	0	0	1	Meas. O	1996	Perpetuity
Harbor Heights 114-131 Abby Ct	7	1	TH	0	0	1	Meas. O	1992	Perpetuity
Heiner House 301 Elm St	5	5	GH	5	0	0	CALDAP*	1994	2024
Hidden Creek 200 Button St	95	95	APT	95	0	0	ModRehab	1994	2009/20010
Holway Cottages 125-135 Holway Dr.	6	1	TH	0	0	1	Meas. O	1994	Perpetuity
La Playa 304 Riverside/216 Leibrandt	8	8	APT	3	5	0	LIHTC*	1994	2024
La Posada 609 Frederick St	150	119	APT	0	119	0	221(d)(4)	1980	2010
Magnolia Park	9	1	SFD	0	0	1	Measure O	2003	Perpetuity

## Inventory of Affordable Housing in Santa Cruz

Project Name and Address	Housing Characteristics			Affordability Levels			Funding Information		
	Total Units	Afford Units	Unit Type	VLow	Low	Mod	Fund * Source	Year Entered	Afford. Expires
225 Button St.									
Marina Green 101-121 Annie Lane	16	2	TH	0	0	2	Meas. O	1992	Perpetuity
Mariners Cove 125 Chestnut St.	84	26	Condo	0	0	26	RDA	1997	n/a
Mission Gardens 90 Grandview St	50	50	APT	50	0	0	CHFA	1982	2021
Mission Gardens VI 65 Grandview St, A-J	10	1	Condo	0	0	1	Meas. O	1984	2014
Mountain View Court 15-39 Mountain View Ct	7	1	TH	0	0	1	Meas. O	1995	Perpetuity
Neary Lagoon Coop 75-99 Chestnut St	95	95	Co-Op	64	31	0	LIHTC	1989	Perpetuity
Nueva Vista 124 Leibrandt	48	47	APT	39	8	0	LIHTC	Building	2058
Ocean Street Terrace 1642-1652 Ocean St.	6	1	TH	0	0	1	Meas. O	1989	2020
Pacific Shores 1280 Shaffer Rd	206	83	APT	21	62	0	LIHTC	Building	2058
Palomar Inn 1344 Pacific Ave.	97	97	SRO	0	97	0	CALDAP	1987	2010
Rancho Carbonera So. Rappetta/El Rancho Dr	13	2	TH	2	0	0	Meas. O	2002	Perpetuity
River Run 161-179 Pryce St.	14	3	TH	0	0	2	Meas. O	1984	2014
River Street Place 308 River St	36	5	Condo	0	0	5	Meas. O	1993	Perpetuity
River Street West 250 River St.	34	7	Condo	0	0	7	Meas. O	1985	2016
Riverfront Apts 146 Blaine St	71	70	APT	71	0	0	Section 8	1983	2013
Roosevelt Terrace 200-225 Roosevelt Terrace	21	3	SFD	0	0	3	Meas. O	1995	Perpetuity
Saint George Hotel 1520 Front St	124	71	SRO	20	51	0	CALDAP*	1993	2023
San Lorenzo Park Apts. 134 Dakota Ave	78	77	APT	77	0	0	221(d)(4)	1977	2012
Sash Mill Apts 303 Potrero St	16	2	L/W	0	2	0	Meas. O	1986	2017
SCAP House 223 Darwin St	5	5	SFD	5	0	0	FEMA 403		2022
Seabright I and II	12	3	TH	0	0	3	Replace	1984	2014

**Appendix  
A**

**Inventory of Affordable Housing in Santa Cruz**

Project Name and Address	Housing Characteristics			Affordability Levels			Funding Information		
	Total Units	Afford Units	Unit Type	VLow	Low	Mod	Fund * Source	Year Entered	Afford. Expires
116-124 2 <sup>nd</sup> Ave.									
Seabright I and II 123- 131 3rd Ave.	**	3	APT	0	0	3	Replace	1984	2014
Shoreline Apts 701 Beach St.	45	45	APT	45	0	0	ModRehab	1993	2009/2010
South Pacific 401 Pacific Ave	71	11	SRO		11		Meas. O	2003	Perpetuity
Southview Terrace 250 Grandview St	52	7	TH	0	7	0	Meas. O	2002	Perpetuity
Spruce St.	22	22	MFD	0	22	0	CDBG	1989	2019
Sunshine Villa 80 Front St	163	26	beds	0	26	0	Meas. O	1989	2019
The Garden 1410 Ocean St	49	49	MFD				FEMA 403		2027
Village Highlands 90-503 Village Circle	47	7	TH	0	0	7	Meas. O	1994	Perpetuity
Washburn St.	7	7	MFD	0	7	0	CDBG	1989	2019
Washington St. Coop 333-341 Washington	8	8	Co-Op	2	6	0	CDBG	1991	2041
251 High Street, #9	10	1	MFD	1			Meas. O	2005	Perpetuity
108 Second Street	44	7	SRO			7	Meas. O	2008	?
1040 River St	100	100	MFD	100			Meas. O	2009	2087
1606 Soquel Ave	36	13	SRO	6	7		Meas. O	2008	?
1041 Cayuga St	15	15	PSH	13	2		Meas. O/HUD	2007	2061
111 Barson St	14	14	MFD	14			Meas. O/HUD	2006	2051
211 Gault St	37	37	MFD	37			Meas. O/HUD	2004	2057
225 Jackson St	1	1	ADU	1				2007	Perpetuity
536 Wilkes Circle	1	1	ADU			1		2007	Perpetuity
222 Miramar St	1	1	ADU			1		2006	Perpetuity
124 Reed Way	1	1	ADU			1		2006	Perpetuity
218 Keystone Ave	1	1	ADU			1		2006	Perpetuity
219 Laurent St	1	1	ADU			1		2007	Perpetuity
131 Dake Ave	1	1	ADU			1		2006	Perpetuity
420 Alta Ave	1	1	ADU			1		2007	Perpetuity
1107 Escalona Dr	1	1	ADU			1		2008	Perpetuity
350 Fairmount Ave	1	1	ADU			1		2007	Perpetuity
225 Santa Cruz St	1	1	ADU			1		2009	Perpetuity
1811 King St	1	1	ADU	1				2009	Perpetuity



**APPENDIX B1: RESIDENTIAL LAND INVENTORY**

Street #	Street Name	Existing Land Use	Acres	Zoning	General Plan Designation	Allowable Density	Constraints	Potential Units	Expected Units During Planning Period
<b>Single Family Residential</b>									
4-11	Laguna St	Vacant	0.14	R-1-5	Low	1 to 8.7 units/acre	BUT, C	1	1
4-31	Treveltham Ave	Vacant	0.21	R-1-5	Low	1 to 8.7 units/acre	N/A	2	1
1-75	Delaveaga Park Rd	Vacant	1.82	R-1-5	Low	1 to 8.7 units/acre	N/A	16	1
1-43	Branciforte Dr	Vacant	0.31	R-1-5	Low	1 to 8.7 units/acre	ARA	3	1
1-09	Delaware Ave	Vacant	11.10	R-1-5	Low	1 to 8.7 units/acre	C, S, ARA, BUT	97	14
1-49	Forest Ave	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	N/A	1	1
1-16	Ocean St Ext	Vacant	2.63	R-1-5	Low	1 to 8.7 units/acre	ARA, HAB, F	23	2
2-19	Highland Ave	Vacant	1.09	R-1-5	Low	1 to 8.7 units/acre	ARA, HAB	9	1
1-03	N. Branciforte Ave	Vacant	0.72	R-1-5	Low	1 to 8.7 units/acre	ARA	6	1
1-18	Highland Ave	Vacant	0.53	R-1-5	Low	1 to 8.7 units/acre	ARA, BUT	5	1
1-03	Pacheco Ave	Vacant	0.45	R-1-5	Low	1 to 8.7 units/acre	N/A	4	1
1-19	Highland Ave	Vacant	0.41	R-1-5	Low	1 to 8.7 units/acre	ARA, BUT	4	1
3-28	Highland Ave	Vacant	0.29	R-1-5	Low	1 to 8.7 units/acre	ARA, B	3	1
1-05	Seaside St	Vacant	0.26	R-1-5	Low	1 to 8.7 units/acre	N/A	2	1

3-20	107	West Ave	Vacant	0.22	R-1-5	Low	1 to 8.7 units/acre	N/A	2	1
2-02	107	Arroyo Ct	Vacant	0.21	R-1-5	Low	1 to 8.7 units/acre	N/A	2	1
1-06	146	Pelton Ave	Vacant	0.21	R-1-5	Low	1 to 8.7 units/acre	C	2	1
3-30	701	Highland Ave	Vacant	0.19	R-1-5	Low	1 to 8.7 units/acre	ARA	2	1
1-07	190	Isbel Dr	Vacant	0.19	R-1-5	Low	1 to 8.7 units/acre	N/A	2	1
3-09	N/A	Fair Ave	Vacant	0.18	R-1-5	Low	1 to 8.7 units/acre	C	2	1
1-01	321	Bay St	Vacant	0.18	R-1-5	Low	1 to 8.7 units/acre	ARS, ARA, C	2	1
2-43	615	Escalona Dr	Vacant	0.18	R-1-5	Low	1 to 8.7 units/acre	ARA	2	1
2-60	N/A	4th Ave	Vacant	0.18	R-1-5	Low	1 to 8.7 units/acre	ARA, B, C, S	2	1
1-53	648	Highland Ave	Vacant	0.18	R-1-5	Low	1 to 8.7 units/acre	ARA	2	1
1-06	2206	West Cliff Dr	Vacant	0.17	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
4-40	111	Merced Ave	Vacant	0.17	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
4-41	N/A	Merced Ave	Vacant	0.13	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
2-15	211	Gharkey St	Vacant	0.17	R-1-5	Low	1 to 8.7 units/acre	C	1	1
2-15	301	Buena Vista Ave	Vacant	0.17	R-1-5	Low	1 to 8.7 units/acre	ARA, BUT, HAB, C, F, S	1	1
2-06	145	Bethany Curv	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
3-21	N/A	Centennial St	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	BUT, C	1	1
1-36	437	High St	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	ARA	1	1

2-2-67	122	Fairview Pl	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	ARA, C, S	1	1
1-49	N/A	Forest Ave	Vacant	0.16	R-1-5	Low	1 to 8.7 units/acre	N/A	1	1
3-28	N/A	King St	Vacant	0.15	R-1-5	Low	1 to 8.7 units/acre	N/A	1	1
3-21	235	Alta Ave	Vacant	0.15	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
1-24	1102	West Cliff Dr	Vacant	0.15	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
2-04	1003	Pelton Ave	Vacant	0.15	R-1-5	Low	1 to 8.7 units/acre	C, S	1	1
2-05	N/A	Buena Vista Ave	Vacant	0.15	R-1-5	Low	1 to 8.7 units/acre	ARA, BUT, C, S	1	1
3-10	633	Branciforte Dr	Vacant	0.51	R-1-7	Low	1 to 6.2 units/acre	HAB	3	1
1-35	227	Isbel Dr	Vacant	0.33	R-1-7	Low	1 to 6.2 units/acre	N/A	2	1
2-19	238	Carbonera Dr	Vacant	0.31	R-1-7	Low	1 to 6.2 units/acre	N/A	2	1
3-09	617	Branciforte Dr	Vacant	0.28	R-1-7	Low	1 to 6.2 units/acre	HAB	2	0
4-03	221	Calcita Dr	Vacant	0.23	R-1-7	Low	1 to 6.2 units/acre	N/A	1	0
1-24	106	South Rapetta Rd	Vacant	0.19	R-1-7	Low	1 to 6.2 units/acre	N/A	1	0
3-08	601	Branciforte Dr	Vacant	0.16	R-1-7	Low	1 to 6.2 units/acre	HAB	1	0
3-07	303	Esmeralda Dr	Vacant	0.16	R-1-7	Low	1 to 6.2 units/acre		1	0
2-40	430	Meder St	Vacant	4.42	R-1-10	Low	1 to 4.4 units/acre	BUT	19	1
4-02	1930	Ocean St Ex	Vacant	2.74	R-1-10	Low	1 to 4.4 units/acre	ARA	12	1
4-01	1950	Ocean St Ex	Vacant	0.99	R-1-10	Low	1 to 4.4 units/acre	ARA	4	1

4-38	1455	High St	Vacant	0.51	R-1-10	Low	1 to 4.4 units/acre	C	2	1
2-37	850	Western Dr	Vacant	0.41	R-1-10	Low	1 to 4.4 units/acre	BUT	2	1
2-30	1032	Western Dr	Vacant	0.40	R-1-10	Low	1 to 4.4 units/acre	N/A	2	1
1-79	N/A	Spring St	Vacant	0.37	R-1-10	Low	1 to 4.4 units/acre	ARA	2	1
4-41	1459	High St	Vacant	0.27	R-1-10	Low	1 to 4.4 units/acre	C	1	1
1-41	112	Pasture Rd	Vacant	0.26	R-1-10	Low	1 to 4.4 units/acre	ARA	1	1
2-07	113	Pasture Rd	Vacant	0.26	R-1-10	Low	1 to 4.4 units/acre	ARA	1	1
2-41	435	Meder St	Vacant	0.23	R-1-10	Low	1 to 4.4 units/acre	BUT	1	1
1-15	N/A	Western Dr	Vacant	0.17	R-1-10	Low	1 to 4.4 units/acre	C, S	1	1
2-10	525	Meder St	Vacant	1.82	RS1A	Very Low	1 unit/acre	C	1	1
199	Total units for potential single-family development*									
275										

### Multifamily Residential

2-04	N/A	Riverside Ave	Vacant	0.23	RM	M	19.8 to 30 units/acre	C, E, F, S	7	4
1-15	N/A	Kennan St	Vacant	0.19	RM	M	19.8 to 30 units/acre	E, F	6	3
3-17	156	Blaine St	Vacant	0.16	RM	M	19.8 to 30 units/acre	E	5	2
2-2-20	258	San Lorenzo Blvd	Vacant	0.15	RM	M	19.8 to 30 units/acre	C, E, F, S	5	2
2-11	1250	River St	Vacant	0.32	RL	LM	8.7 to 19.8 units/acre	HAB	6	3
1-17	224	Owen St	Vacant	0.31	RL	LM	8.7 to 19.8 units/acre	C	6	3
2-40	140	S. Branciforte Ave	Vacant	0.22	RL	LM	8.7 to 19.8 units/acre	ARA, BUT, C, S	4	2

2-57	314	Pennsylvania Ave	Vacant	0.18	RL	LM	8.7 to 19.8 units/acre	B	4	2
3-28	N/A	Center St	Vacant	0.23	RL	LM	8.7 to 19.8 units/acre	C, E, F, I, M	5	2
3-32	232	Center St	Vacant	0.12	RL	LM	8.7 to 19.8 units/acre	C, E, F, I, M	2	1
3-01	140	Front	Vacant	1.10	RH	HD	30.1 to 55 units per acre*	C, E, ARA	55	55
2-01	220	Front	50% vacant - uses to be relocated	0.60	RH	HD	30.1 to 55 units per acre*	C, E, ARA	40	40
Total units for multi-family residential development*									144	119

Units are based on approximately 25% vacant during the Housing Element period per the Zone District.

Units are based on 50% construction during the Housing Element period per the Zone District.

Units are based on a minimum of 55 units but General Plan 1.2 will require the maximum development for site as the site is relatively unconstrained.

**KEY**

Code	Description
A	Archeological Area
B	Butterfly Habitat
C	Historic Building
ARA	Coastal Zone

	Levee Flood Improvement DT
	Flood Plain Overlay
3	Sensitive Habitat Area

**APPENDIX B2: LAND INVENTORY CORRIDOR PARCELS**

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
<b>Opportunity Areas on Corridors</b>								
002-223-31	1	CM	CC	20.1-30 units/a	0.23	Yes	PKG	0.00
002-223-32	1	CM	CC	20.1-30 units/a	0.43	Yes	COM	1.20
002-223-33	1	CM	CC	20.1-30 units/a	0.13	Yes	RES	0.60
002-223-34	1	CM	CC	20.1-30 units/a	0.13	Yes	RES	0.40
002-223-35	1	CM	CC	20.1-30 units/a	0.22	Yes	RES	0.50
002-223-36	1	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.00
002-223-37	1	CM	CC	20.1-30 units/a	0.36	Yes	COM	1.30
003-051-23	1	CM	CC	20.1-30 units/a	0.48	Yes	COM	0.00
003-051-24	1	CM	CC	20.1-30 units/a	1.62	Yes	COM	1.30
003-051-29	1	CM	CC	20.1-30 units/a	1.74	Yes	COM	1.90
004-431-01	1	CM	CC	20.1-30 units/a	0.25	Yes	COM	0.90
004-431-02	1	CM	CC	20.1-30 units/a	0.14	Yes	RES_2TO4	1.60
004-432-01	1	CM	CC	20.1-30 units/a	0.05	Yes	PKG	0.10
004-432-03	1	CM	CC	20.1-30 units/a	0.16	Yes	COM	0.80
004-432-28	1	CM	CC	20.1-30 units/a	0.41	Yes	COM	1.10
<b>Corridor 1</b>				<b>Total Acres</b>	<b>6.46</b>			
002-235-01	2	CM	CC	20.1-30 units/a	0.39	Yes	COM	0.40
002-235-09	2	CM	CC	20.1-30 units/a	0.12	Yes	OFF	1.50
002-235-10	2	CM	CC	20.1-30 units/a	0.12	Yes	COM	3.40
002-235-18	2	CM	CC	20.1-30 units/a	0.39	Yes	COM	3.40
002-235-20	2	CM	CC	20.1-30 units/a	0.23	Yes	COM	1.00
002-235-21	2	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.80
002-235-22	2	CM	CC	20.1-30 units/a	0.48	Yes	COM	1.70
002-622-19	2	CM	CC	20.1-30 units/a	0.8	Yes	PKG	0.00
002-622-20	2	CM	CC	20.1-30 units/a	1.49	Yes	COM	2.70
004-043-23	2	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.70
004-043-24	2	CM	CC	20.1-30 units/a	0.14	Yes	RES	0.70
004-043-25	2	CM	CC	20.1-30 units/a	0.13	Yes	COM	2.90
004-043-26	2	CM	CC	20.1-30 units/a	0.04	Yes	COM	3.00
004-043-28	2	CM	CC	20.1-30 units/a	0.09	Yes	COM	1.30
004-043-29	2	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.80

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
004-441-22	2	CM	CC	20.1-30 units/a	0.78	Yes	COM	1.60
004-441-23	2	CM	CC	20.1-30 units/a	0.28	Yes	PKG	0.00
004-441-25	2	CM	CC	20.1-30 units/a	0.27	Yes	COM	0.40
006-181-33	2	CM	CC	20.1-30 units/a	0.07	Yes	RES	0.00
006-181-75	2	CM	CC	20.1-30 units/a	0.11	Yes	PKG	0.20
006-181-89	2	CM	CC	20.1-30 units/a	0.09	Yes	COM	0.30
006-181-90	2	CM	CC	20.1-30 units/a	0.29	Yes	COM	1.50
004-011-36	2	CM	CC	20.1-30 units/a	0.47	Yes	COM	1.60
<b>Corridor 2</b>				<b>Total Acres</b>	<b>7.19</b>			
004-011-37	3	CM	CC	20.1-30 units/a	0.17	Yes	OFF	0.30
004-011-38	3	CM	CC	20.1-30 units/a	0.28	Yes	OFF	2.00
004-011-39	3	CM	CC	20.1-30 units/a	0.16	Yes	OFF	0.00
004-012-45	3	CM	CC	20.1-30 units/a	0.35	Yes	PKG	0.00
006-192-12	3	CM	CC	20.1-30 units/a	0.14	Yes	COM	0.10
006-192-14	3	CM	CC	20.1-30 units/a	0.19	Yes	COM	1.00
006-192-24	3	CM	CC	20.1-30 units/a	0.16	Yes	COM	3.00
006-192-25	3	CM	CC	20.1-30 units/a	0.15	Yes	COM	2.00
006-192-26	3	CM	CC	20.1-30 units/a	0.23	Yes	COM	0.10
006-192-27	3	CM	CC	20.1-30 units/a	0.24	Yes	COM	2.20
006-193-20	3	CM	CC	20.1-30 units/a	0.11	Yes	COM	1.10
006-193-56	3	CM	CC	20.1-30 units/a	0.12	Yes	COM	0.70
006-203-24	3	CM	CC	20.1-30 units/a	0.11	Yes	COM	1.00
006-203-25	3	CM	CC	20.1-30 units/a	0.17	Yes	COM	1.00
006-493-27	3	CM	CC	20.1-30 units/a	0.31	Yes	COM	0.80
<b>Corridor 3</b>				<b>Total Acres</b>	<b>2.89</b>			
008-251-21	4	CM	CC	20.1-30 units/a	0.31	Yes	COM	1.00
008-253-01	4	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.10
008-253-17	4	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.00
008-253-18	4	CM	CC	20.1-30 units/a	0.12	Yes	COM	0.80
008-253-19	4	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.40
008-253-20	4	CM	CC	20.1-30 units/a	0.12	Yes	COM	1.40
008-302-08	4	CM	CC	20.1-30 units/a	0.12	Yes	PKG	0.00
008-302-09	4	CM	CC	20.1-30 units/a	0.07	Yes	PKG	0.00
008-302-19	4	CM	CC	20.1-30 units/a	0.5	Yes	COM	2.20



APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
008-302-20	4	CM	CC	20.1-30 units/a	0.79	Yes	COM	1.60
008-303-01	4	CM	CC	20.1-30 units/a	0.54	Yes	COM	0.70
008-303-16	4	CM	CC	20.1-30 units/a	0.35	Yes	COM	1.20
008-322-17	4	CM	CC	20.1-30 units/a	0.11	Yes	PKG	0.80
008-322-39	4	CM	CC	20.1-30 units/a	0.15	Yes	COM	6.70
008-322-40	4	CM	CC	20.1-30 units/a	0.2	Yes	PKG	0.20
008-322-43	4	CM	CC	20.1-30 units/a	0.72	Yes	OFF	0.80
008-323-02	4	CM	CC	20.1-30 units/a	0.59	Yes	COM	1.40
008-323-12	4	CM	CC	20.1-30 units/a	0.32	Yes	OFF	1.00
008-323-13	4	CM	CC	20.1-30 units/a	0.08	Yes	OFF	0.70
008-323-18	4	CM	CC	20.1-30 units/a	0.08	Yes	OFF	0.00
008-323-26	4	CM	CC	20.1-30 units/a	0.55	Yes	COM	0.20
008-331-02	4	CM	CC	20.1-30 units/a	0.14	Yes	COM	3.20
008-331-03	4	CM	CC	20.1-30 units/a	0.14	Yes	PKG	0.10
008-331-04	4	CM	CC	20.1-30 units/a	0.14	Yes	COM	1.40
008-331-05	4	CM	CC	20.1-30 units/a	0.17	Yes	COM	0.00
008-331-06	4	CM	CC	20.1-30 units/a	0.23	Yes	RES	0.60
008-331-07	4	CM	CC	20.1-30 units/a	0.22	Yes	IND	0.80
008-331-08	4	CM	CC	20.1-30 units/a	0.3	Yes	IND	0.80
008-331-12	4	CM	CC	20.1-30 units/a	0.16	Yes	PKG	0.00
008-331-13	4	CM	CC	20.1-30 units/a	0.15	Yes	RES	0.80
008-331-14	4	CM	CC	20.1-30 units/a	0.15	Yes	RES	0.60
008-331-15	4	CM	CC	20.1-30 units/a	0.14	Yes	COM	1.40
008-331-25	4	CM	CC	20.1-30 units/a	0.15	Yes	COM	2.10
008-331-26	4	CM	CC	20.1-30 units/a	0.15	Yes	COM	1.70
008-331-27	4	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.30
008-331-28	4	CM	CC	20.1-30 units/a	0.44	Yes	IND	0.40
008-331-29	4	CM	CC	20.1-30 units/a	0.15	Yes	RES	0.40
008-331-30	4	CM	CC	20.1-30 units/a	0.19	Yes	RES	0.20
008-331-31	4	CM	CC	20.1-30 units/a	0.11	Yes	RES	0.40
008-331-32	4	CM	CC	20.1-30 units/a	0.15	Yes	RES	0.40
008-331-35	4	CM	CC	20.1-30 units/a	0.34	Yes	RES	0.40
008-331-36	4	CM	CC	20.1-30 units/a	0.11	Yes	COM	1.60
008-331-37	4	CM	CC	20.1-30 units/a	0.17	Yes	COM	0.10

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
008-331-40	4	CM	CC	20.1-30 units/a	0.17	Yes	COM	1.50
008-331-41	4	CM	CC	20.1-30 units/a	0.17	Yes	RES	0.30
008-331-45	4	CM	CC	20.1-30 units/a	0.3	Yes		0.00
008-331-48	4	CM	CC	20.1-30 units/a	0.47	Yes	COM	3.30
008-331-49	4	CM	CC	20.1-30 units/a	0.49	Yes	COM	1.40
008-541-01	4	CM	CC	20.1-30 units/a	0.13	Yes	RES MULTI	0.90
008-541-02	4	CM	CC	20.1-30 units/a	0.12	Yes	COM	0.20
008-541-03	4	CM	CC	20.1-30 units/a	0.07	Yes	RES	0.20
008-541-04	4	CM	CC	20.1-30 units/a	0.08	Yes	RES	0.40
<b>Corridor 4</b>				<b>Total Acres</b>	<b>12.1</b>			
005-251-04	5	CM	CC	20.1-30 units/a	0.41	Yes	PKG	0.20
005-271-18	5	CM	CC	20.1-30 units/a	0.14	Yes	COM	0.80
005-251-05	5	CM	CC	20.1-30 units/a	0.27	Yes	PKG	0.10
005-251-09	5	CM	CC	20.1-30 units/a	0.13	Yes	COM	2.50
005-251-10	5	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.90
005-251-11	5	CM	CC	20.1-30 units/a	0.24	Yes	OFF	5.20
005-251-16	5	CM	CC	20.1-30 units/a	0.2	Yes	COM	1.50
005-251-18	5	CM	CC	20.1-30 units/a	0.41	Yes	COM	0.20
005-251-19	5	CM	CC	20.1-30 units/a	0.54	Yes	COM	2.40
005-261-32	5	CM	CC	20.1-30 units/a	0.09	Yes	VAC	0.00
005-261-33	5	CM	CC	20.1-30 units/a	0.13	Yes	VAC	0.00
005-261-34	5	CM	CC	20.1-30 units/a	0.14	Yes	VAC	0.00
005-271-15	5	CM	CC	20.1-30 units/a	0.15	Yes	COM	2.30
005-271-16	5	CM	CC	20.1-30 units/a	0.15	Yes	PKG	0.00
005-271-17	5	CM	CC	20.1-30 units/a	0.14	Yes	PKG	0.00
005-271-19	5	CM	CC	20.1-30 units/a	0.12	Yes	COM	0.80
005-271-21	5	CM	CC	20.1-30 units/a	0.16	Yes	PKG	0.10
005-271-22	5	CM	CC	20.1-30 units/a	0.57	Yes	PUB/INST	2.00
005-273-12	5	CM	CC	20.1-30 units/a	0.27	Yes	OFF	1.00
005-282-41	5	CM	CC	20.1-30 units/a	0.31	Yes	PUB/INST	0.00
005-282-42	5	CM	CC	20.1-30 units/a	0.85	Yes	COM	0.00
005-282-43	5	CM	CC	20.1-30 units/a	0.46	Yes	COM	1.10
005-282-45	5	CM	CC	20.1-30 units/a	0.63	Yes	COM	1.00
005-282-46	5	CM	CC	20.1-30 units/a	0.68	Yes	COM	1.10

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
005-282-48**	5	CM	CC	20.1-30 units/a	1.56	Yes	COM	1.10
005-282-49	5	CM	CC	20.1-30 units/a	0.91	Yes	COM	0.00
005-283-10	5	CM	CC	20.1-30 units/a	0.14	Yes	COM	1.50
005-302-04	5	CM	CC	20.1-30 units/a	0.11	Yes	VAC	0.00
005-302-09	5	CM	CC	20.1-30 units/a	0.31	Yes	COM	2.00
005-302-10	5	CM	CC	20.1-30 units/a	0.08	Yes	COM	0.00
005-302-11	5	CM	CC	20.1-30 units/a	0.14	Yes	RES MULTI	0.80
005-302-12	5	CM	CC	20.1-30 units/a	0.23	Yes	RES	1.10
005-302-27	5	CM	CC	20.1-30 units/a	0.61	Yes	OFF	1.10
005-302-28	5	CM	CC	20.1-30 units/a	0.66	Yes	OFF	1.80
005-302-30	5	CM	CC	20.1-30 units/a	0.02	Yes	PUB/INST	1.40
005-302-31	5	CM	CC	20.1-30 units/a	0.19	Yes	COM	1.50
005-302-32	5	CM	CC	20.1-30 units/a	0.36	Yes	COM	0.10
005-313-04	5	CM	CC	20.1-30 units/a	0.06	Yes	OFF	1.90
005-313-05	5	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.20
005-541-01	5	CM	CC	20.1-30 units/a	0.02	Yes	RES MULTI	1.50
005-541-02	5	CM	CC	20.1-30 units/a	0.01	Yes	RES MULTI	0.60
005-541-03	5	CM	CC	20.1-30 units/a	0.01	Yes	RES MULTI	1.50
005-541-04	5	CM	CC	20.1-30 units/a	0.02	Yes	RES MULTI	0.00
005-541-05	5	CM	CC	20.1-30 units/a	0.25	Yes	RES MULTI	0.00
005-891-02**	5	CM	CC	20.1-30 units/a	3.33	Yes	COM	0.40
005-891-03	5	CM	CC	20.1-30 units/a	0.38	Yes	OFF	2.50
005-941-01	5	CM	CC	20.1-30 units/a	0.25	Yes	COM	2.0
005-941-02	5	CM	CC	20.1-30 units/a	0.03	Yes	COM	0.0
005-941-03	5	CM	CC	20.1-30 units/a	0.01	Yes	RES_MULTI	0.8
005-941-04	5	CM	CC	20.1-30 units/a	0.01	Yes	RES	1.1
005-941-05	5	CM	CC	20.1-30 units/a	0.01	Yes	PUB/INST	1.4
010-011-13	5	CM	CC	20.1-30 units/a	0.14	Yes	OFF	1.30
010-011-16	5	CM	CC	20.1-30 units/a	0.14	Yes	COM	1.90
010-011-27	5	CM	CC	20.1-30 units/a	0.28	Yes	OFF	2.70
010-011-30	5	CM	CC	20.1-30 units/a	0.31	Yes	OFF	3.90
010-011-31	5	CM	CC	20.1-30 units/a	0.35	Yes	COM	2.70
010-011-33	5	CM	CC	20.1-30 units/a	0.63	Yes	COM	3.90
010-012-13	5	CM	CC	20.1-30 units/a	0.37	Yes	OFF	1.0

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
010-012-29	5	CM	CC	20.1-30 units/a	0.18	Yes	OFF	2.1
010-051-02	5	CM	CC	20.1-30 units/a	0.23	Yes	COM	0.9
010-051-03	5	CM	CC	20.1-30 units/a	0.16	Yes	COM	1.2
010-051-04	5	CM	CC	20.1-30 units/a	0.35	Yes	COM	1.0
010-051-05	5	CM	CC	20.1-30 units/a	0.29	Yes	COM	2.5
010-051-06	5	CM	CC	20.1-30 units/a	0.33	Yes	COM	1.2
010-051-31	5	CM	CC	20.1-30 units/a	0.11	Yes	OFF	0.7
010-051-32	5	CM	CC	20.1-30 units/a	0.09	Yes	OFF	0.6
010-051-37	5	CM	CC	20.1-30 units/a	0.12	Yes	RES	1.1
010-051-38	5	CM	CC	20.1-30 units/a	0.13	Yes	RES	2.5
010-051-46	5	CM	CC	20.1-30 units/a	0.67	Yes	COM	1.7
010-051-49	5	CM	CC	20.1-30 units/a	0.48	Yes	COM	4.3
010-551-01	5	CM	CC	20.1-30 units/a	0.66	Yes	RES_MULTI	2.6
<b>Corridor 5</b>				<b>Total Acres</b>	<b>23.22</b>			
010-012-06	6	CM	CC	20.1-30 units/a	0.07	Yes	PKG	0.10
010-012-07	6	CM	CC	20.1-30 units/a	0.17	Yes	VAC	0.0
010-012-09	6	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.9
010-012-20	6	CM	CC	20.1-30 units/a	0.23	Yes	COM	2.1
010-012-51	6	CM	CC	20.1-30 units/a	0.41	Yes	COM	1.7
010-022-23	6	CM	CC	20.1-30 units/a	0.36	Yes	COM	0.6
010-022-25	6	CM	CC	20.1-30 units/a	0.3	Yes	COM	1.3
010-022-37	6	CM	CC	20.1-30 units/a	0.12	Yes	COM	2.5
010-062-07	6	CM	CC	20.1-30 units/a	0.2	Yes	PKG	0.3
010-062-10	6	CM	CC	20.1-30 units/a	0.12	Yes	COM	0.8
010-062-11	6	CM	CC	20.1-30 units/a	0.16	Yes	COM	1.5
010-062-12	6	CM	CC	20.1-30 units/a	0.12	Yes	COM	1.7
010-062-15	6	CM	CC	20.1-30 units/a	0.12	Yes	RES	0.0
010-062-16	6	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.8
010-062-17	6	CM	CC	20.1-30 units/a	0.15	Yes	COM	0.4
010-062-18	6	CM	CC	20.1-30 units/a	0.23	Yes	COM	1.1
010-561-01	6	CM	CC	20.1-30 units/a	0.17	Yes	COM	1.4
010-561-02	6	CM	CC	20.1-30 units/a	0.1	Yes	COM	1.6
010-561-03	6	CM	CC	20.1-30 units/a	0.39	Yes	COM	1.2
010-561-04	6	CM	CC	20.1-30 units/a	0.12	Yes	PKG	0.1

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
010-561-30	6	CM	CC	20.1-30 units/a	0.15	Yes	PKG	0.1
<b>Corridor 6</b>				<b>Total Acres</b>	<b>3.99</b>			
009-253-09	7	CM	CC	20.1-30 units/a	0.34	Yes	COM	1.00
009-253-10	7	CM	CC	20.1-30 units/a	0.32	Yes	COM	0.90
009-253-25	7	CM	CC	20.1-30 units/a	2.44	Yes	COM	2.20
010-022-11	7	CM	CC	20.1-30 units/a	0.06	Yes	VAC	0.0
010-022-12	7	CM	CC	20.1-30 units/a	0.08	Yes	VAC	0.0
010-022-13	7	CM	CC	20.1-30 units/a	0.15	Yes	COM	1.0
010-022-14	7	CM	CC	20.1-30 units/a	0.14	Yes	COM	1.7
010-022-15	7	CM	CC	20.1-30 units/a	0.23	Yes	VAC	0.0
010-041-08	7	CM	CC	20.1-30 units/a	0.16	Yes	OFF	7.1
010-041-09	7	CM	CC	20.1-30 units/a	0.17	Yes	PKG	0.3
010-041-10	7	CM	CC	20.1-30 units/a	0.17	Yes	COM	1.5
010-042-11	7	CM	CC	20.1-30 units/a	0.21	Yes	OFF	2.1
010-042-12	7	CM	CC	20.1-30 units/a	0.14	Yes	RES	1.8
010-042-13	7	CM	CC	20.1-30 units/a	0.2	Yes	RES	0.4
010-042-14	7	CM	CC	20.1-30 units/a	0.18	Yes	COM	0.1
010-042-15	7	CM	CC	20.1-30 units/a	0.3	Yes	COM	0.3
010-042-18	7	CM	CC	20.1-30 units/a	0.09	Yes	COM	1.1
010-042-19	7	CM	CC	20.1-30 units/a	0.55	Yes	PUB/INST	0.0
010-042-21	7	CM	CC	20.1-30 units/a	0.17	Yes	IND	1.1
010-042-34	7	CM	CC	20.1-30 units/a	0.11	Yes	PUB/INST	0.0
010-042-35	7	CM	CC	20.1-30 units/a	0.12	Yes	COM	1.2
010-042-36	7	CM	CC	20.1-30 units/a	0.33	Yes	COM	1.0
010-042-37	7	CM	CC	20.1-30 units/a	0.14	Yes	COM	0.9
010-042-38	7	CM	CC	20.1-30 units/a	0.22	Yes	RES	1.4
010-072-01	7	CM	CC	20.1-30 units/a	0.16	Yes	COM	4.2
010-072-03	7	CM	CC	20.1-30 units/a	0.17	Yes	OFF	1.3
010-072-75	7	CM	CC	20.1-30 units/a	0.3	Yes	RES	1.2
010-072-76	7	CM	CC	20.1-30 units/a	0.3	Yes	RES	1.1
010-072-77	7	CM	CC	20.1-30 units/a	0.32	Yes	PUB/INST	0.3
010-072-78	7	CM	CC	20.1-30 units/a	0.27	Yes	RES_2TO4	1.4
010-081-01	7	CM	CC	20.1-30 units/a	0.08	Yes	OFF	0.8
010-081-02	7	CM	CC	20.1-30 units/a	0.04	Yes	COM	1.8

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
010-081-03	7	CM	CC	20.1-30 units/a	0.04	Yes	COM	2.1
010-081-04	7	CM	CC	20.1-30 units/a	0.35	Yes	COM	1.1
010-081-07	7	CM	CC	20.1-30 units/a	0.17	Yes	COM	2.4
010-081-08	7	CM	CC	20.1-30 units/a	0.17	Yes	COM	2.7
010-081-09	7	CM	CC	20.1-30 units/a	0.78	Yes	COM	1.7
010-081-10	7	CM	CC	20.1-30 units/a	0.35	Yes	COM	2.5
010-081-30	7	CM	CC	20.1-30 units/a	0.16	Yes	COM	2.4
010-081-31	7	CM	CC	20.1-30 units/a	0.21	Yes	COM	1.0
011-012-15	7	CM	CC	20.1-30 units/a	1.42	Yes	COM	1.0
011-012-25	7	CM	CC	20.1-30 units/a	0.12	Yes	COM	1.9
011-012-30	7	CM	CC	20.1-30 units/a	0.37	Yes	COM	0.3
011-012-36	7	CM	CC	20.1-30 units/a	0.37	Yes	COM	0.7
011-012-38**	7	CM	CC	20.1-30 units/a	2.12	Yes	COM	0.8
011-024-30	7	CM	CC	20.1-30 units/a	0.27	Yes	COM	6.1
011-025-01	7	CM	CC	20.1-30 units/a	0.71	Yes	COM	1.3
011-025-09	7	CM	CC	20.1-30 units/a	0.15	Yes	RES	0.4
011-025-14	7	CM	CC	20.1-30 units/a	0.53	Yes	COM	0.9
011-261-07	7	CM	CC	20.1-30 units/a	0.18	Yes	RES	0.5
011-261-08	7	CM	CC	20.1-30 units/a	0.34	Yes	COM	1.1
011-261-10	7	CM	CC	20.1-30 units/a	0.93	Yes	COM	0.4
011-261-11	7	CM	CC	20.1-30 units/a	0.7	Yes	PKG	0.2
011-261-12	7	CM	CC	20.1-30 units/a	0.58	Yes	COM	1.2
011-261-13	7	CM	CC	20.1-30 units/a	1.31	Yes	COM	4.9
011-291-11	7	CM	CC	20.1-30 units/a	0.62	Yes	COM	0.0
<b>Corridor 7</b>				<b>Total Acres</b>	<b>21.61</b>			
009-212-30	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	1.50
009-212-31	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	1.50
009-212-38	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	0.4
009-234-25	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	1.50
009-234-26	8	CM	CC	20.1-30 units/a	0.26	Yes	OFF	0.70
009-234-27	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	0.20
009-234-59	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	0.30
009-234-60	8	CM	CC	20.1-30 units/a	0.26	Yes	RES	0.40
009-234-61	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	1.00

APN	OPPORTUNITY AREA	GENERAL PLAN	ZONING	EXISTING DENSITY	ACRES	CITY SERVICES	EXISTING USE	I/L RATIO
009-234-62	8	CM	CC	20.1-30 units/a	0.26	Yes	RES	1.40
010-031-70	8	CM	CC	20.1-30 units/a	0.26	Yes	COM	1.4
<b>Corridor 8</b>				<b>Total Acres</b>	<b>2.86</b>			
<b>All Corridors</b>				<b>Total Acres</b>	<b>80.32</b>			
<b>In California, county assessors separately</b>								
calculate the value of the building and the land on which it is located, and simply dividing the two creates the IL ratio.								
Urban parcels for which improvement values are less than land values are widely considered to be economically underutilized.								
<b>Parcels with high yield potential in the corridors:</b>								
<b>Parcel Number</b>	<b>Corridor</b>	<b>GP</b>	<b>Zoning</b>	<b>Existing Density</b>	<b>Parcel Size</b>	<b>Potential Yield</b>	<b>Existing Uses</b>	<b>I/L Ratio</b>
005-282-48**	5	CM	CC	20.1-30 units/a	1.56	46	COM	1.10
005-891-02**	5	CM	CC	20.1-30 units/a	3.33	99	COM	0.40
011-012-38**	7	CM	CC	20.1-30 units/a	2.12	63	COM	0.8

## APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT

0 were accomplished or obsolete and are not included in the 2007-2104 Housing

Program	Objectives	Progress/Status Report	Continued Appropriation
<p>15 2 1</p> <p>Provide an adequate diversity in housing types and affordability levels to present and future housing needs of Santa Cruz residents.</p> <p>of Adequate Sites. Providing new housing to accommodate projected and population growth and to meet the needs of existing residents is a goal of the City. To that end, the Housing Element identifies “adequate” sites to meet the City’s share of the region’s housing needs from 2000-2007. Adequate sites are those with sufficient development and density standards, water and sewer service, and adequate infrastructure. The Land Use Element, in concert with a housing production survey, shows that housing can be accommodated on underutilized sites along major corridors, in the Central Core, and on larger opportunity sites.</p>	<p>Maintain an inventory of available vacant and underutilized sites that can accommodate new housing.                      Require the preparation of Specific Plans for larger developable residential areas identified in the Land Use Element.                      Continue to require housing production goals for larger housing opportunity sites remaining in Santa Cruz as described in the Land Use Element</p>	<p>The City currently maintains an inventory of vacant and underutilized land. The City currently requires Specific Plans for the two remaining sites in the City (Golf Club Drive and Swenson). Those parcels were not developed during the last planning period and still are subject to housing production goals per the General Plan 1990-2005. The City is preparing a General Plan Update that will propose an Area Plan requirement in lieu of Specific Plan for the Golf Club Drive property.</p>	Yes



# APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT

<p>Development</p> <p>The limited availability of land and the City's commitment to preserve open space has encouraged a compact urban form. High density development, transit and pedestrian oriented land use patterns, and other creative housing strategies. To that end, the City's Zoning Code currently allows higher density parking requirements, and higher building heights for residential projects in the Central Core. The City also financially supported multi-family units and 100 single-room occupancy units in commercial areas. The City will continue to focus on mixed use to expand housing opportunities.</p>	<p>Evaluate mixed-use development standards to encourage housing along transit corridors, including density levels, parking and open space requirements, and other development standards and consider expanding the mixed-use overlay along transit corridors.</p> <p><b>Provide regulatory and financial assistance to complete the 1010 Pacific Avenue mixed-use project and identify other opportunities for mixed use developments.</b></p> <p>Conduct an urban design study of major commercial corridors to further identify opportunities for redeveloping inefficient commercial space, obsolete supermarkets, and parking lots for new housing. <b>Complete the Front Street and Cedar Streets Corridor Assessment.</b></p> <p>Initiate study within 1 year of adoption of the Housing Element. If actual constraints are found, propose revisions within 2 years of adoption of the Housing Element.</p>	<p>There have been several examples of mixed use development in the City since the last planning period, some of which include: Mixed use developments approved and constructed on Soquel, Mission, Water and North Pacific. The following objectives were completed: 1010 Pacific Avenue, Front Street and Cedar Street Corridor Assessments, Commercial Corridor design study for Mission, Water and Soquel Corridors.</p>	<p>yes</p>
<p><b>16.-212</b></p> <p><b>Housing Types</b></p> <p>One of the challenges of meeting the housing needs of residents, particularly those of single person households, small families, and special needs groups, is finding vacant land and a diversity of housing needs, alternative housing types built in a creative manner on less than optimal housing sites. To that end, the City's Zoning Code to facilitate development of single-room occupancy units (ADU). Participants in a Housing Opportunity Study conducted in 2001 mentioned a need for appropriate standards for housing types, mixed-use, single-room occupancy, accessory dwellings, co-housing, other alternative housing. The Housing Advisory Committee also identified the need for modest units as a stable housing option for persons who are homeless.</p>	<p>Create and/or revise development standards for live-work, single-room occupancy units, co-housing, and other alternative and appropriate housing types for Santa Cruz's diverse population and housing needs. Initiate study within 1 year of adoption of the Housing Element. If actual constraints are found, propose revisions within 2 years of adoption of the Housing Element.</p> <p>Continue to implement the ADU program and monitor the effect of the new ADU ordinance on neighborhood vitality.</p> <p>Examine development regulations to identify potential barriers to the development of alternative types of housing and, if such barriers are found, develop actions to remove or modify them as feasible.</p> <p><b>Examine the benefits of basing residential density on floor-area ratio and initiate study within 1 year of adoption of the Housing Element. If barriers are found, propose revisions within 2 years of adoption of the Housing Element.</b></p> <p>Encourage the State to recognize appropriate non-traditional housing types as housing units.</p>	<p>Development standards were revised for single-room occupancy units and ADUs. Zoning ordinance revisions scheduled for 2010 include Live Work Ordinance and other changes related to removing housing development constraints as identified in the Housing Strategy.</p>	<p>Yes</p>

**APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT**

<p>Development Permit</p> <p>Development Permit (PD) is an administrative technique to foster plans which serve public objectives more fully than plans permitted under zoning. In such cases, the City will consider modifications to: 1) building coverage, and lot area; 2) street standards; 3) parking and loading; 4) open spacing; and 5) maximum height. The PD permit has been used to facilitate a range of housing projects in recent years. To be eligible for a PD, the project must occupy a lot of at least 20,000 square feet and be approved by the Planning Commission and City Council. The minimum lot size for a PD, in some cases, constrain the production of nontraditional housing on lots.</p>	<p>Examine feasibility of lowering the minimum lot size threshold for a Planned Development Permit to below 20,000 square feet so as to facilitate the production of nontraditional housing types, including housing on small parcels.</p> <p>Initiate study within 1 year of adoption of the Housing Element. If actual constraints are found, propose revisions within 2 years of adoption of the Housing Element</p> <p>Continue to implement the ADU program and monitor the effect of the new ADU ordinance on neighborhood vitality.</p>	<p>Zoning Ordinance revisions schedule for 2010 will address Planned Development lot size and new development standards for small lots.</p>	<p>Yes</p>
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## APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT

<p>Development Review Process</p> <p>Developers undertake the risk of purchasing property, borrowing funds, and structural and site plans in anticipation of building new housing. In addition to permits, developers must secure various permits, pay planning and impact fees, and comply with environmental regulations. These investments are financially risky when the development review process has reasonable certainty. The community has expressed concern that the cumulative impact of project fees, fee structures, and public hearing process may, at times, constrain development of housing. To that end, the City should undertake a periodic review of</p>	<p>Work with the development community to continue to streamline the project review process, including design review, to provide a greater level of certainty in the outcome of housing proposals. Meet with the development community and interested community members by end of 2004 and, provide recommendations to City Council within six months for review and consideration.</p> <p>Periodically audit the effectiveness of the development review process to promote efficiency and predictability.</p> <p>Review the existing development fee structure, including water and sewer connection fees, to determine if the current structure is appropriate and equitable. Consider implementation of a fee structure based on factors other than number of units, such as the square footage of new construction or lot size as an incentive to promote construction of smaller homes, which more efficiently utilize the land available for construction within the City. Complete within 1 year of adoption of the Housing Element and propose changes for City Council consideration.</p>	<p>The fee structure was revised for water, sewer and storm drain fees and considers type of use and square footage. Members of the development community were interviewed and consulted through the Housing Strategy process. The Planning Department periodically reviews development review processing times and ease of process. In order to facilitate making changes to that process the City is investing in a major upgrade for its Permit Tracking software. The new Permit Tracking software will be on line fall of 2009.</p>	<p>yes</p>
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# APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT

<p>ation and Participation</p> <p>informed public participation helps ensure that proposals for new housing meet community expectations and are consistent with the City's General Plan. Santa Monica provides many venues for residents to learn of proposed projects and provide input. In addition to regularly scheduled Planning Commission and City Council hearings, a variety of advisory bodies provide information which assists the City in setting policy. In addition, the City Council has appointed several special committees, including the Housing Options Committee and Housing Advisory Committee) to review housing policy. These venues and others need to be inclusive and reach out to all members of our community to ensure that diverse values and visions are heard.</p>	<p>Continue to provide accurate and clear information to the public and the development community about City policies and the development review process and make such information available at the public counter.</p> <p>Continue to develop educational materials such as brochures and videos that provide information on the development process, planning and housing issues as programs change.</p> <p>Continue to ensure that information is accessible and available to all members of the community on the City web page and at the public counter.</p>	<p>The City Planning and Community Development Department maintains an information website as well as provides handouts, fee estimates and zoning regulations at its public counter.</p>	<p>Yes</p>
<p>16.-215</p> <p>use and protect the supply of housing affordable to extremely low, very low and moderate income households.</p> <p>Housing Ordinance</p> <p>Investigatory Housing Program is an important means for encouraging new housing. Measure O states that "at least 15% of those housing units newly sold or rented each year shall be capable of purchase or rental by persons with below average incomes". Pursuant to Measure O, the City requires that after 1991 which contain five or more units set aside at least 15% as affordable. Rental units must be provided as affordable to lower income households. Rental units must also be affordable to moderate income households. Measure O requires that a fee or dedicate land in lieu of providing ownership units. Since its implementation, affordable units have been created, but significant City assistance has been required to offset high land costs, prevailing rents and ordinance requirements. Measure O has been problematic given continuing cutbacks in local and state funding.</p>	<p>Examine whether current inclusionary program requirements, in tandem with market conditions, make the development of affordable housing difficult without significant public subsidy.</p> <p>Examine feasibility of modifying the current program to add flexibility and incentives that could encourage the private market to build affordable units and minimize public assistance needed to make projects feasible.</p> <p>Investigate variations to investominium options that could provide additional incentives for development of rental and for-sale apartments, both affordable and market rate.</p>	<p>The inclusionary program requirements were revised during the planning period in order to facilitate the development of affordable housing. Investominiums were removed as an option under the Inclusionary Housing Ordinance.</p>	<p>Yes</p>

## APPENDIX C: ACCOMPLISHMENTS OF THE 2002-2006 HOUSING ELEMENT

<p>and Financial Incentives</p> <p>provide regulatory and/or financial incentives to facilitate affordable housing, particularly in the case of inclusionary units not otherwise able to obtain state and federal financial assistance. Developers of very low and low income housing may apply for a waiver of planning, development and impact fees. The City may provide low interest loans, land write-downs, infrastructure improvements, grants, funds, and other financial assistance for affordable housing. The Planned Development Ordinance, in tandem with regulatory and financial incentives, can further expedite the production of affordable housing. City staff is committed to expeditiously reviewing development proposals for affordable housing.</p>	<p>Complete the <b>Nueva Vista Apartments, Gault Street Senior Project, 1010 Pacific Avenue Apartments, and Pacific Shores Apartments.</b></p> <p>Identify other residential projects for City financial or regulatory incentives subject to City Council approval.</p>	<p>The Nueva Vista, Gault Street, Pacific Shores and 1010 Pacific projects have all been completed. The City's Economic Development and Redevelopment Department (ED) worked with developers and property owners of key sites with offers of direct help, fee deferrals or loans subject to City Council approval. Between 2003-2007, the ED acquired the Tannery site and provide a ground lease to ArtSpace to provided direct funding and general support for the development.</p>	<p>Yes</p>
<p>Density Bonus Program</p> <p>Density bonus ordinance allows a developer to construct 25% more units than the Zoning Code for projects that dedicate 10% of units for very low income households, 20% for low income households, or 50% for qualified senior residents. The Density Bonus Program continues to be a valuable tool, in tandem with the Inclusionary Ordinance, to allow developers to build additional housing units for low and moderate income households. In 2002, AB1866 amended the Density Bonus law to affect moderate income condominiums and development standard that preclude the achievement of maximum density development regulations.</p>	<p>Revise the density bonus ordinance to include moderate-income condominiums and other provisions required pursuant to AB1866. Complete within 1 year of adoption of the Housing Element and propose changes for City Council consideration.</p> <p>Evaluate and revise, if necessary, City residential development standards to ensure housing projects can be built at the maximum density allowed under the underlying district. Complete within 1 year of adoption of the Housing Element and propose changes for City Council consideration.</p>	<p>Density Bonus Ordinance revised in 2006 to reflect the changes in State law.</p>	<p>Yes</p>

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<p>ate Housing Partnerships</p> <p>ing market, creative approaches and partnerships are required to finance dable housing. The County Housing Authority, Mercy Housing California, nianity, Community Housing Land Trust, Santa Cruz Community Counseling d other agencies offer expertise in developing and managing affordable ent years, the City has partnered with nonprofits to build housing. The d regulatory concessions (such as density bonuses), subsidized the n infrastructure, modified development regulations, lowered development s, and provided direct assistance to such groups. Working with nonprofit bles the City to better provide high quality and affordable housing cent years, the City's Redevelopment Agency has cultivated public-private velop affordable housing. Recent projects include the 1010 Pacific chaffer project, Chestnut Street/Laurel project, and Sycamore Commons c-private partnerships have included private developers and Mercy Housing.</p>	<p>Continue to encourage public-private housing partnerships as a means to incentivize the production of affordable housing and build local capacity to manage such projects.</p> <p>Explore creative approaches to developing and financing affordable housing such as the establishment of a Housing Trust fund, "sweat equity" program, or other innovative methods.</p>	<p>By law, every redevelopment agency within the state of California must allocate 20% of its tax increment to the procurement of affordable housing within its designated project area. In addition, the City collects fees from developers who opt out of developing their affordability requirements and uses those funds to develop affordable projects city-wide.</p>	<p>Yes</p>
<p>on of Housing Opportunities</p> <p>vide affordable housing opportunities for low and moderate income preserve these units, the City prohibits the conversion of apartments to a ising project as long as the multi-family dwelling vacancy rate is less than tion is waived if at least two-thirds of the units are sold to tenants ying the structure and 20% of the total units are offered for purchase to low-average income. In addition, three mobile home parks provide a mes for residents. To protect supply of housing, the Mobilehome Rent rdinance regulates rent increases and other regulations ensure adequate gs, and relocation assistance in case of a conversion. The City also d in converting the El Rio Mobilehome Park to a cooperative and provided ds to rehabilitate the park.</p>	<p>Continue implementation of the condominium conversion ordinance.</p> <p>Maintain current mobile home rent stabilization ordinance and conversion regulations to preserve 360 mobile homes in parks in the community.</p>	<p>The City Planning and Community Development Department monitors vacancy rate and implements the condominium conversion ordinance.</p>	<p>Yes</p>

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<p>tion of At-Risk Affordable Housing</p> <p>approximately 1,600 units of affordable housing units for very low, low income households created through various City, state and federal through Measure "O" units built after 1991 are permanently affordable, the controls of other assisted units will expire. To date, more than 500 units are at-risk of expiration from 2002-2012. The City's Affordable Housing Ordinance governs noticing procedures for the conversion of at-risk units and allows the City and qualified non-profit housing organizations an negotiate to purchase the project or extend the affordability restrictions. The City plays an active role in financially assisting at-risk projects in return for affordability controls on the projects.</p>	<p>Work with interested agencies and community organizations to preserve at-risk units by monitoring their status, providing technical and/or financial assistance in return for extended affordability controls, and ensuring proper tenant notification prior to project conversion. Assist the <b>Riverfront Apartments</b>, <b>San Lorenzo Apartments</b> and other projects approved by City Council in return for extensions of their affordability controls for as long as feasible.</p>	<p>Riverfront Apartments and San Lorenzo Apartments affordability controls were extended.</p>	<p>yes</p>
<p><b>16. Families with Children</b></p> <p>Recognizes the importance of a living environment conducive to families and is committed to the development of affordable and accessible family housing. In recent years, the City has entered into owner participation with the Chestnut Street Apartments, Sycamore Commons, and various other rental projects to facilitate and encourage the development of affordable housing. Currently, the City is undertaking a unique project of providing financial assistance to the Nueva Vista complex, which will provide 48 affordable 2 and 3-bedroom units, a play area, and child care services attached with the project.</p>	<p><b>Financially support the completion of the Nueva Vista Project and the provision of enhanced child care services on site.</b></p> <p>Work with non-profit organizations to identify other proposed family housing projects suitable to families with children and consider the use of City financial assistance, subject to Redevelopment Agency approval, to facilitate and encourage their development.</p> <p>Encourage the development of child care opportunities in conjunction with residential development.</p>	<p>Nueva Vista project was completed with on-site childcare services. The City Economic and Redevelopment Department works with developers to facilitate housing project suitable for families and looks for opportunities for on-site childcare whenever possible.</p>	<p>Yes</p>

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<p>Child Youth Development</p> <p>Recognizes that our children represent the future. In today's market, the high cost of housing and ownership typically requires that all adult family members have the ability of affordable care for children and youth is necessary to provide a safe and healthy environment and to enable families to thrive in Santa Cruz. The City is committed to making high quality care for children and youth available, affordable, and accessible to those persons in need in the City, including child care centers and family day care homes in Santa Cruz. The City is committed to planning affirmatively for child care services, zoning, and permitting procedures.</p>	<p>Continue to assist nonprofit and for-profit organizations that provide services, to children, youth, and families with children. Encourage the establishment of child care centers in appropriate locations and consider modified zoning standards and review procedures and other incentives to facilitate their development. Facilitate establishment of family day care in single-family homes by considering modified permit fees and zoning standards including parking requirements and fence heights. Ensure the zoning code reflects State laws including protecting renters operating family day care homes.</p>	<p>The City zoning code is in accordance with State law regarding the protection of renters operating family day care homes. The City financially assists approximately 23 nonprofit and for-profit organizations that provide services to children, youth and families.</p>	<p>Yes</p>
<p>Homeless</p> <p>the largest population of people who are homeless and, as a member of the Homeless Coordinating (COC) Group, maintains the most extensive program of homeless services in the County. The City currently funds five agencies that provide outreach services, four emergency shelters, and a bad weather shelter. Through the shelter and services to the homeless, the City is committed to providing emergency assistance and the development of stable, affordable housing for people with disabilities, psychiatric illness, HIV/AIDS, and substance abuse. The City also contracts with nonprofit organizations providing counseling, childcare, rental assistance, and other supportive services. The City's instrumental role in the COC by supporting the continued operation of the program, funding the majority of the Continuum's operations, and applying for grants</p>	<p>Continue to implement current programs aimed at the reduction and the prevention of homelessness. Implement the Homeless Services Center Master Plan, including the creation of an Emergency Family Shelter. Participate with other Santa Cruz County communities in implementing the County's Five-Year Strategic Plan on Homelessness (2003-2007). To implement recommendations of the City's 2002-2007 Analysis of Impediments to Fair Housing Choice, amend the Zoning Code to specify a development of emergency shelters and transitional housing.</p>	<p>The City continues to support financially and through policy the homeless programs and services aimed at the reduction of homelessness. The City participates in implementing the County's Five-Year Strategic Plan.</p>	<p>Yes</p>



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<p>living housing services</p> <p>a large population requiring supportive living services to preserve and housing opportunities and choice. This includes people with disabilities, less people, persons recovering from substance abuse, persons living with living conditions such as HIV/AIDS, and other special needs groups.</p> <p>ing Housing Services" is a broad term that encompasses a range of vices and types of assistance. This concept goes beyond the traditional delivery concept of "supportive services" and seeks to enable individual recipients to achieve a quality of life and independence to the greatest and to adapt as the individual's needs change over time. The City permanent supportive housing is one form of supportive living services ss a variety of special needs groups in the community. Regardless of the or setting required, the City remains committed to providing appropriate supportive housing options for residents. As funds are available, the City has pi</p>	<p>Complete rehabilitation of the 4-unit Bixby Street House for people with psychiatric disabilities and identify other projects to support with financial assistance subject to approval by the City Council.</p> <p>Continue the support of organizations maintaining permanent supportive housing and providing assistance to special needs groups.</p> <p>Encourage the location of permanent supportive housing in residential settings for the able-bodied or other locations readily accessible to public amenities, public transit, shopping, and supportive services.</p>	<p>Bixby Street House was successfully completed. The City continues to encourage permanent supportive housing in residential settings and near amenities such as the recently completed 15-unit supportive housing project, Grace Commons.</p>	<p>yes</p>
<p>using</p> <p>come to the University of California, with an enrollment of 14,000 students. 15,000 students also attend Cabrillo College in Aptos. With UCSC rejected to increase to 15,000 by 2005, providing housing for faculty, employees remains a top priority for UCSC and the City. Student housing the supply of affordable housing in the community. UCSC provides a living that reflect the housing needs and life circumstances of residents. 6,430 beds for students and 194 units for faculty/staff in dormitory style student apartment units, family student housing, and below market rate for- City also supports UCSC's goal to provide housing opportunities with goals set forth in the University's Long Range Development Plan, as able. As mandated by the City Council and Chancellor, City and University thly to collaborate on facilitating new student, faculty, and staff housing. rative efforts resulted in the University Town Center in the CBD.</p>	<p>Continue to collaborate on ways to increase the supply of student, faculty, and staff housing serving the University campus.</p> <p>Promote housing strategies that reflect student housing needs including affordability and high density apartments and townhouses along transit corridors.</p> <p>Support state and federal legislation that would advance the housing goals of the community, such as increasing the funding for housing at the University of California campuses.</p> <p>Explore innovative methodologies for development, funding models, and delivery methods for new housing.</p> <p><b>Support the University's efforts to apply for Proposition 46 funds and other sources for the development of student housing.</b></p>	<p>The City continues to promote housing strategies that reflect housing needs for students and other special needs groups. The City also supports state and federal legislation that advances the City's housing goals.</p> <p>Proposition 46 were applied for when still available.</p>	<p>Yes</p>

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<p>Persons with Disabilities</p> <p>SB520, the Housing Element analyzed potential constraints to the maintenance and improvement of housing for persons with disabilities. The analysis found that the City permits, encourages and facilitates special needs housing in the community. With respect to housing for persons with disabilities, the City has basic visitability requirements, a reasonable ordinance, and offers grants/loans to homeowners to make basic modifications. Nonetheless, people with physical disabilities continue to find accessible units or having sufficient funds to purchase or retrofit additional measures could be undertaken to improve their housing</p>	<p>Examine the feasibility of developing a visitability ordinance that incorporates Universal Design access concepts and incentives to encourage the production and rehabilitation of accessible housing. Ensure compliance with both State and federal accessibility requirements.</p> <p>Work with other Santa Cruz County jurisdictions and the County Housing Authority to support the compilation and publicizing of housing accessible to persons with disabilities.</p> <p>Consider revising the Uniform Housing Rehabilitation Program Guidelines to allow tenants to apply for grants to retrofit homes for accessibility and pursue grant funding to support this program.</p> <p>Adopt a reasonable accommodation ordinance that implements SB520 by July 2004. Review and analyze building codes, development standards, and permitting processes to identify any impediments to housing for persons with disabilities and remove impediments by the end of 2004.</p>	<p>The City has determined that a visitability ordinance is not appropriate to be a change of the state mandated building codes. There is not a unique geological, topographical or climatic need to justify changes to the local building code beyond what is already a local ordinance. The City has a specific minimum door width requirement for first floors of dwellings that would facilitate future conversion without having to make major structural alterations. The County has a similar regulation. The City does enforce the State Title 24 and Federal ADA access regulations on all buildings as applicable by law. However, the City does encourage people to make such modifications and provide some relief for setbacks, parking requirements, etc. to accomplish the task. The Planning Commission has tried to infuse visitability requirements into projects requiring design review. The City has agreed to support the County Commission on Disabilities and their program to educate people on how to make their homes accessible.</p>	<p>Yes</p>
<p>Community Development Program</p> <p>provides funding of approximately \$1.9 million in grants each year to 50 non-profit service and housing development organizations supporting numerous throughout the City's Housing and Community Development Program. These include homeless persons, very low, and low income households, families with children, and other people in finding housing and appropriate supportive housing is provided annually, contingent upon the continuation of adequate Council approval. Funds are provided through the City's General Fund, Community Development Block Grant Funds, and a variety of other sources.</p>	<p>Continue funding non-profit human service and housing development organizations through the City's Housing and Community Development Program subject to funding availability and City Council approval.</p>		<p>Yes</p>
<p>Increased opportunities for low and moderate income residents to use homes.</p>			

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<p>Choice Vouchers</p> <p>The Housing Authority administers the Housing Choice Voucher (Section 8) rental program for Santa Cruz. This program extends rental subsidies to very low income households in Santa Cruz. The program offers the tenant a voucher that pays the difference between the current fair market rent (FMR) established by the Housing Authority and 30% of the tenant's income. The voucher is accepted on a voluntary basis only. A tenant may choose housing that costs more than the FMR, if the tenant can pay the extra rent above the standard. In recent years, the volatility of the local rental market has presented challenges in ensuring that the FMR remains attractive to tenants.</p>	<p>Work with Santa Cruz County jurisdictions and interested community organizations to continue to advocate for a payment standard that keeps pace with changes in market rents.</p> <p>Advertise the Section 8 program to property owners.</p>	<p>* The Housing Authority developed payment standards for its Section 8 Housing Choice Voucher program. * The City notifies all owners of Measure O rental properties that Measure O units may be rented to Section 8 voucher holders. In addition, the City advises all prospective first time homebuyers who have a Section 8 voucher that the voucher may be converted to mortgage assistance. The Housing Choice Voucher program is administered by the Housing Authority of the County of Santa Cruz.</p>	<p>Yes</p>
<p>Standards</p> <p>Rising rental costs mean that some households may have insufficient security deposit and cannot secure an apartment. The City contracts with the Housing Authority to assist low-to-moderate income households with the first and last month's rent. The security deposit is provided in the form of a cash payment. With agreement of the landlord, the Housing Authority guarantees the tenant's rent as a Letter of Credit and the tenant pays 1/12 the amount each year. The Housing Authority pays the shortfall if the tenant defaults. The Housing Authority, through the Community Action Board, an emergency rental program to prevent the eviction of tenants or homeowners for a short period to allow tenants to stabilize their finances.</p>	<p>Continue program implementation and assist households with security deposit and last month's rent and/or emergency rent assistance.</p>	<p>The City has continued to operate and fund the First Time Homebuyer program.</p>	<p>yes</p>

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<p>and Mortgage Program</p> <p>decade, housing prices have increased so significantly that very low, low rate income households can no longer afford a home. In recognition of housing, the City offers financial assistance to lower income buyers to ne. The assistance is secured as a silent second mortgage loan and all eferred until the property is sold, refinanced or title transferred. To be w income applicant must qualify for a conventional first mortgage, have at n-payment, and purchase a home priced below \$506,000. In conjunction A Plan, the City offers additional financial incentives to purchase homes ghorhood, including first priority over applicants from other areas, lower requirements, and other program incentives.</p>	<p>Continue implementation of silent second mortgage program and investigate additional sources of homeownership assistance to help moderate-income households afford to buy a home.  <b>Apply for CalHome Grants for \$140,000 for the City's Home Ownership Second Mortgage Program by 2003.</b></p>	<p>The City continued the implementation of the second mortgage program, and received the \$140,000 in CalHome grants to help fund it.</p>	<p>Yes</p>
<p>redit Certificate</p> <p>encies also offer homeownership programs. The Mortgage Credit C) program is a federal program that provides tax credits to income buyers. The program allows buyers to receive a tax credit of 20% of the paid on a mortgage. This enables homebuyers to have more income alify for a mortgage loan and make monthly payments. The MCC program strictions to ensure the affordability of participating homes for fifteen uz participates through the County Housing Authority and has issued 153 e program began. The Housing Authority determines the quantified each community.</p>	<p>Continue to support and advertise the program, and encourage the assistance of up to 3 households each year.</p>	<p>The City continues to support and promote the Mortgage Certificate Program.</p>	<p>Yes</p>

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<p>Education Program</p> <p>federal, and private sources provide financing for the construction of new division of supportive services. In 2000, the voters of California approved authorizing the issuance of bonds to support well over \$2 billion in new housing programs. These bonds are intended to fund affordable housing (rental and rental), neighborhood revitalization efforts, special needs housing services, downtown revitalization, and a variety of other programs that address the needs of communities across the State. Many of these programs could be implemented by Santa Cruz residents and nonprofit organizations.</p>	<p>Investigate and apply for funds available under Proposition 46 that help meet the housing needs of Santa Cruz residents.</p> <p>Continue to investigate and apply for additional sources of funding for new housing and supportive services</p> <p>Apply for two CalHome Grants for: (1) \$140,000 for the City's Home Ownership Second Mortgage Program, and (2) \$360,000 for the Unified Housing Rehabilitation Program by 2003.</p> <p>Review resources annually and applying for appropriate funding resources for new housing and supportive services.</p>	<p>CalHome Grants were received. The City continues to investigate and apply for additional fund sources for new housing and supportive services.</p>	<p>Yes</p>
<p>Legal Services</p> <p>contracts with the California Rural Legal Assistance, Senior Network Services, Santa Cruz Community Counseling Center, and other organizations to provide legal services that improve housing opportunities. These organizations provide referrals, landlord and tenant dispute resolution, discrimination and harassment, education and outreach, training and technical assistance, relocation assistance. The City has also adopted an anti-discrimination ordinance addressing all aspects involving the rental, sale, and occupancy of housing. The City has also adopted an anti-discrimination ordinance addressing equal opportunity lending programs and ensures that nondiscriminatory practices are followed in the selection of participants for City housing programs. The City has also made several recommendations to improve fair housing services.</p>	<p>Strengthen reporting and monitoring requirements for City-funded fair housing agencies and service providers.</p> <p>Work with Santa Cruz County jurisdictions to fund fair housing services provided by the District Attorney's Office.</p>		<p>Yes</p>

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<p>ive and improve housing, neighborhoods and health of residents in Santa Cruz and in designated target areas</p> <p>acement</p> <p>ent is an important tool to ensure that the character and quality of and housing is maintained. The City's Code Compliance Division inspects compliance with State and local regulations governing building and tenance. If deficiencies are found, the property owner has a specified to voluntarily correct the problem. Should corrections not occur, the City or initiate legal action. In situations where violations threaten the ts, property owners must provide up to three months of relocation wever, the City seeks voluntary compliance through educating property y refer property owners to programs for available financial and technical</p>	<p>Continue to implement code enforcement program.</p> <p>Conduct targeted code enforcement efforts in concert with the Beach/South of Laurel Comprehensive Area Plan.</p> <p>Consider expanding the Target Areas for proactive code enforcement efforts.</p>	<p>* The City still implements the Code Enforcement program. * Code Enforcement efforts have targeted the Beach South of Laurel Area (BSOLA) since 1992. *The City has expanded the Target areas, however the boundaries are set by HUD based on income levels, which may miss important areas, such as those that house the student population.</p>	<p>Yes</p>
<p>pection Program</p> <p>age of housing in Santa Cruz, many homes may experience deferred r have substandard electrical or plumbing systems. Lead-based paint or lso require removal to ensure the health and safety of residents. Many of is may not be evident to residents or property owners. In order to improve housing, neighborhood conditions, and health of residents, the City could housing inspection program. Such a program would require periodic ensure the prevention and correction of housing code violations. The gram could be done in tandem with the City's code enforcement programs.</p>	<p>Consider developing a self-funding pre-sale inspection program of for-sale units in conjunction with code enforcement.</p> <p>Consider developing a self-funding, pro-active inspection program for rental units in conjunction with code enforcement.</p>	<p>* The City has considered developing a self-funding pre-sale inspection program of for-sale units, however currently there is not enough staff to run the program. * A pro-active inspection program for rental units will be developed in the near future with the addition of two Code Compliance specialists.</p>	<p>Yes</p>



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<p>to fulfill the City's housing needs while promoting an environmentally compact community with clearly defined urban boundaries.</p>	<p>vision and Conservation</p> <p>ives the majority of its water supply locally from San Lorenzo River and water sources, which have also been identified as a sensitive habitat for . A serious drought or federally-imposed cutbacks could significantly supplies and require water rationing among customers. The City's approach water to customers is twofold -- conserving water usage in the short-term the City's water supply and storage capacity in the long-term. The City ments water waste regulations, offers rebates for water-efficient home d provides technical assistance to control usage. The City's 2000 Urban ment Program sets forth long-term plans to address water supply issues.</p> <p style="text-align: center;"><b>16.-227</b></p>	<p>Require all residential, commercial and industrial buildings to be retrofitted completely with low consumption plumbing fixtures at the time of sale of the property.</p> <p>Continue to implement water conservation measures and publicize efforts at the City Hall and on the City's Water Conservation Office website at <a href="http://www.ci.santa-cruz.ca.us">http://www.ci.santa-cruz.ca.us</a>.</p> <p><b>Develop short and long-term contingency plans to ensure an adequate water supply for residents and business.</b></p>	<p>* As detailed in Chapter 6 of the 2005 Urban Water Management Plan, the City requires all residential, commercial and industrial buildings to be retrofitted completely with low consumption plumbing fixtures at the time of sale. * The City has and continues to implement water conservation measures and publicize their efforts on the City website. * A short and long-term contingency plan were scheduled for completion in 2006.</p>	<p style="text-align: center;">Yes</p>
<p>ing Program</p> <p>ommitted to protecting the environment and promoting a sustainable o fulfill this commitment, the City has established a Green Building to explore the use of green building products and sustainable design the intent to apply them to local and regional construction projects. e years, the program is envisioned as a progressive effort, beginning with applications and voluntary compliance and incentives followed by lications in conjunction with other programs to include best management nstruction and reuse of materials, erosion control and grading ordinances, site management, and application to residential, commercial, and cts.</p>	<p><b>Continue development of a green building program and incorporate recommendations for design and construction of new housing into appropriate regulations when feasible.</b></p>	<p>The City now has a mandatory Green Building program (Ord. 2005-29), and can be found in the Municipal Code (24.15)</p>	<p style="text-align: center;">Yes</p>	



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<p>ent Development Program</p> <p>esire to preserve environmental features, protect sensitive habitats, and urban growth led to the establishment of a greenbelt surrounding the sidents also recognized that future housing growth would be within a dense urban core and along major transportation corridors. The onnections between land uses and transportation networks (including , and pedestrian) to minimize automotive dependence. To that end, the ng high density multi-family projects in the Downtown Core, single-room s along major corridors, and other similar projects. Zoning code incentives r density residential structures in these areas because of their proximity to public services and facilities.</p>	<p>Continue to facilitate the development of transit-oriented housing projects through regulatory concessions, financial assistance, and zoning. Link land uses and transportation systems and promote bicycle and pedestrian friendly neighborhoods.</p>	<p>The City has promoted and approved development in the downtown core and major corridors as an effort to link development and transportation. The current General Plan update includes a strong focus on corridor development. The City has also promoted bicycle and pedestrian-friendly neighborhoods through the review of projects, street design standards, and bicycle parking in the zoning code. If the light rail is revitalized, conditions have been made for a station or stop at Delaware or New Leaf.</p>	<p>Yes</p>
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## Glossary of Housing Terms

### 1. Abbreviations

<b>AMBAG:</b>	Association of Monterey Bay Area Governments
<b>AMI:</b>	Area Median (Household) Income
<b>BMR:</b>	Below-market-rate dwelling unit
<b>CDBG:</b>	Community Development Block Grant
<b>CEQA:</b>	California Environmental Quality Act
<b>CIP:</b>	Capital Improvements Program
<b>COG:</b>	Council of Governments
<b>CRA:</b>	Community Redevelopment Agency
<b>EIR:</b>	Environmental Impact Report
<b>FAR:</b>	Floor Area Ratio
<b>FmHA:</b>	Farmers Home Administration
<b>FY:</b>	Fiscal Year
<b>GMI:</b>	Gross Monthly Income
<b>HCD:</b>	Housing and Community Development Department of the State of California
<b>HUD:</b>	U.S. Dept. of Housing and Urban Development
<b>LAFCO:</b>	Local Agency Formation Commission
<b>NA:</b>	Not Applicable
<b>PUD:</b>	Planned Unit Development
<b>PMSA:</b>	Primary Metropolitan Statistical Area
<b>RHNA:</b>	Regional Housing Needs Allocation
<b>SOI:</b>	Sphere of Influence

### 2. Definitions

**Accessory Dwelling Unit:** A dwelling unit accessory to a main single-family dwelling on a parcel of land and which meets the requirements of Chapter 24.16, Part 2 of the Zoning Ordinance.

**Acre:** A unit of land measure equal to 43,560 square feet.

**Acres, Gross:** The entire acreage of a site. Most communities calculate gross acreage to the edge of the right-of-way of existing or dedicated streets.

**Acres, Net:** The area within the lot lines with less than thirty-percent slope and not within a riparian corridor as defined in Section 24.08.2110(g) or a Floodplain (F-P) District.

**Affordability Covenant:** A property title agreement which places resale or rental restrictions on a housing unit.

**Affordability Requirements:** Provisions established by a public agency to require that a specific percentage of housing units in a project or development remain affordable to very-low and low income households for a specified period.

**Affordable Housing:** Housing capable of being purchased or rented by a household with very low, low, or moderate income, based on a household's ability to make monthly payments necessary to obtain housing. Housing is considered affordable when a household pays less than 30 percent of its gross monthly income (GMI) for housing including utilities.

**Agency:** The governmental entity, department, office, or administrative unit responsible for carrying out regulations.

**Apartment:** (1) One or more rooms of a building used as a place to live, in a building containing at least one other unit used for the same purpose. (2) A separate suite, which includes kitchen facilities and is designed for and rented as the home, residence, or sleeping place of one or more persons living as a single housing unit.

**Area; Area Median Income:** As used in State of California housing law with respect to income eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) or the California Department of Housing and Community Development (HCD), "area" means metropolitan area or non-metropolitan county.

**Assisted Housing:** Housing that has received subsidies (such as low interest loans, density bonuses, direct financial assistance, etc.) by federal, state, or local housing programs in exchange for restrictions requiring a certain number of housing units to be affordable to very low, low, and moderate income households. Assisted housing programs include, but are not limited to, federal Section 8 (new construction, substantial rehabilitation, and loan management set-asides), federal Sections 213, 236, and 202, Federal Section 221(d)(3) (below-market interest rate program), federal Section 101 (rent supplement assistance), CDBG, FMHA Section 515, multifamily mortgage revenue bond programs, local redevelopment and in lieu fee programs, and units developed pursuant to local inclusionary housing and density bonus programs. All California Housing Elements are required to address the preservation or replacement of assisted housing that is eligible to change to market rate housing within 10 years.

**Association of Monterey Bay Area Governments (AMBAG):** The regional government agency authorized by the Federal and State Government to address regional transportation, housing, and other planning issues in Monterey County and Santa Cruz County.

**At-Risk Housing:** Assisted rental housing that is at risk of losing its status as housing affordable for very low, low, and moderate income residents due to the expiration of federal, state or local agreements.

**Building:** Any structure having a roof supported by columns or walls, used or intended to be used for the shelter or enclosure of persons, animals or property.

**California Department of Housing and Community Development (HCD):** The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low- and moderate-income households. The Department is responsible for administering State-sponsored housing programs and for reviewing housing elements to determine compliance with State housing law.

**California Environmental Quality Act (CEQA):** A State law requiring State and local agencies to regulate activities with consideration for environmental protection.

**California Housing Finance Agency (CalHFA):** A State agency, established by the Housing and Home Finance Act of 1975, which is authorized to sell revenue bonds and generate funds for the development, rehabilitation, and conservation of low- and moderate-income housing.

**Census:** The official decennial enumeration of the population conducted by the federal government.

**City:** City with a capital “C” generally refers to the government or administration of a city. City with a lower case “c” may mean any city or may refer to the geographical area of a city (e.g., the city’s housing supply.)

**Community Care Facility:** Any facility maintained and operated to provide non-medical residential care, day treatment, adult day care, or foster family agency services for six or fewer persons. “Six or fewer persons” does not include the licensee or members of the licensee’s family or persons employed as facility staff. Community care facilities which serve six or fewer persons are considered a residential use of property.

**Community Development Block Grant (CDBG):** A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitlement communities, and by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots

money to cities and counties for housing rehabilitation and community development activities, including public facilities and economic development.

**Compatible:** Capable of existing together without conflict or ill effects.

**Condominium:** A building or group of buildings of two or more units, the interior spaces of which are individually owned, with the balance of the property (both land and building) owned in common by the owners of the individual units. California Civil Code §1351(f).

**Consistent:** Free from variation or contradiction. Programs in the General Plan are to be consistent, not contradictory or preferential. State law requires consistency among the elements of a general plan and implementation measures such as the zoning ordinance.

**Density, Residential:** The number of permanent dwelling units per acre of land, Densities specified in the General Plan may be expressed in units per gross acre or per net developable area.

**Density Bonus:** The allocation of development rights that allow a parcel to accommodate additional square footage or additional residential units beyond the maximum otherwise permitted, usually in exchange for the provision or preservation of an amenity at the same site or at another location. Under California law, a housing development that provides 10 percent of its units for moderate income or lower income households, or 5 percent of its units for very-low income households, or is a senior citizen housing development, is entitled to a density bonus.

**Developable Acres, Net** See “Acres, Net”.

**Developer:** An individual who or business that prepares raw land for the construction of buildings or causes to be built physical building space for use primarily by others, and in which the preparation of the land or the creation of the building space is in itself a business and is not incidental to another business or activity.

**Development:** The physical extension and/or construction of urban land uses. Development activities include subdivision of land; construction or alteration of structures, roads, utilities, and other facilities; installation of septic systems; grading; deposit of refuse, debris, or fill materials; and clearing of natural vegetative cover (with the exception of agricultural activities). Routine repair and maintenance activities are exempted.

**Development Fee:** (See “Impact Fee.”)

**Development Rights:** The right to develop land by a landowner who maintains fee-simple ownership over the land or by a party other than the owner who has obtained the rights to develop. Such rights usually are expressed in terms of size or density allowed under existing zoning. For example, one development right may equal a specific number of square feet of gross floor area in one or more specified zone districts.

**Duplex:** A detached building under single ownership that is designed for occupation as the residence of two families living independently of each other. No part of a duplex is considered a “second unit.”

**Dwelling Unit:** A building or portion of a building including one or more rooms which is/are designed or used as a residence by one family or housekeeping unit, with facilities for living, sleeping, eating and food preparation. A dwelling unit shall have only one domestic food preparation facility and shall have interior access between all habitable spaces.

**Dwelling, Multifamily:** A building containing three or more dwelling units for the use of individual households; an apartment or condominium building is an example of this dwelling unit type.

**Dwelling, Single-family Attached:** A one-family dwelling attached to one or more other one-family dwellings by a common vertical wall. Row houses and town homes are examples of this dwelling unit type.

**Dwelling, Single-family Detached:** A dwelling, not attached to any other dwelling, which is designed for and occupied by not more than one family and surrounded by open space or yards.

**Elderly Housing:** Typically one- and two-bedroom apartments or condominiums designed to meet the needs of persons 62 years of age and older or, if more than 35 units, persons 55 years of age and older, and restricted to occupancy by them.

**Emergency Shelter:** Housing with minimal supportive services that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. Supportive services usually include food, counseling, and access to other social programs. (See “Homeless” and “Transitional Housing.”)

**Encourage:** To stimulate or foster a particular condition through direct or indirect action by the private sector or government agencies.

**Environmental Impact Report (EIR):** A report required by the California Environmental Quality Act for a project, including a general plan, which may have a significant effect on the environment. The report assesses all the environmental

characteristics of an area and determines what effects or impacts will result if the area is altered or disturbed by a proposed action. (See “California Environmental Quality Act.”)

**Extremely Low Income Household:** A household with an annual income no greater than approximately 30 percent of the area median family income, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) or the California Department of Housing and Community Development (HCD). A local agency may either use available census data to calculate the percentage of very-low income households that qualify as extremely low income, or may presume that 50 percent so qualify. California Govt. Code §65583(a)(1).

**Fair Market Rent (FMR):** The rent, including utility allowances, determined by the United States Department of Housing and Urban Development for purposes of administering the Section 8 Existing Housing Program to be the median gross rents charged for available standard units in a county or Standard Metropolitan Statistical Area (SMSA).

**Family:** (1) Two or more persons related by birth, marriage, or adoption [U.S. Bureau of the Census]. (2) An individual or a group of persons living together who constitute a bona fide single-family housekeeping unit in a dwelling unit, not including a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house or institution of any kind [California].

**Feasible:** Capable of being done, executed, or managed successfully from the standpoint of the physical and/or financial abilities of the implementer(s).

**Finding(s):** The result(s) of an investigation and the basis upon which decisions are made. Findings are used by government agents and bodies to justify action taken by the entity and must be supported by substantial evidence.

**First-Time Home Buyer:** Defined by HUD as an individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home. Jurisdictions may adopt local definitions for first-time home buyer programs which differ from non-federally funded programs.

**Floor Area Ratio (FAR):** The gross floor area permitted on a site divided by the total net area of the site, expressed in decimals to one or two places. For example, on a site with 10,000 net sq. ft. of land area, a Floor Area Ratio of 1.0 will allow a maximum of 10,000 gross sq. ft. of building floor area to be built. On the same site, an FAR of 1.5 would allow 15,000 sq. ft. of floor area; an FAR of 2.0 would allow 20,000 sq. ft.; and an FAR of 0.5 would allow only 5,000 sq. ft. Also commonly used in zoning, FARs typically are applied on a parcel-by-parcel basis as opposed to an average FAR for an entire land use or zoning district.

**General Plan:** A compendium of city or county policies regarding its long-term development, in the form of maps and accompanying text. The General Plan is a legal document required of each local agency by the State of California Government Code Section 65301 and adopted by the City Council or Board of Supervisors. In California, the General Plan has 7 mandatory elements (Circulation, Conservation, Housing, Land Use, Noise, Open Space, Safety and Seismic Safety) and may include any number of optional elements (such as Air Quality, Economic Development, Hazardous Waste, and Parks and Recreation).

**Group Quarters:** A residential living arrangement, other than the usual house, apartment, or mobile home, in which two or more unrelated persons share living quarters and cooking facilities. Institutional group quarters include nursing homes, orphanages, and prisons. Non-institutional group quarters include dormitories, shelters, and large boarding houses.

**Home Mortgage Disclosure Act (HMDA):** The Home Mortgage Disclosure Act requires larger lending institutions making home mortgage loans to publicly disclose the location and disposition of home purchase, refinance and improvement loans. Institutions subject to HMDA must also disclose the gender, race, and income of loan applicants.

**HOME Program:** The HOME Investment Partnership Act, Title II of the National Affordable Housing Act of 1990. HOME is a Federal program administered by HUD which provides formula grants to States and localities to fund activities that build, buy, and/or rehabilitate affordable housing for rent or home ownership or provide direct rental assistance to low-income people.

**Homeless:** Persons [and families] who lack a fixed, regular, and adequate nighttime residence or whose primary nighttime residence is a shelter, an institution, or place not designed or ordinarily used as a regular sleeping accommodation for humans. (US Code, Title 42, Chapter 119, Subchapter I, §11302) Includes those who are accommodated with friends or others with the understanding that shelter is being provided as a last resort. (See “Emergency Shelter” and “Transitional Housing.”)

**Household:** All those persons—related or unrelated—who occupy a single housing unit. A single person living in an apartment is considered a household. Household does not include individuals living in dormitories, prisons, convalescent homes, or other group quarters.

**Householder:** The head of a household.



**Household Income:** The combined adjusted gross income of all the persons living in a household. Household income is commonly grouped into income categories based upon household size, and income, relative to the regional median family income. The following categories are used in the Housing Element:

*Extremely Low:* Households earning less than 30% of County median family income;

*Very low:* Households earning less than 50% of County median family income;

*Low:* Households earning 51% to 80% of the County median family income;

*Moderate:* Households earning 81% to 120% of County median family income;

*Above Moderate:* Households earning above 120% of County median family income

**Households, Number of:** The count of all year-round housing units occupied by one or more persons. The concept of household is important because the formation of new households generates the demand for housing. Each new household formed creates the need for one additional housing unit or requires that one existing housing unit be shared by two households. Thus, household formation can continue to take place even without an increase in population, thereby increasing the demand for housing.

**Housing Element:** One of the seven State-mandated elements of a local general plan, it assesses the existing and projected housing needs of all economic segments of the community, identifies potential sites adequate to provide the amount and kind of housing needed, and contains adopted goals, policies, and implementation programs for the preservation, improvement, and development of housing. Under State law, Housing Elements must be updated again in eight years, a planning period pursuant to Government Code §65588(b).

**Housing Problems:** Defined by HUD as a household which: (1) occupies a unit with physical defects (lacks complete kitchen or bathroom); (2) meets the definition of overcrowded; or (3) spends more than 30% of income on housing cost.

**Housing Subsidy:** Housing subsidies refer to government assistance aimed at reducing housing sales or rent prices to more affordable levels. Two general types of housing subsidy exist. Where a housing subsidy is linked to a particular house or apartment, housing subsidy is “project” or “unit” based. In Section 8 rental assistance programs the subsidy is provided to the family (called “tenant-based”) who can then use the assistance to find suitable housing in the housing unit of their choice.

**Housing and Urban Development, U.S. Department of (HUD):** A cabinet-level department of the federal government that administers housing and community development programs.

**Housing Unit:** A house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied as a separate living quarters, or if vacant, is intended for occupancy as a separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall. For vacant units, the criteria of separateness and direct access are applied to the intended occupancies whenever possible. (Source: US Census 2000. See also “Dwelling Unit,” “Family,” and “Household.”)

**Impact Fee:** A fee, also called a development fee, levied on the developer of a project by a city, county, or other public agency as compensation for otherwise-unmitigated impacts the project will produce. California Government Code Section 66000 et seq specifies that development fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. To lawfully impose a development fee, the public agency must verify its method of calculation and document proper restrictions on use of the fund.

**Implementation:** Actions, procedures, programs, or techniques that carry out policies.

**Inclusionary Housing:** Land use regulations that increase housing choice by requiring developers of market-rate residential development to set aside 15% of units for lower income households unable to afford housing in the open market (a Small Ownership Unit development may be required to provide up to 30% of units for lower income households). Alternatively, developers can choose to pay a fee or donate land in lieu of providing units. In lieu fees are deposited in an affordable housing trust fund, and shall be used in reasonable time to assist in the construction of lower income housing with long-term affordability restrictions.

**Inclusionary Unit.** An ownership or rental dwelling unit or single-room occupancy unit within a residential development which is required under this Part 1 of Chapter 24.16 to be rented at affordable rents or sold at an affordable ownership cost to specified households.

**Infill Development:** Development of vacant land (usually individual lots or left-over properties) in areas already largely developed.

**In Lieu Fee:** Cash payments that may be required of an owner or developer as a substitute for a dedication of land or construction of below-market-rate housing, and referred to as in lieu fees or in lieu contributions.

**Jobs/Housing Balance; Jobs/Housing Ratio:** The availability of affordable housing for employees. The jobs/housing ratio divides the number of jobs in an area by the number of employed residents. A ratio of 1.0 indicates a balance. A

ratio greater than 1.0 indicates a net in-commute; less than 1.0 indicates a net out-commute.

**Land Banking:** The purchase of land by a local government for use or resale at a later date. “Banked lands” have been used for development of low- and moderate-income housing

**Large Household:** A household with 5 or more members.

**Linkage:** With respect to jobs/housing balance, a program designed to offset the impact of employment on housing need within a community, whereby project approval is conditioned on the provision of housing units or the payment of an equivalent in-lieu fee. The linkage program must establish the cause-and-effect relationship between a new commercial or industrial development and the increased demand for housing.

**Low-income Household:** A household with an annual income no greater than approximately 80 percent of the area median family income for a household of that size and based on the latest available eligibility limits established by either the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Program or the California Department of Housing and Community Development (HCD). (See “Area.”)

**Low-Income Housing Tax Credits (LIHTC):** Tax reductions provided by the federal and State governments for investors in housing for low-income households.

**Manufactured Housing:** Residential structures that are constructed entirely in the factory, and that since June 15, 1976, have been regulated by the federal Manufactured Home Construction and Safety Standards Act of 1974 under the administration of the U.S. Department of Housing and Urban Development (HUD). (See “Mobile Home” and “Modular Unit.”)

**Market-Rate Housing:** Housing which is available on the open market without any subsidy. The price for housing is determined by the market forces of supply and demand and varies by location.

**Maximum Residential Density:** The maximum number of dwelling units or single family occupancy units permitted by the zoning ordinance on the date an application for a residential development is deemed complete. This definition is used to calculate a density bonus pursuant to Part 3 of Chapter 24.16.

**Median Income:** The annual income by household size within a region as determined by HUD for each of these income levels: very low, low, and moderate. Half of the households in the region have incomes above the median and half have incomes below the median.

**Mixed Use:** Properties on which various uses, such as office, commercial, institutional, and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationships and a coherent physical design. A “single site” may include contiguous properties.

**Mobile Home:** A structure designed for human habitation and for being moved on a street or highway under permit pursuant to Section 35790 of the Vehicle Code. Mobilehome includes a manufactured home as defined in Section 18007 of the Health and Safety Code, but, except as provided in subdivision (b), does not include a recreational vehicle as defined in Section 799.29 of this code and Section 18010 of the Health and Safety Code or a commercial coach as defined in Section 18001.8 of the Health and Safety Code. California Civil Code, §798.3.

**Moderate-income Household:** A household with an annual income between the lower income eligibility limits and 120 percent of the area median family income, as established by either the U.S. Department of Housing and Urban Development (HUD) or the California Department of Housing and Community Development (HCD). (See “Area” and “Low-income Household.”)

**Modular Unit:** A factory-fabricated, transportable building or major component designed for use by itself or for incorporation with similar units on-site into a structure for residential, commercial, educational, or industrial use. Differs from mobile homes and manufactured housing by (in addition to lacking an integral chassis or permanent hitch to allow future movement) being subject to California housing law design standards. California standards are more restrictive than federal standards in some respects (e.g., plumbing and energy conservation). Also called Factory-built Housing and regulated by State law of that title. (See “Mobile Home” and “Manufactured Housing.”)

**Mortgage Revenue Bond (MRB):** A state, county or city financing mechanism for the development of housing through the sale of tax-exempt bonds.

**Objective:** A specific statement of desired future condition toward which the City or County will expend effort in the context of striving to achieve a broader goal. An objective should be achievable and, where possible, should be measurable and time-specific. The State Government Code (Section 65302) requires that general plans spell out the “objectives,” principles, standards, and proposals of the general plan. “The addition of 100 units of affordable housing by 2010” is an example of an objective.

**Overcrowding:** As defined by the U.S. Census, a household with greater than 1.01 persons per room, excluding bathrooms, kitchens, hallways, and porches. Severe overcrowding is defined as households with greater than 1.51 persons per room.

**Overpayment:** The extent to which gross housing costs, including utility costs, exceed 30 percent of gross household income, based on data published by the U.S. Census Bureau. Severe overpayment, or cost burden, exists if gross housing costs exceed 50 percent of gross income.

**Parcel:** A lot in single ownership or under single control, usually considered a unit for purposes of development.

**Policy:** A specific statement of principle or of guiding actions that implies clear commitment but is not mandatory. A general direction that a governmental agency sets to follow, in order to meet its goals and objectives before undertaking an action program. (See “Program.”)

**Program:** An action, activity, or strategy carried out in response to adopted policy to achieve a specific goal or objective. Policies and action statements establish the “who,” “how” and “when” for carrying out the “what” and “where” of goals and objectives.

**Public Housing:** Project-based low-rent housing operated by independent local public housing authorities. To obtain housing, a low-income family applies to the local public housing authority in the area in which they want to live.

**Redevelopment Agency:** California Community Redevelopment Law provides authority to establish a Redevelopment Agency with the scope and financing mechanisms necessary to remedy blight and provide stimulus to eliminate deteriorated conditions. The law provides for the planning, development, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, and the provision of public and private improvements as may be determined by the Agency to be appropriate or necessary to the general welfare. Redevelopment law requires an Agency to set aside 20 percent of all tax increment dollars generated from each redevelopment project area for the purpose of increasing and improving the community’s supply of housing for low and moderate income households.

**Regional Housing Needs Allocation (RHNA):** Based on State of California Department of Finance projections of population growth and housing unit demand, a quantification by a COG (the regional planning agency, which in the case of the City of Santa Cruz is AMBAG, the Association of Monterey Bay Area Governments) of existing and projected housing need, by household income group, for all localities within the region. AMBAG in a city-county participatory process assigned a share of the region’s future housing need to each jurisdiction within the AMBAG sphere. The resulting housing need numbers serve as the basis for the update of the Housing Element.

**Regulation:** A rule or order prescribed for managing government.

**Rehabilitation:** The repair, preservation, and/or improvement of substandard housing.

**Residential Care Facility:** A home serving six or fewer persons or family units who have chronic, life-threatening illness and who are 18 years of age or older or are emancipated minors. A “family unit” means at least one parent or guardian and one or more of that parent or guardian’s children, one of whom has a chronic, life-threatening illness. “Six or fewer persons” does not include the licensee or members of the licensee’s family or persons employed as facility staff. (Health and Safety Code, §1568.01) Residential care facilities which serve six or fewer persons are considered a residential use of property. (Health and Safety Code, §1568.0831)

**Reverse Annuity Mortgages:** A home financing mechanism that enables a homeowner who a senior citizen to release equity from his or her home. The senior receives periodic payments that can be put to immediate use. Loans are fixed term and are paid when the house is sold or when the term expires.

**Second Mortgage Program:** The lending by a public or private agency of a portion of a required down payment to a developer or first-time homebuyer, usually with restrictions requiring that the units assisted through the program remain affordable to very-low and low income households.

**Second Unit:** See “Accessory Dwelling Unit”.

**Section 8 Rental Assistance Program:** A federal (HUD) rent-subsidy program that is one of the main sources of federal housing assistance for low income households. The program operates by providing “housing assistance payments” to owners, developers, and public housing agencies to make up the difference between the “Fair Market Rent” of a unit (set by HUD) and the household’s contribution toward the rent, which is calculated at 30 percent of the household’s adjusted gross monthly income (GMI). “Section 8” includes programs for new construction, existing housing, and substantial or moderate housing rehabilitation.

**Senior:** Persons age 62 and older, or 55 years and older in senior housing with at least 35 dwelling units.

**Service Needs:** The particular services required by special populations, typically including needs such as transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services preventing premature institutionalization and assisting individuals to continue living independently.

**Shared Living:** The occupancy of a dwelling unit by persons of more than one family in order to reduce housing expenses and provide social contact, mutual

support, and assistance. Shared living facilities serving six or fewer persons are permitted in all residential districts by Section 1566.3 of the California Health and Safety Code.

**Single Room Occupancy (SRO):** A SRO is a cluster of residential units of a smaller size than normally found in multiple dwellings within a residential hotel, motel, or facility providing sleeping or living facilities in which sanitary facilities may be provided within the unit and/or shared, and kitchen or cooking facilities may be provided within the unit or shared within the housing project.

**Small Ownership Unit (SOU):** A dwelling unit containing no more than one bedroom and floor area ranging from four hundred to six hundred fifty square feet, located on a separate subdivided parcel and included in a residential development where all dwelling units are Single Ownership Units and are offered for sale to the general public.

**Special Needs Groups:** Those segments of the population which have a more difficult time finding decent affordable housing due to special circumstances. Under California Housing Element statutes, these special needs groups consist of the elderly, people with disabilities, large families with five or more members, single-parent families with children, farmworkers and the homeless. A jurisdiction may also choose to consider additional special needs groups in the Housing Element, such as students, military households, other groups present in their community.

**Subdivision:** The division of a tract of land into defined lots, either improved or unimproved, which can be separately conveyed by sale or lease, and which can be altered or developed. "Subdivision" includes a condominium project as defined in Section 1350 of the California Civil Code and a community apartment project as defined in Section 11004 of the Business and Professions Code.

**Subdivision Map Act:** Division 2 (Sections 66410 et seq.) of the California Government code, this act vests in local legislative bodies the regulation and control of the design and improvement of subdivisions, including the requirement for tentative and final maps. (See "Subdivision.")

**Substandard Housing:** Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

**Supportive Housing:** Housing with no limit on length of stay, that is occupied by a target population defined in Health and Safety Code §53260(d), and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. In general, "target population" means low-income adults with one or more disabilities, and may include families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, or homeless people.

**Supportive Services:** Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

**Tenant-Based Rental Assistance:** A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

**Transitional Housing:** Buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a future time, but no less than six months. In general, the program provides supportive services (including self-sufficiency development services) for recently homeless persons, with the goal of moving them to permanent housing as quickly as possible. (See “**Homeless**” and “**Emergency Shelter.**”)

**Uniform Building Code (UBC):** A national, standard building code that sets forth minimum standards for construction.

**Uniform Housing Code (UHC):** State housing regulations governing the condition of habitable structures with regard to health and safety standards, and which provide for the conservation and rehabilitation of housing in accordance with the Uniform Building Code (UBC).

**U.S. Department of Housing and Urban Development (HUD):** The cabinet level department of the federal government responsible for housing, housing assistance, and urban development at the national level. Housing programs administered through HUD include Community Development Block Grant (CDBG), HOME and Section 8, among others.

**Very-low Income Household:** A household with an annual income no greater than approximately 50 percent of the area median family income, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 Housing Program or the California Department of Housing and Community Development (HCD). “Very-low income households” includes extremely low income households as defined in Health and Safety Code §50106. A local agency may either use available census data to calculate the percentage of very-low income households that qualify as extremely low income, or may presume that 50 percent so qualify. California Govt. Code §65583(a)(1). (See “Area.”)

**Zoning:** The division of a city, town or county by legislative regulations into areas, or zones, which specify allowable uses for real property and size



## Appendix D

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restrictions for buildings within these areas; a program that implements policies of the General Plan.

**Zoning, Inclusionary:** (See “Inclusionary Housing.”)

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RESOLUTION NO. NS-27,559

Exhibit A



**Santa Cruz Planning & Community Development**

*Preserving our Place ~ Shaping our Space*

809 Center Street, Room 206

Santa Cruz, CA 95060

(831) 420-5110

**FEE SCHEDULE <sup>1</sup>**

<b>Application/Fee Type</b>	<b>Fee Amount <sup>2</sup></b>
<b>Administrative Fees</b>	
Hourly Billing Rate	\$101 Per hour
Application Intake	\$36
Document Fee	\$19
Public Notice	\$250
Technology Surcharge	5% of all fees/charges (including building) except those total fees/charges under \$100, duplication, impact fees, Inclusionary Housing In-lieu Fees, and General Plan Maintenance Fee.
Duplication (set through City Clerk's Office)	\$0.25 Per Page
<b>Permit Applications</b>	
Abandonment	\$1,909
Appeals	\$500 Effective for cases heard after 7/1/07
Boundary Adjustment	\$800
Certificate of Compliance	\$1,208
Coastal Permit	\$558
Coastal Permit Exclusion	\$83
Conditional Fence Permit:	
No public hearing	\$681
Public hearing	\$800
Condition/Mitigation Monitoring:	
Minor	\$500 Deposit
Major	\$5,000 Deposit
Demolition Authorization Permit	\$558
Design Permits: <sup>3</sup>	
- Large house/Substandard lot (Public hearing)	\$1,414
- Remodel/Site alteration (No public hearing)	\$558
- New nonresidential/residential	\$310/1000 sq. ft.
- Fire Review Fee	20% of Design Permit Fee
Development Agreements <sup>3</sup>	\$2,891
Extension Area Revocable License	\$1,105
General Plan/Zoning Map Amendment <sup>3</sup>	\$5,000 Deposit

<sup>1</sup> Effective July 1, 2007.

Adjusted annually in July for CPI increase, except for 2007.

<sup>2</sup> All fees are non-refundable

<sup>3</sup> This application may require the use of expert, outside analysis. Any such consultant costs and/or additional staff time shall be charged to, and recovered from, the applicant

RESOLUTION NO. NS-27,559

Exhibit A

**City of Santa Cruz, Department of Planning and Community Development Fee Schedule**

General Plan Maintenance Fee	0.012825 of building permit valuation (Charged at building permit). Total fee reduced 5% as of 7/1/07 and another 5% as of 1/1/08, with a cap per project of \$250,000 or the total of all building permit fees, whichever is less.
Historic Alteration Permit	\$123
Historic Building Survey Deletion	\$1,909
<b>Application/Fee Type</b>	<b>Fee Amount<sup>4</sup></b>
Modification to Approved Plans:	
Minor	\$558
Major <sup>3</sup>	\$1,084
Occupancy Permit:	
New Business/Change of Use	\$248 (+\$52 fire review fee)
Home Occupation	\$170 (+\$36 fire review fee)
New Occupancy, Same Use	\$52
Plan Check – Planning	\$268 plus \$3 per \$1,000 valuation (Charged at Building Permit)
Planned Development <sup>3</sup>	\$3,540
Pre-application Review <sup>4</sup>	\$2,000 Deposit
Reconstruction Permit	\$1,409
Relocation of Structure Permit	\$800
Sign Permit	\$238
Slope Modification:	
Minor	\$315
Major	\$1,610
Special Report Fee	\$496
Specific Plan <sup>3</sup>	\$9,500 Deposit
Subdivision <sup>3</sup>	\$2,064 Plus \$310 per lot
Time Extension	\$800
Use Permit <sup>3</sup>	
Administrative Use <sup>5</sup>	\$800
Special Use	\$1,502
Variance	\$1,409
Watercourse Development Permit	\$255
Watercourse Variance	\$1,610
<b>Environmental Review</b>	
Archaeological Review (for Building Permit Applications)	\$152 (Charged at Building Permit)
Biotic Review	\$202
Categorical Exemption	\$83
EIR Review	25% of consultant's contract
Negative Declaration/Initial Study <sup>3</sup>	\$1,548
<b>Code Compliance</b>	
Code Violation (Investigation Fee)	Double fees for required permits
Reinspection Fee	Actual Cost

<sup>4</sup> Up to \$1,000 of this fee may be deducted from the application fee upon submittal within one year of completed review.

<sup>5</sup> The total fee amount for an Administrative Use Permit to allow a temporary, non-profit, seasonal fund-raiser shall be \$100.

RESOLUTION NO. NS-27,559

Exhibit A

**City of Santa Cruz, Department of Planning and Community Development Fee Schedule**

**Appendix F**

**Building Permits Built, Under Construction or Approved 2007-2014 Planning Period**

Date of Comp.	Address	SFD	SFA	MFR	ADU	SOU	SRO	Units Built	Aff. Units: V Low	Aff. Units: Low	Aff. Units: Mod	Aff. Units: A Mod	Status: (B)		Aff. Determination: (1) Sales Price, (2) Rent Price, (3) Type of Subsidy	
													Approved, (A)	Under Construction		
2007																
1/4/2007	408 Columbia St				1			1						B		2
1/31/2007	328 Broadway	1						1						B		1
1/31/2007	406 Pennsylvania Ave	1			1			2						B		1
2/2/2007	229 Miramar Dr				1			1						B		2
2/7/2007	429 Dufour St				1			1						B		2
2/7/2007	316 WILKES CIR	1						1						B		1
2/9/2007	306 S BRANCIFOR	1						1						B		1
2/13/2007	219 WESTERN DR	1						1						B		1
2/15/2007	219 LAURENT ST				1			1						B		2
2/16/2007	208 LAURENT ST				1			1						B		2
2/20/2007	325 ALTA VISTA				1			1						B		1
2/23/2007	220 GRANT ST	1						1						B		1
2/23/2007	216 SANTA CRUZ	1						1						B		1
3/2/2007	625 MARNELL AVE				1			1						B		2
3/8/2007	420 ALTA AVE				1			1		1				B		2
3/23/2007	126 JORDAN ST				1			1						B		2
3/27/2007	1640 ESCALONA D				1			1						B		2
3/29/2007	503 PALM ST				1			1						B		2
3/30/2007	127 EASTERBY AV				1			1						B		2
4/4/2007	425 CLEVELAND A				1			1						B		2
4/11/2007	509 FORBES ST	1						1						B		1
4/20/2007	616 NATIONAL ST				1			1						B		2
4/20/2007	129 PROSPECT CT				1			1						B		2
4/25/2007	228 FAIRMOUNT A				1			1						B		2
4/27/2007	132 FAIRMOUNT A				1			1						B		2
5/31/2007	170 TOSCA TER	1						1			1			B		3*
6/5/2007	101 TOSCA TER	1						1						B		1
5/3/2007	151 TOSCA TER	1						1						B		1
5/4/2007	111 TOSCA TER	1						1						B		1
5/7/2007	115 TOSCA TER	1						1						B		1
5/8/2007	110 TOSCA TER	1						1						B		1
5/8/2007	156 TOSCA TER	1						1						B		1
5/9/2007	143 PLATEAU AVE	1						1						B		1
5/11/2007	110 PLUM ST	1						1						B		1
5/14/2007	133 TOSCA TER	1						1						B		1
5/18/2007	129 TOSCA TER	1						1						B		1
5/18/2007	147 TOSCA TER	1						1						B		1
5/24/2007	100 ALHAMBRA AV	1						1						B		1
5/24/2007	105 TOSCA TER	1						1						B		1
5/24/2007	112 TOSCA TER	1						1						B		1

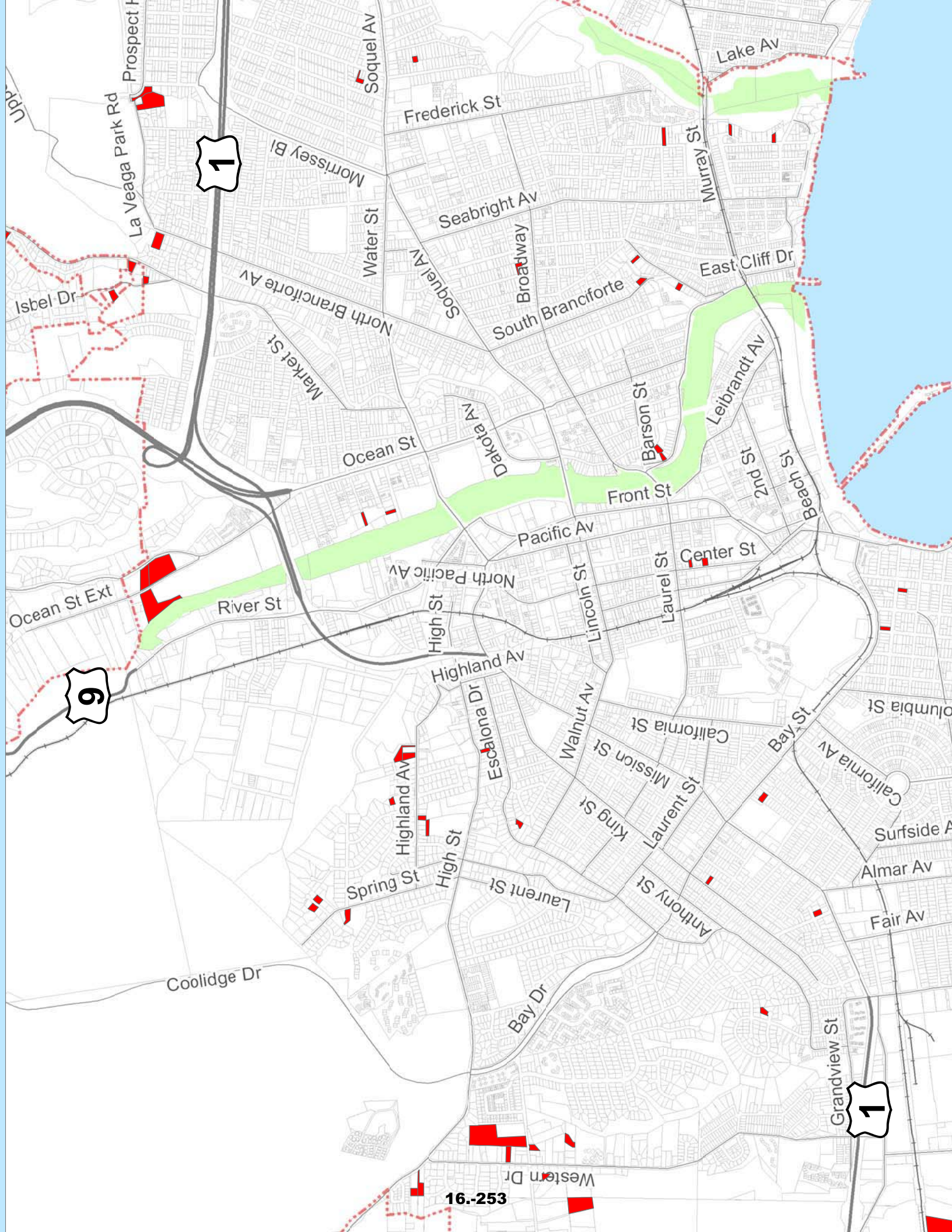


1/3/2008	110 Plum ST	1								1								1	B	1
1/7/2008	318 LAURENT ST									1								1	B	2
1/18/2008	115 ACACIA WAY									1								1	B	2
1/29/2008	224 JOHN ST	1																1	B	1
2/7/2008	821 RIVERSIDE AVE	1																1	B	1
2/13/2008	131 GLENVIEW ST									1								1	B	2
2/25/2008	1107 ESCALONA DR									1							1	B		
2/26/2008	203 CHICO AVE	1																1	B	1
3/17/2008	115 BERKSHIRE AVE	1																1	B	1
3/24/2008	141 BEACHVIEW AVE									1								1	B	2
3/25/2008	404 PACHECO AVE									1								1	B	2
4/2/2008	331 ARROYO SECO	1																1	B	1
4/8/2008	121 DAHLIA ST	1																1	B	1
4/18/2008	151 CALVIN PL									1								1	B	1
4/18/2008	215 WOODROW AVE	1																1	B	2
4/28/2008	306 WALK CIR	1																1	B	1
5/6/2008	177 BELVEDERE TER	2								4							2	B	1	
5/6/2008	2027 N PACIFIC AVE																	4	B	2
5/13/2008	115 WALT ST									1								1	B	2
5/21/2008	125 ENGLISH DR	1																1	B	1
5/27/2008	305 KING ST									1								1	B	2
5/28/2008	118 ENGLISH DR	1																1	B	1
5/28/2008	122 ENGLISH DR	1																1	B	1
5/28/2008	219 HARRISON AVE									1								1	B	2
6/4/2008	120 HAGEMANN AVE									1								1	B	2
6/6/2008	236 SWANTON BLVD									1								1	B	2
6/11/2008	1416 BAY ST									1								1	B	2
6/16/2008	419 CALEDONIA ST									1								1	B	2
6/19/2008	301 MOTT AVE	1																1	B	1
6/24/2008	127 CAMPBELL ST									1								1	B	2
6/25/2008	100 SOUTH RAPETTA RD	1																1	B	1
7/15/2008	117 CYPRESS AVE	1																1	B	1
7/15/2008	125 RIVER ST									70								70	B	2,3*
7/23/2008	340 YOUNGLOVE AVE									1								1	B	2
7/24/2008	1606 SOQUEL AVE																	36	B	2,3**
8/15/2008	144 FRANCIS CT									1								1	B	2
8/27/2008	201 SHERMAN ST									1								1	B	2
9/4/2008	106 PENGUIN CT	1																1	B	1
9/17/2008	215 WOODROW AVE	1																1	B	1
9/18/2008	122 FAIRVIEW PL	1																1	B	1
9/24/2008	240 FELIX ST	1																1	B	1
9/24/2008	240 FELIX ST	1																1	B	1
9/24/2008	240 FELIX ST	1																1	B	1
9/24/2008	175 BELVEDERE TERRACE	2																2	B	1,3**
10/1/2008	108 SECOND ST																	44	B	2,3*
10/10/2008	250 ALAMO AVE									1								1	B	2
10/16/2008	250 CARDIFF PL BLDG #1																	2	B	1
10/16/2008	250 CARDIFF PL BLDG #2									2								2	B	1
10/16/2008	250 CARDIFF PL BLDG #3									2								2	B	1
10/16/2008	250 CARDIFF PL BLD #7									2								2	B	1
10/16/2008	331 ARROYO SECO	1																1	B	1

Date of Comp.	Address	SFD	SFA	MFR	ADU	SOU	SRO	Net Units Built	Aff. Units: V		Aff. Units: A		Status: (B) Built, (A) Approved, (U) Under Construction	Aff. Determination: (1) Sales Price, (2) Rent Price, (3) Type of Subsidy	
									Low	High	Low	High			
10/17/2008	824 PELTON AVE				1			1					1	B	2
10/21/2008	138 MILES ST				1			1					1	B	2
10/27/2008	233 DUFOUR ST				1			1					1	B	2
10/29/2008	204 SACRAMENTO AVE	1						1					1	B	1
11/4/2008	217 JETER ST				1			1					1	B	2
11/5/2008	250 CARDIFF PL BLDG #4		2					2					2	B	1
11/17/2008	250 CARDIFF PL (Condos)			6				6					6	B	1
11/18/2008	426 SAN JUAN AVE				1			1					1	B	2
11/25/2008	250 CARDIFF PL BLDG #5		2					2					2	B	1
11/25/2008	250 CARDIFF PL BLDG #6		2					2					2	B	1
11/25/2008	250 CARDIFF PL BLDG #8		2					2					2	B	1
12/9/2008	168 PLATEAU AVE	1						1					1	B	1
12/19/2008	118 LADERA DR				1			1					1	B	2
12/29/2008	502 OLIVE ST							1					1	B	1
12/24/2008	UCSC-Ranch View Terrace	5						5					5	B	1
12/29/2008	207 STANFORD AVE				1			1					1	B	2
<b>2008 SUBTOTALS</b>		34	16	80	26	0	80	236	6	11	10	209			
<b>2009</b>															
1/7/2009	1125 Laurel St				1			1					1	B	2
1/23/2009	99 Grandview St				1			1					1	B	2
2/13/2009	127 Kennan St			14				14					14	B	2
2/23/2009	1030 River St			50				50					50	B	2,3**
2/23/2009	1040 River St			50				50***					50	B	2,3**
3/4/2009	211 Grant St			2				2					2	B	2
<b>2009 Subtotals</b>		0	0	116	2	0	0	118	50	0	0	18			
						*** 35 of these units fall under the extremely low category									
<b>Planning Permit Approved</b>															
706-708 FREDERICK*								22	3	19			U		2,3*
1547 PACIFIC								58	8		50		A		3*
408 BROADWAY			2					2			2		A		2
716-720-724 SEABRIGHT				12				12	1	11			A		1,3*
527 SUMNER AVE				3				3			3		A		1
627-629 SEABRIGHT				6				6	1	5			A		2,3*
611 BROADWAY				3				3		3			A		1
170 FREDERICK		9			3			12	3	9			A		1,3*
1101 OCEAN ST				9				9	1	8			A		1,3*
111 FREDERICK				4				4		4			A		2
1024 SOQUEL AVE				4				4		4			A		1
410 DAKOTA				4				4		4			A		2
2232 MISSION				11				11	1	10			B		2,3*
110 LINDBERG				21				21	3	18			A		2,3*
517 CEDAR				17			17	17					U		2,3*







Upper

Prospect H

La Veaga Park Rd

Isbel Dr

Ocean St Ext

Ocean St

Market St

North Branciforte Av

Water St

Soquel Av

Frederick St

Morrissey Bl

Seabright Av

Soquel Av

Broadway

South Branciforte

East Cliff Dr

Barson St

Leibrandt Av

2nd St

Lake Av

Murray St

Front St

Pacific Av

Center St

Laurel St

High St

Lincoln St

Walnut Av

Bay St

Highland Av

Escalona Dr

King St

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

Highland Av

High St

Walnut Av

Laurent St

Anthony St

Bay Dr

Spring St

High St

Laurent St

Bay Dr

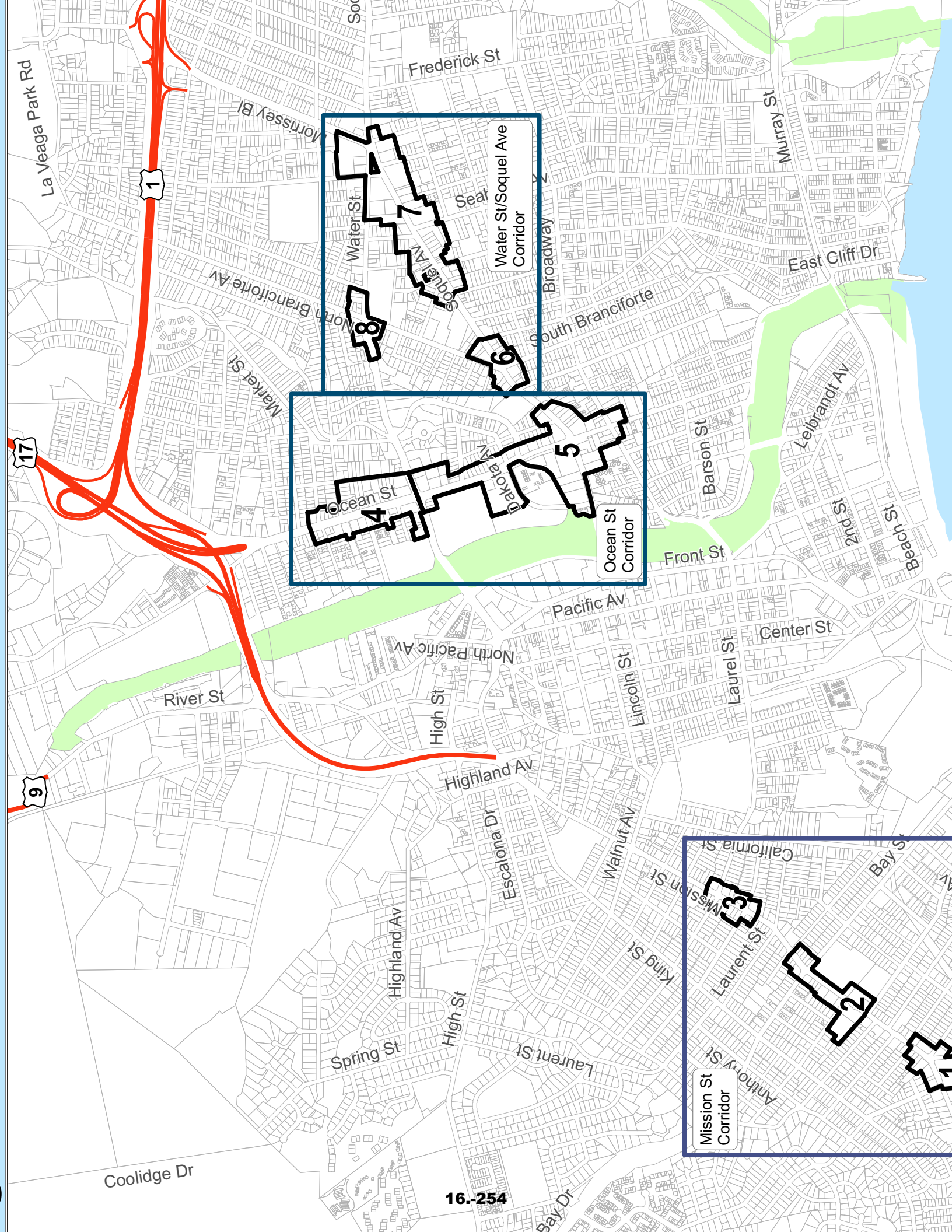
1

9

1

16.-253

Western Dr



1

17

9

8

6

4

5

3

2

Water St/Soquel Ave  
Corridor

Ocean St  
Corridor

Mission St  
Corridor



City Council Meeting Calendar

Date	Time	Location	Topic
March 22, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
*See last page for presentation information	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
April 5, 2011	2:00 p.m.	Courtyard Conf. Room	Special Closed Litigation Session
	4:00 p.m.	Council Chambers	Habitat Conservation Plan
April 12, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions and CIP Hearing
April 26, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
*See last page for presentation information	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
May 3, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Litigation Session Study Session
May 10, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
*See last page for presentation information	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
May 24, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
June 7, 2011	8:30 a.m.	Courtyard Conf. Room	Special Meeting
		Council Chambers	Budget Hearings
June 14, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
*See last page for presentation information	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
June 28, 2011	1:30 p.m.	Courtyard Conf. Room	Regular Council/Agency Closed Session
	3:00 p.m. 5:00 p.m. 7:00 p.m.	Council Chambers	Regular Council/Redevelopment Agency Open Sessions
July 5, 2011 (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room Council Chambers	Special Closed Session Study Session

July 12, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session <b>Budget Adoption</b> Regular Council/Redevelopment Agency Open Sessions
July 26, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
August			
September 6, 2011  (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Special Closed Session  Study Session
September 13, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
September 27, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
October 4, 2011  (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Special Closed Session  Study Session
October 11, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions

October 25, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
November 1, 2011  (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Special Closed Session  Study Session
November 8, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
November 22, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions
December 6, 2011  (if needed)	4:00 p.m. and 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Special Closed Session  Study Session
December 13, 2011	1:30 p.m. 3:00 p.m. 5:00 p.m. 7:00 p.m.	Courtyard Conf. Room  Council Chambers	Regular Council/Agency Closed Session  Regular Council/Redevelopment Agency Open Sessions

Presentations/Items of public interest

April 12, 2011	7:00 p.m.	Hyatt Place (tentative) (Rebagliati)
April 26, 2011	7:00 p.m.	Presentation – CPVAW/PD (Agnone) Wayfinding (Birns)
May 10, 2011	7:00 p.m.	Museum of Natural History – Dan Harder (Shoemaker)
May 24, 2011	7:00 p.m.	Monterey College of Law (Mitch Winick) RC
June 14, 2011	7:00 p.m.	Student Art Exhibit (Birns)
July 26, 2011	7:00 p.m.	CRLA (Irish Tapia) (Coonerty)

**Council Membership in City Groups and Outside Agencies**

Councilmembers will have the opportunity to present oral updates to Council and the public. Councilmembers may provide direction, request additional information or that a topic raised be agendized for future Council action. The Presiding Officer may request oral updates from Council ad hoc Committees.

The Presiding Officer will ask representatives of each entity if there is any oral update.

Name of Agency/Organization	Currently Serving
Association of Monterey Bay Area Governments (AMBAG)	L. Robinson, T. Madrigal (alternate)
City of Santa Cruz/Soquel Creek Water District (SqCWD) Desalination Project	D. Terrazas, D. Lane R. Coonerty (Alt.)
City Schools Committee	T. Madrigal, R. Coonerty, H. Bryant
City Council Ad-Hoc Committee on Technology	R. Coonerty, H. Bryant, D. Terrazas
Community Action Board	T. Madrigal, David Sweet (alternate)
Community Programs Committee	R. Coonerty, L. Robinson, H. Bryant
Conference and Visitors' Council	L. Robinson, D. Terrazas
Cultural Council Board City Representative	K. Beiers
Downtown Management Corporation	L. Robinson, H. Bryant
Economic Development Council (Mayor/Vice Mayor)	R. Coonerty, H. Bryant, D. Lane
Library Joint Powers Authority Board	K. Beiers, D. Terrazas
Library Financing Authority	D. Terrazas
Local Agency Formation Commission (LAFCO)	D. Lane
Monterey Bay Unified Air Pollution Control District	2011 City of Capitola
Public Safety Committee	D. Lane, L. Robinson, D. Terrazas
Sanctuary Inter-Agency Task Force	K. Beiers, R. Coonerty
Santa Cruz County Children's Network	D. Shoemaker, C. Scurich (alt.)
Santa Cruz Community Farmers Market, Inc.	L. Robinson
SC County Integrated Waste Management Local Task Force	D. Terrazas, Alan Schlenger (alternate) Bob Nelson, Mary Arman (alternate)
Santa Cruz Metropolitan Transit District Board	L. Robinson, H. Bryant
SC County Regional Transportation Commission (SCCRTC)	D. Lane, L. Robinson (alternate)

Public comment on the reports given will be heard at a time to be determined by the Presiding Officer.