

County of Santa Cruz Community Development & Infrastructure (CDI) Department

Public Hearing on the Draft 2023 Housing Element

Planning Commission

October 25, 2023

Background



What is a Housing Element?

- One element (chapter) of the County's General Plan
- Required by state law
- Must be updated every 8 years
- Affirmatively Furthers Fair Housing (AFFH)
- Describes local housing needs, policies and programs
- Accommodate Regional Housing Needs Allocation (RHNA) in inventory of parcels where housing can be accommodated



Community Engagement

- 1. Bilingual meeting facilitators
- 2. Project website
 - Public Comment Portal
 - Interactive Housing Plan Tool
- 3. Email blasts, social media, flyers and press releases
- 4. Focus Groups: Stakeholder Group and Community Panel with ~20 participants each
- 5. Three public community meetings
- 6. Presentations to commissions and community groups
- 7. Participation in Affordable Housing Month Events



Needs & Solutions Identified through Engagement Process

- Prioritize units affordable to lowerincome households
- Variety of housing options
- Higher densities
- Expedited permitting
- Supportive housing for special needs
 households/people with disabilities



Housing Element Structure

Section 1 - Introduction Section 2 - Goals, Policies, and Implementation Programs Section 3 - Housing Needs and Constraints Section 4 - Vacant and Available Sites Section 5 - Energy Conservation

APPENDICES

- A. Fair Housing Report
- B. Review of Previous Housing Element Programs
- C. Public Engagement Results
- D. Housing Constraints
- E. Housing Sites Inventory
- F. Sites Inventory Maps

https://www.sccoplanning.com/PlanningHome/Housing/2023HousingElement/Project Documents.aspx

Housing Element Goals

- Goal 1: Facilitate Development of New Housing, Primarily in Infill Areas;
- Goal 2: Maintain and Enhance the Quality and Affordability of Existing Housing;
- Goal 3: Facilitate the Development of Affordable and Equal Opportunity Housing;
- Goal 4: Assist in Provision of Housing for Special Needs Households
- Goal 5: Promote Energy Conservation and Sustainable Design; and
- Goal 6: Collaborate Across Sectors and Publicize Housing Resources



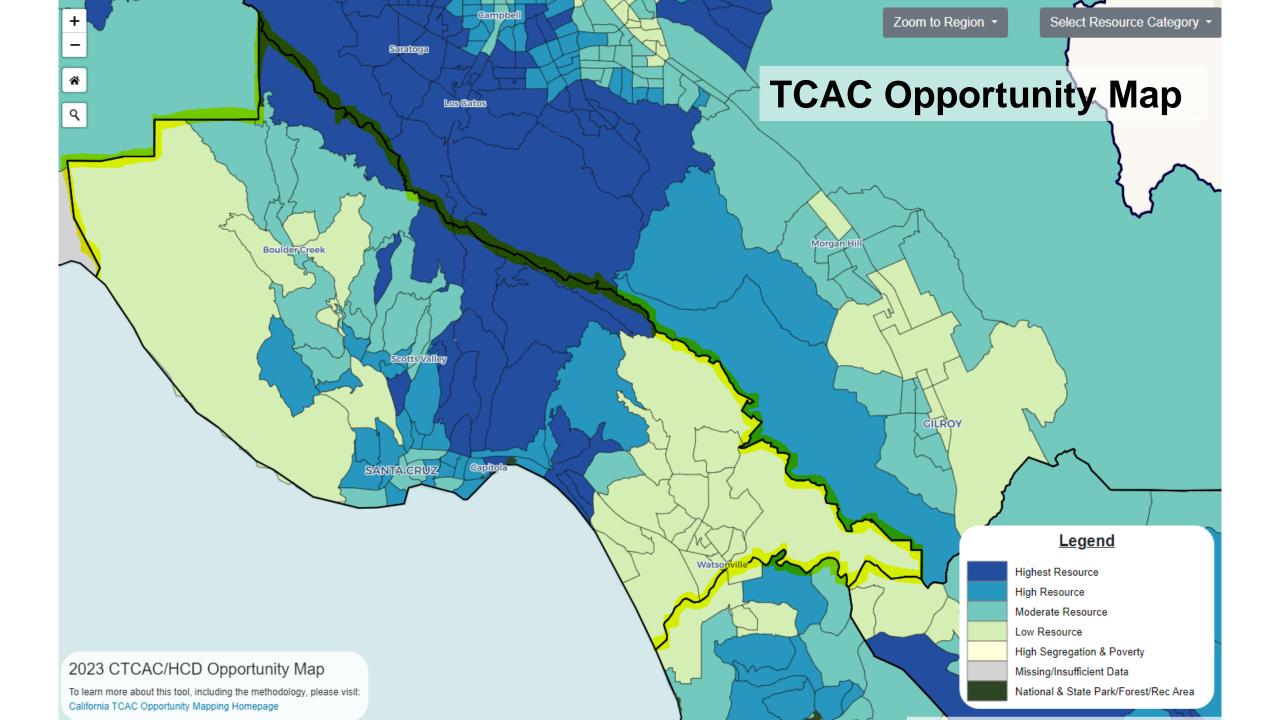
Fair Housing

New to the 6th Cycle: State law requires communities to Affirmatively Further Fair Housing or "AFFH" through their housing elements.

EQUAL HOUSING

OPPORTU

Definition: "Taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity."



Proposed New Programs (Partial List)

- H-1C: By-right Overlay Zone (required by state law)
- H-1D: Site Consolidation Bonus
- H-1E: Rezone Opportunity Sites
- H-1F: Update Multi-family Development Standards
- H-2H: Proactive Code Enforcement for Vacation Rentals
- H-3D: Advocate for State Limits on Renter Application Fees
- H-3H: Nexus Study for inclusionary Housing Levels and Fees
- H-4D Explore options for increasing supply & awareness of affordable, accessible housing for people with disabilities
- H-5: Explore requiring all new housing built to be electric
- H-6E: Explore formation of a "CDBG Urban County" with local cities



Sustainability Update and Climate Action and Adaption Plan

- ✓ All density ranges expanded/increased
- New Residential Flex Zone: 22-45 units per acre
- Missing middle housing (2-4 homes in single family zones)
- ✓ Housing near transportation
- ✓ More housing in mixed-use (50% -> 80%)
- Infill development key to climate adaptation



Regional Housing Needs Allocation (Units)

| Income Level | RHNA Units Required | RHNA + 10% Buffer | Capacity in Existing Zoning | Unit Shortfall (Surplus) | |
|--------------|------------------------|----------------------|--------------------------------|-----------------------------|--|
| Very Low | 1,492 | 1,641 | 890 | 751 | |
| Low | 976 | 1,074 | 888 | 186 | |
| Moderate | 586 | 645 | 582 | 63 | |
| Above Mod | 1,580 | 1,738 | 1,786 | (48) | |
| Total | 4,634 | 5,098 | 4,146 | 952 | |

Site Selection Factors for the Sites Inventory

- ✓ State standards for availability and feasibility:
 - Vacant or Underutilized
 - Size
 - Few environmental hazards/constraints
 - Availability of utilities (inside USL)
 - 20+ units/acre for lower-income units
 - ✓ State (TCAC) Opportunity Maps
 - ✓ Fair Housing (AFFH)
 - ✓ Community Engagement
 - ✓ Pending Projects
 - ✓ Property Owner Intent
 - Zoning/General Plan Land Use Designations



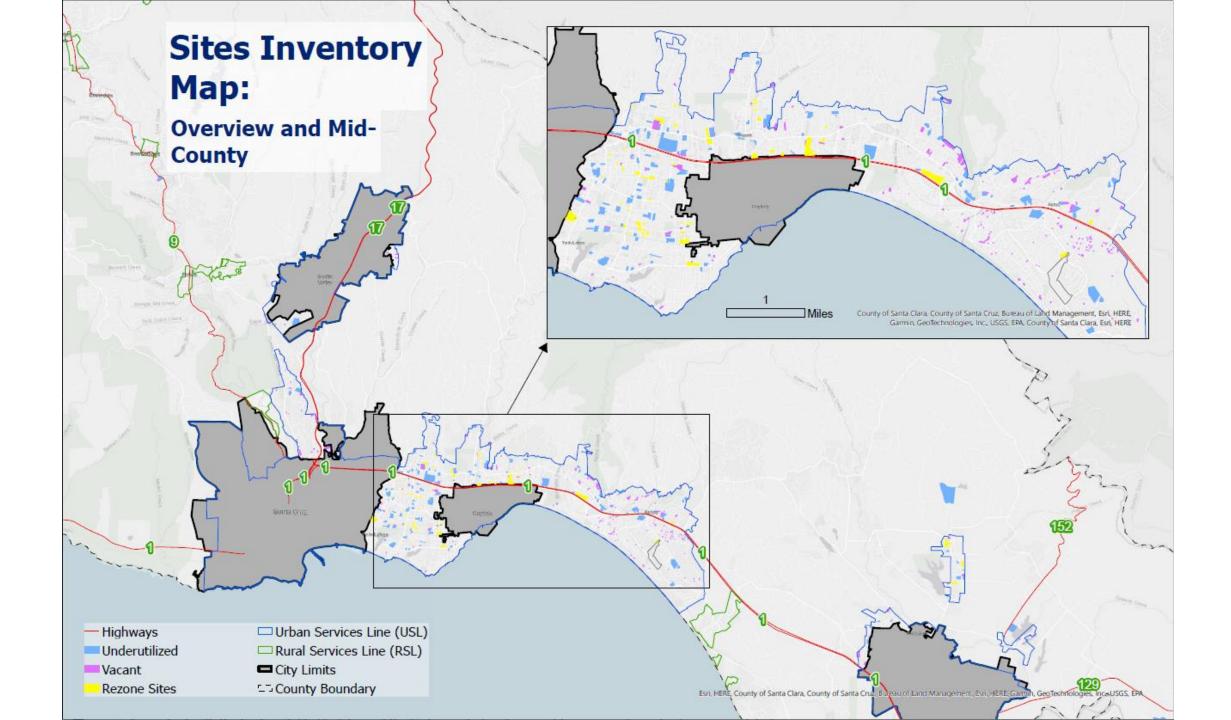
Sites Proposed for Rezoning to Meet RHNA

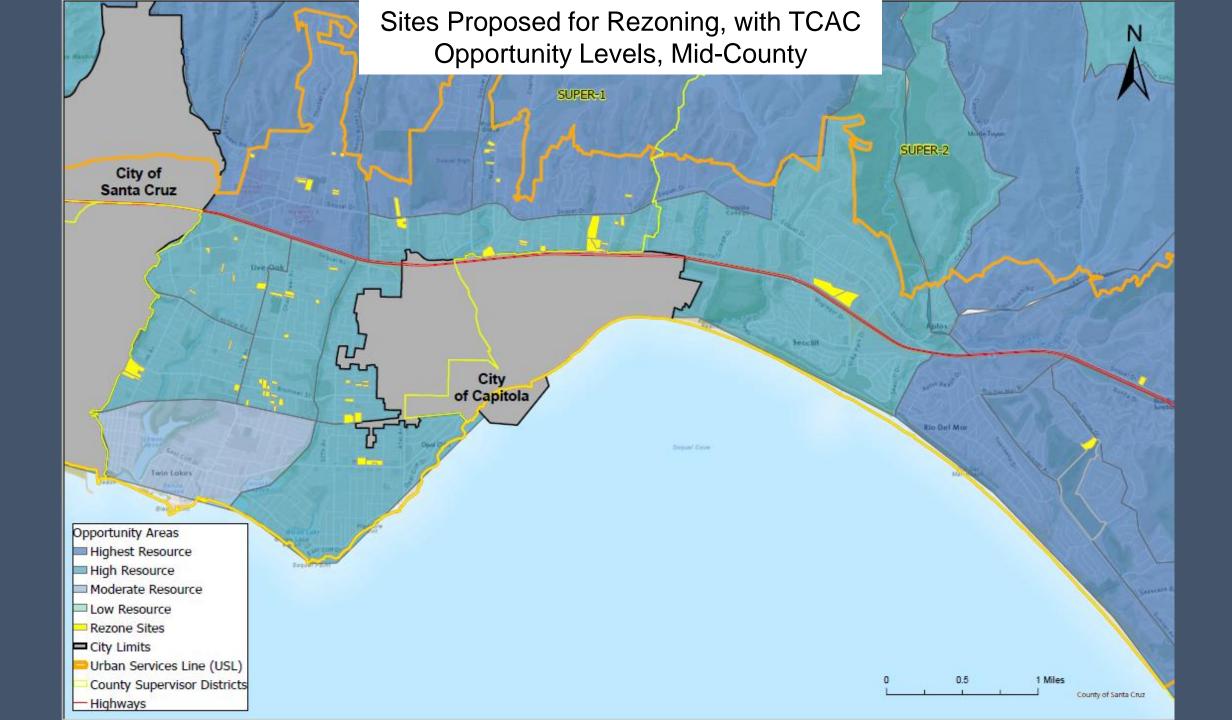
| Income Level | Shortfall (Units) | Units from Standard Rezoning | | Total New Unit Capacity | |
|--------------|-------------------|------------------------------------|---------|----------------------------|--|
| Very Low | 751 | 719 | 33 | 752 (719+33) | |
| Low | 186 | 602 | 66 | 668 | |
| Moderate | 63 | 79 128 | | 207 | |
| Above Mod | (48) | 416 | 148 564 | | |
| Total | 952 | 1,816 | 375 | 2,191 | |

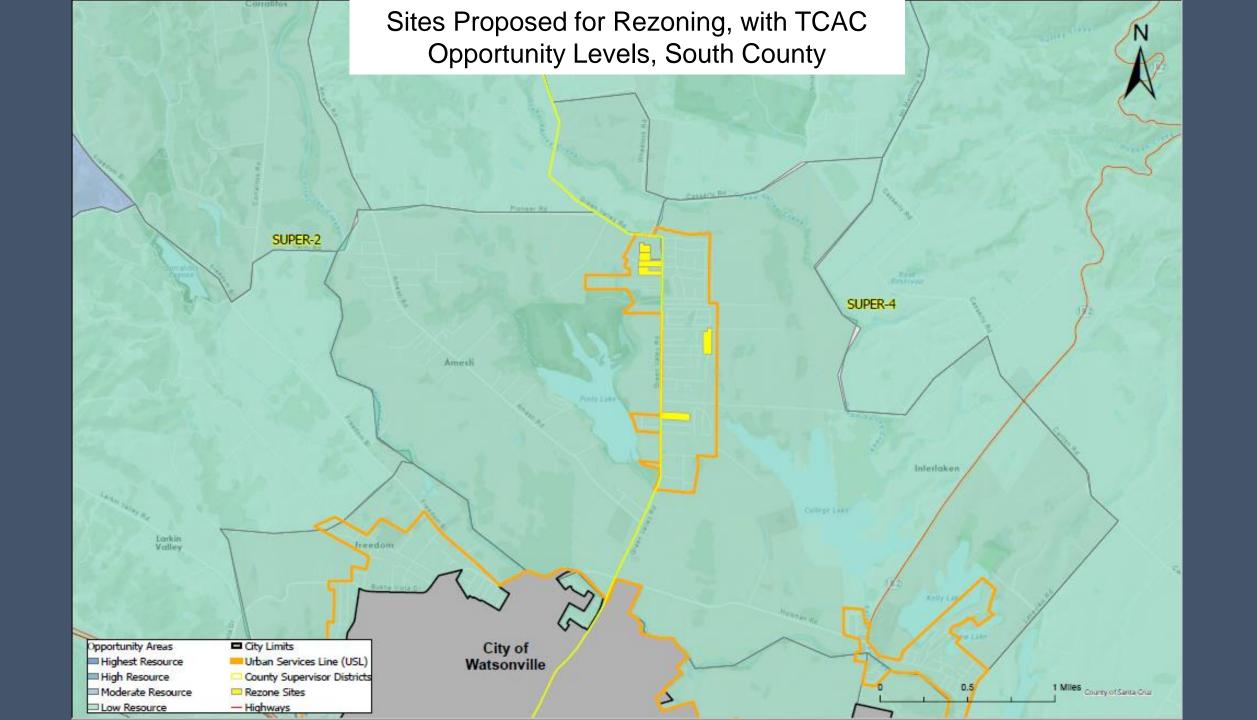
Density Analysis of Existing Sites

| Existing Sites w/o Pending Projects | Estimated Capacity | Density Analysis | | | | | |
|---|-----------------------|------------------|---------|----------|------|----------|----------|
| | | At | At | | % of | | % of |
| | Total Units | Minimum | Maximum | % of Min | Max | Midpoint | Midpoint |
| Mixed Use (Public Facility and Commercial | | | | | | | |
| Zones) | 1,801 | 1,873 | 3,942 | 96% | 46% | 2,908 | 62% |
| Residential Zones | 639 | 663 | 1,764 | 96% | 36% | 1,214 | 53% |

On many of these sites, only a portion of the site is available for development, either due to other existing structures/uses on site, mixed-use zoning, or protected open space or water features. Such areas were netted out before estimating capacity.

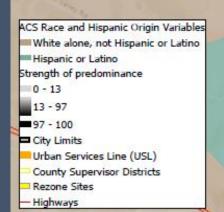








Sites Proposed for Rezoning, with Predominant Race/Ethnicity by Census Tract, South County



SUPER-2

City of Watsonville



SUPER-4

2600 Mar Vista Dr. (aka "Par 3" Site)

- 13.7 acres: 2 currently vacant lots zoned Parks & Rec (PR)
- In Sites Inventory:
 - Proposed rezoning to Residential Flex (RF): Multifamily, 22-45 units/acre
 - Estimated capacity for ~430 units, including 190 affordable to lower-income households.
- RF open space code: minimum ~2.05 acres of common open space across both parcels, or individually ~1.12 acres on lot on Mar Vista Dr., and ~0.93 acres on other lot.
- On Sept. 12, Board directed the Planning Commission to "consider options for specifying that Par 3 site include some kind of provisions for senior housing and publicly accessible open space."





2600 Mar Vista: Opportunities & Options

- Require public access easement over common area open space,
- Encourage future applicant(s) to cluster common open space adjacent to Mar Vista Dr.
- Code requires at least ~2.05 acres of common open space onsite,
- Encourage applicant(s) to aim for more than minimum 2 acres of open space, without reducing capacity for housing;
- Leave some portion of acreage in PR (not recommended, would reduce yield);
- Encourage applicant(s) to include some senior housing within site;
- Site is conducive to:
 - Senior/special needs apartments
 - Subsidized or market-rate multi-family
 - All-age rental housing

2600 Mar Vista: Challenges & Constraints

- Existing easements & rights of way = ~2.26 acres of site
- Drainage deficiencies in vicinity
- Not in site-planning stage yet, site conditions not well known;
- Imposing significant ad hoc conditions of approval and/or property dedications beyond those in code is legally risky and can be a constraint
- If some acreage is left in PR, yield projections would be reduced proportionally, those units moved to other sites
- Yield projection is 430 Units on 13.7 acres
 - 3 acres open space = 383 units total
 - 4 acres open space = 339 units total
- Reduction of capacity on this site not consistent with AFFH requirements.

Revisions since September 27 Planning Commission Study Session

Sections 2 and 4, Housing Sites Inventory and Appendices

Section 2 -

- Quantified Objectives to include the extremely low-income category and information on the very-low-income category.
- Program H-1M now supports increasing the number of ADUs.

Section 4 – added the following:

- Revised Table 4.43
- Commercial/retail market demand info.
- Pending Projects discussion
- ADU permits issued 2014 to 2022
- Farmworker housing
- Permanent Room Occupancy (or "SRO") discussion

Revisions since September 27 Planning Commission Study Session – cont'd

Sections 2 and 4, Housing Sites Inventory and Appendices

Inventory:

- 1 Parcel moved from rezoning list to pending projects list;
- Two new pending projects were added;
- One parcel that was rezoned as part of the Sustainability Update was added to inventory;
- Two parcels removed based on development completed in the 5th Cycle; and
- Public facility (PF)-zoned sites available for shelter or navigation centers were added.

Appendices:

Additional data added to Appendix HE-A per HCD request

California Environmental Quality Act

- Addendum to the Sustainability Update EIR (December 2022)
- No substantive new impacts
- Sustainability Update EIR considered 4,500 new residential units.
- RHNA of 4,634 = 134 units above 4,500 units analyzed
- 56 units constructed since beginning of 2023
- 134 + 56 = 190 units more than 4,500 units analyzed
- 4.25% increase in analyzed units

HCD Initial Review Letter Received 10/23/23

- Additional data requested on fair housing and special needs analysis
- Clarification of capacity analysis methods
- Minor program modifications
- No significant changes
- Staff will incorporate revisions into version presented to Board on 11/14



| October 23 | End of 90-Day HCD Review |
|---------------|------------------------------------|
| Oct. 25 | Planning Commission Public Hearing |
| Nov. 1 | HAC Public Hearing |
| Nov. 14 | Board Hearing - Adoption |
| Nov. 15 | Submit HE to HCD for 60-Day review |
| Jan. 15, 2024 | Anticipated HCD Certification |
| 2024-2026 | Rezones |

Recommended Actions

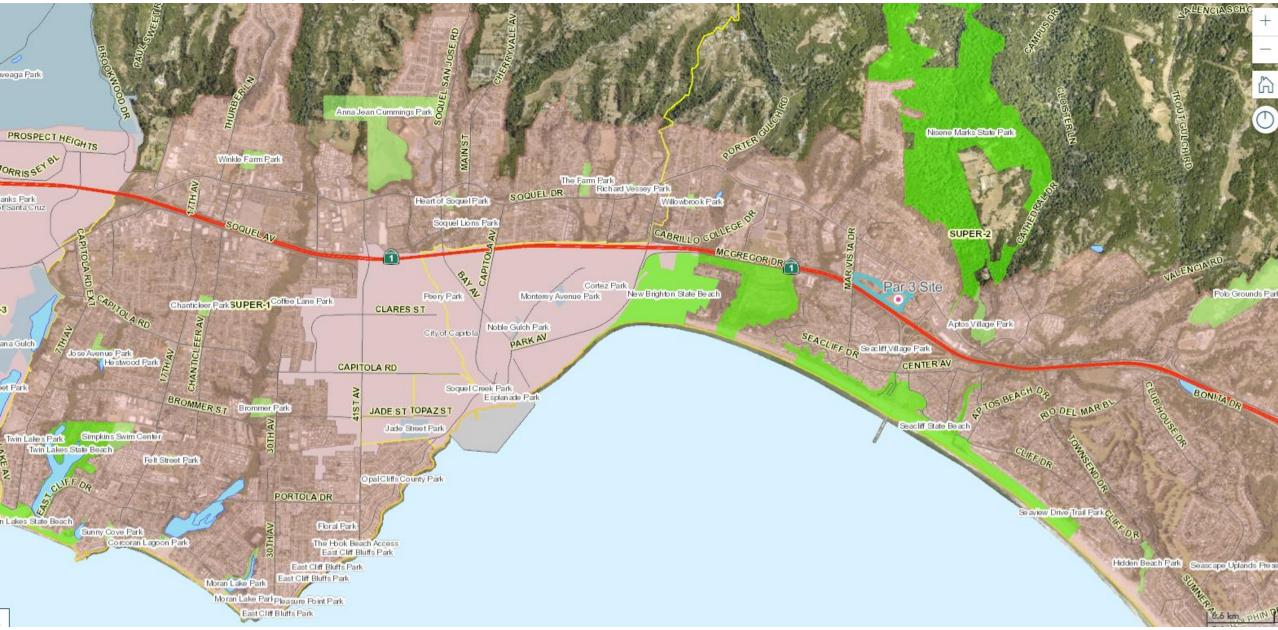


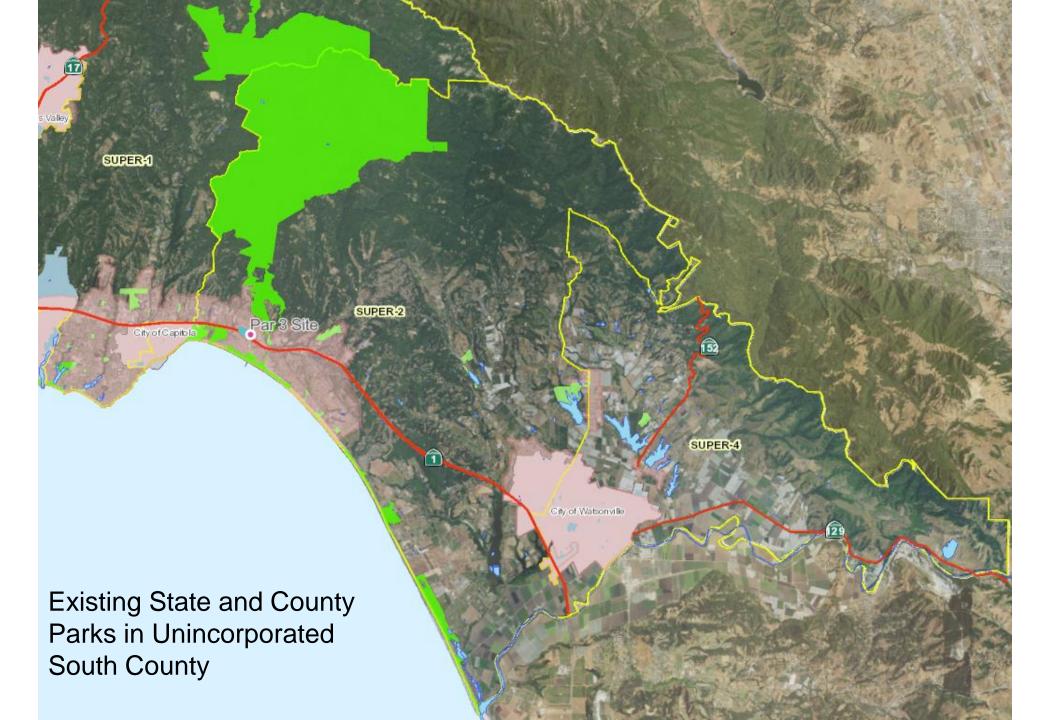


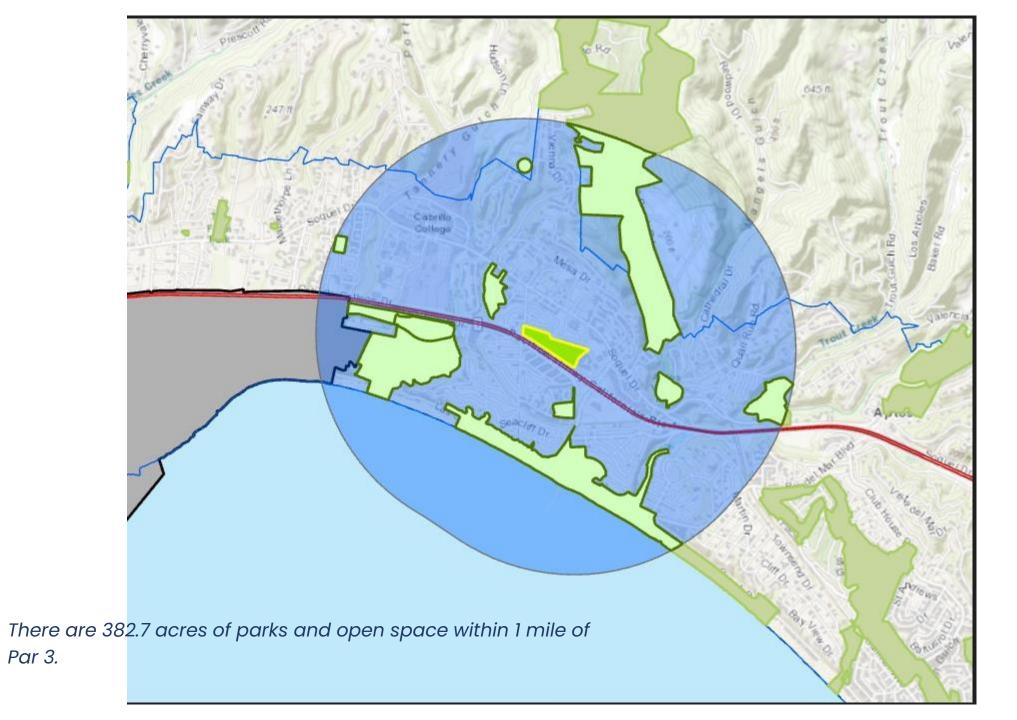
- 1. Hold a public hearing on the proposed final draft 2023 Housing Element;
- 2. Receive and consider public comment; and
- 3. Adopt the Resolution (Exhibit A) recommending that the Board of Supervisors:
 - Adopt the Addendum to the Sustainability Environmental Impact Report,
 - Adopt the Proposed 2023 Santa Cruz County Housing Element,
 - Direct that the Housing Element be forwarded to the Department of Housing and Community Development for their certification.



Existing State and County Parks in Unincorporated Mid-County

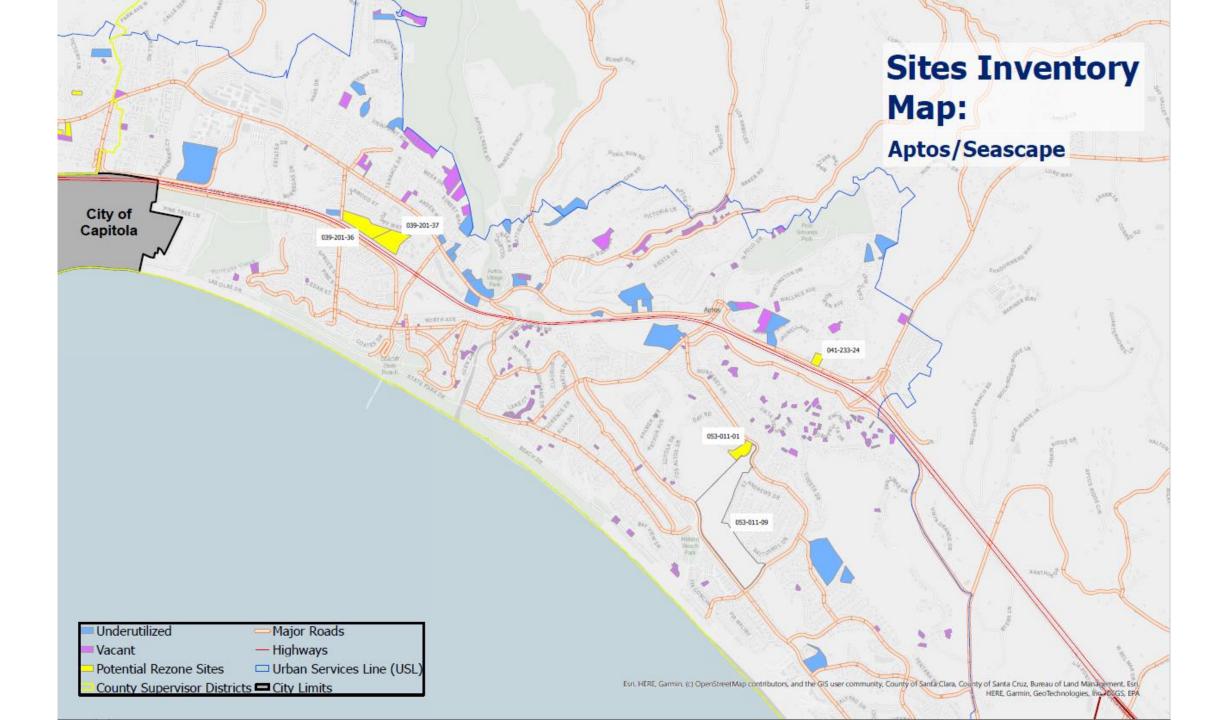


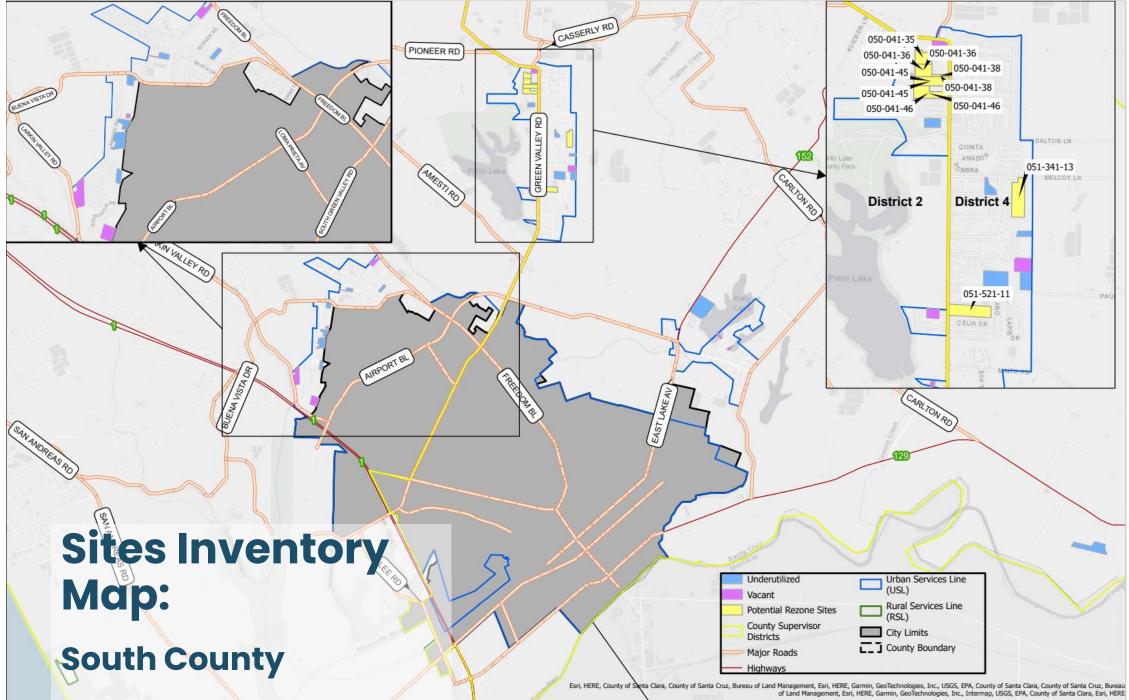




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Watsonville