

## APPENDIX HE-D: HOUSING CONSTRAINTS

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HCD Requirement: An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and [Note: The types of housing identified in Section 65583(c)(1) include multifamily rental housing, factory-built housing, mobile-homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing.] Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels.

#### INTRODUCTION

Housing development is affected by public regulations and other forces. This chapter discusses both governmental and non-governmental constraints that affect housing in the County of Santa Cruz. Governmental constraints consist of policies, requirements, or other actions imposed by various levels of government on land and housing ownership and development. In addition to local standards, the County follows building and design requirements put forth by State laws, the Uniform Building Code, Subdivision Map Act, energy conservation requirements, as well as other regulatory standards. However, federal and state agency regulations that may constrain development are beyond the County's control and are therefore not addressed in this document. Non-governmental constraints are other conditions that impact housing development, such as market factors, environmental setting, land availability, and construction costs.

### **GOVERNMENTAL CONSTRAINTS**

The Santa Cruz County General Plan is built around a core principle that the rural areas of the County are appropriate for lower density development, while the urban areas are locations where more intense land uses are appropriate and should be encouraged. Now commonly known as "smart growth," or "sustainable development," the concept of concentrating development in a core, delineated area in order to protect fragile and valuable rural and agricultural landscapes was enacted in Santa Cruz County by a 1978 voter referendum known as Measure J. The primary components of Measure J were:

- The preservation of Commercial Agricultural land through strict limitations on changes in use from agricultural to other land uses;
- A clear distinction between urban and rural areas through the creation of an Urban Services Line (USL) and a limitation on land divisions in rural areas;
- The creation of affordable housing through an affordable housing requirement applicable to new residential development.



By recognizing the resource constraints facing development in the county and targeting specific areas delineated by a USL as appropriate for more intensive, urban level uses, the voters put Santa Cruz at the forefront of a movement that has only become more popular over time.

#### AGRICULTURAL LAND PROTECTION FOR AGRICULTURAL USES

Measure J, and the implementing ordinances that followed its approval, identified prime and non-prime agricultural land throughout the unincorporated areas of the county. A series of General Plan policies and ordinances were enacted to aggressively protect agricultural lands for agricultural uses, including limiting the size of new agricultural parcels and requiring that extensive findings be made before land zoned for commercial agriculture can be rezoned for any other land use. Agricultural buffer requirements and recorded agricultural conflict acknowledgments were required to address the conflict between new residential uses and adjacent existing agricultural operations, further protecting agricultural uses from conflicts with new development. In addition, a right-to-farm ordinance was adopted to strengthen the voter's directive that preservation of agricultural land for agricultural use and production is important for Santa Cruz County.

#### URBAN/RURAL DISTINCTION

#### Urban Services Line

The creation of the USL is perhaps the most significant effect of Measure J. The USL creates a boundary on the expansion of intense land uses such as dense residential development and large commercial development, creates neighborhoods that can be served efficiently by public services including transportation, fire and police protection, pedestrian improvements, and other urban amenities, while simultaneously protecting the natural resources found in the rural areas from overdevelopment. The primary distinction between urban and rural areas is the nature and density of development that is permitted based on the availability of existing infrastructure to support it.

The concept of an urban/rural boundary for development processing purposes was later expanded to the Rural Services Line (RSL). The RSL identifies areas such as the towns of Felton, Ben Lomond, Boulder Creek, Davenport, and La Selva, where existing development is at urban densities. Even though these areas may not have a full level of urban services, they constitute established locations appropriate for denser development—sometimes utilizing package treatment facilities for sanitation, such as at the Brookdale Lodge -- and a concentration of commercial services to serve their populations that would not otherwise be permitted outside the USL.

#### Rural Land Divisions

Measure J placed limitations on the number of parcels that could be created through land divisions in the rural area and specified that the number of new lots would be based on a percentage of the Rural Building Permit Allocation, which is discussed below. The tool developed by the County to implement this requirement is known as the Rural Density Matrix, which takes the place of a specific density attached to rural zone districts. The Rural Density Matrix takes into account factors such as water

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availability, septic requirements, fire department response time, slope and soils stability, site access, groundwater quality, timber resources, biotic resources, and fire hazards to document empirical data that leads to the determination of appropriate densities in the area. Prior to the voter approval of Measure J, rural land divisions took place to a much greater degree, and in locations that were not suitable to the dense style of development for which they were approved, as evidenced by existing problems with road access, sanitation, and drinking water services in these rural neighborhoods.

#### AFFORDABLE HOUSING

One of the sections of the Measure J initiative that has also been successful is the provision for affordable housing. By requiring affordable housing within new housing developments through an inclusionary program, Santa Cruz County was one of the pioneers in the nation in recognizing that growth management is only sustainable for a community when affordable housing is part of the package.

The Measure J requirements state that 15% of housing units built must be made available to households of moderate-, low-, or very low-income. For the most part, these Inclusionary Housing units are indistinguishable from the surrounding homes and fully integrated into the project.

Under Measure J, ownership projects with five or more units are subject to the Inclusionary Housing Program to provide on-site affordable units. Over the past few years, the Board of Supervisors has eliminated the on-site inclusionary requirement for rental units and substituted an impact fee. The County has also created more flexibility and options for developers to fulfill affordable housing requirements. The current methods available to developers of housing projects with five or more units include:

- On Site Inclusionary Housing This option requires that 15% of the ownership units built in projects with five or more units be sold to moderate- or low-income households.
- Impact fee payment For at least the next two years, developers can be relieved from building an on-site inclusionary unit by paying an impact fee, which was set at \$15 per square foot of all units in the project in 2015, with the amount to be annually adjusted based on cost increases.
- Existing unit conversion program Developers can acquire existing housing in the community at the rate of two homes for each one-unit obligation. In other words, a developer with a one-unit obligation could fulfill their requirement by acquiring a duplex and reselling each unit to an income-qualified purchaser. The developer could then convert their one on-site inclusionary unit to an additional market rate unit.



Partnership with affordable housing developer - This approach allows for-profit developers to partner with developers of affordable housing projects. These projects may either contain more than the required number of affordable units or units at a greater level of affordability.

The pricing formula is included in the County's Affordable Housing Guidelines and requires that units are priced at a level that is affordable to households earning 100% of the County median income, as adjusted by household size and number of bedrooms, and assuming a household spends no more than 30% of their income on housing. For example, a three-bedroom home is priced at a level affordable to a household with an income at 100% of the County median income for a family of four, which is \$490,000 in 2023.

County's Affordable Housing requirements have been in place for about 35 years and land values have adjusted to reflect this requirement and, as a result, the program has not constrained development in the community. Each of the cities in the County also has affordable housing programs. All the housing units that are created through the County's affordable housing program are encumbered with affordability requirements in perpetuity, ensuring that the County will continue to build a solid base of housing for future generations. Since the inception of Measure J, 550 inclusionary affordable units have been constructed; deed restrictions remain in place for 455 of those units.

#### **BUILDING PERMIT ALLOCATION**

The final piece of Measure J was a building permit allocation system, governed by an annual growth goal adopted by the Board of Supervisors each year. This system generated controversy in the past due to the impression that it creates an artificial limit on housing construction. In fact, permit demand has exceeded permit availability only in 2 out of 37 years (1978 and 1979, the first years of the program). Additionally, the Board of Supervisors has the discretion to carry over any unused permits from one year to the next, meaning building permits have always been easily available. Today, the allocation of building permits applies only to market-rate housing, and affordable housing is not subject to the allocation. Allocations are granted upon request from developers, and no additional requirements or process applies.

Overall, the growth management system initiated by Measure J has created a relatively compact urban area while maintaining the rural landscape for both agriculture and resource protection values. The addition of inclusionary housing to the equation created a system that has worked well for over three decades. The principles of Measure J, including limiting urban expansion, protecting valuable rural and agricultural resources, and concentrating development in existing urban areas, are the backbone of a planning process that limits greenhouse gas emissions and minimizes environmental impacts. By concentrating the bulk of development in a defined area, the County ensures that urban amenities like grocery stores and restaurants are accessible, and walkable neighborhoods are possible, while still being close to protected open space and recreational areas.

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#### GENERAL PLAN AND LAND USE CONTROLS

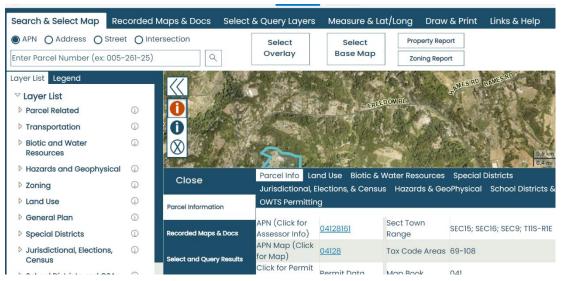
The County of Santa Cruz's development standards and requirements were established with the intent of maintaining the long-term health, safety, and welfare of the community. To achieve this, the County has implemented a range of procedures, regulations, and fees associated with all local development. Specific land use and development constraints, such as zoning regulations, governmental fees, building code standards, design review, and processing and permitting time can greatly influence the type and cost of construction that occurs.

The General Plan identifies permitted land uses and development intensities for all land within County boundaries (see Tables HE-D-1 and HE-D-2 below). The County's website provides links to the General Plan and County Code, providing the permitted land uses and development intensities. The Department website provides the unified permit fee schedule for application fees associated with all application types. Links are provided here:

- Santa Cruz County Planning Department: <a href="https://sccoplanning.com/">https://sccoplanning.com/</a>
- Santa Cruz County General Plan: <a href="https://sccoplanning.com/PlanningHome/SustainabilityPlanning/GeneralPlanTownPlans.as">https://sccoplanning.com/PlanningHome/SustainabilityPlanning/GeneralPlanTownPlans.as</a>
   <a href="mailto:px">px</a>
- Santa Cruz County Code (linked from County website): https://www.codepublishing.com/CA/SantaCruzCounty/
- A Geographic Information System (GIS) link is also provided on the County's webpage and included here: <a href="https://www.santacruzcounty.us/Departments/GeographicInformationSystems(GIS).aspx">https://www.santacruzcounty.us/Departments/GeographicInformationSystems(GIS).aspx</a>
- Unified Fee Schedule: http://unifiedfeeschedule.co.santa-cruz.ca.us/index.html

The GIS allows the public to identify the General Plan Land Use Designation, zoning, jurisdictional information, hazards and geophysical characteristics, school districts and community service associations, special districts such as water and sanitation districts, and biotic and water resources information, etc. As shown below, the GIS mapping tool provides links to any parcel's Assessor's Parcel Map, assessor parcel information, permit and planning data, as well as planning and property reports identifying the complete list of parcel attributes to assist the public with predevelopment site review.





Permitted uses within the unincorporated county of Santa Cruz include Single-family Residential, Duplexes and Multi-family Residential. The General Plan also permits mixed-use building designations under Commercial Zoning, which allows retail commercial and service uses by right and residential uses with a Conditional Use Permit. Table HE-D-1, Urban Residential Land Use Designations, identifies the residential land use designations and their maximum permitted densities.

Table HE-D- 1: Urban Residential Land Use Designations						
Land Use Designation	Units per Acre (Building Intensity) <sup>1</sup>	Estimated Residents per Acre (Population Density) <sup>2</sup>	USL	RSL	Implementing Zone Districts <sup>3</sup>	
Urban Very Low (R-UVL)	1–5	3–20	Yes	Yes	R-1	
Urban Low (R-UL)	4–10	10–35	Yes	Yes	R-1, RB, RM	
Urban Medium (R-UM)	7–15	15–45	Yes	No	R-1, RB, RM	
Urban High (R-UH)	11–30	25–60	Yes	No	R-1, RM	
Urban High Flex (R-UHF)	22–45	35–75	Yes	No	RF	

<sup>&</sup>lt;sup>1</sup>Units/acre is in terms of gross parcel area. On sites with mapped natural resources and hazard risks, overriding minimum site area and building intensity rules may apply (see *Appendix F*).

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<sup>&</sup>lt;sup>2</sup> Population density is provided as an estimated range and is not tied to any development standard or requirement. According to the American Community Survey, in 2017 there were an average of 2.4 people per household in the unincorporated county, ranging from 2.6 people per household in single-family homes, down to 1.6 people per household in large apartment buildings (US Census Bureau 2018). This table adjusts estimated population density based on the mix of housing types appropriate in each land use designation.



<sup>3</sup>R-1 = Single Family Residential; RB = Ocean Beach Residential, RM = Multifamily Residential, RF = Residential Flex.

Table HE-D-2: Rural Residential Land Use Designations						
Land Use Designation	Lot Size Per Unit <sup>1</sup> (Building Intensity)	ner Acre		RSL	Implementing Zone Districts <sup>3</sup>	
Mountain Residential (R-MT)	10–40 acres	0.05–0.5	No	No	RR, RA, TP, A, R-1	
Rural Residential (R-R)	2.5–20 acres	0.15–1.5	No	No	RR, RA, A, R-1	
Suburban Residential (R-S)	1–5 acres	0.5–5.0	No	Yes <sup>4</sup>	RR, RA, R-1	

<sup>&</sup>lt;sup>1</sup>Units/acre is in terms of net developable parcel area. On sites with mapped natural resources and hazard risks, overriding minimum site area and building intensity rules may apply (see *Appendix F: Natural Resource/Environmental Hazard Areas: Maps + Development Constraints*).

#### **ZONING ORDINANCE**

Unlike most counties in California where urban development occurs within incorporated city boundaries, the unincorporated area of Santa Cruz County has a disproportionate share of the County's urban development and, therefore, must regulate a wide variety of development ranging from high density residential housing to timber production and agricultural lands.

Zoning districts in Santa Cruz County are consistent with General Plan policy, and with Local Coastal Program policies as is required by State law. The zoning district provisions govern the type, density, mix, and other site related restrictions that apply to development. The zoning ordinance contains a number of features intended to promote affordable housing including density bonuses, accessory dwelling units, density minimums, and other features such as flexible application of height and parking standards for affordable housing projects. Residential development standards, such as building height, parking requirements, floor area ratio (FAR), lot coverage and setbacks, are typical of those applied in other suburban California jurisdictions. The zoning or building ordinance does not require a minimum residential unit size precluding smaller units, e.g., "affordable by design" apartments or other housing types. The only constraint to minimum unit size

<sup>&</sup>lt;sup>2</sup> Population density is provided as an estimated range and is not tied to any development standard or requirement. According to the American Community Survey, in 2017 there were an average of 2.6 people per single-family household in the unincorporated county (U.S. Census Bureau 2018). This table utilizes this baseline data and adds estimated ADU residents to the high end of each population density range.

<sup>&</sup>lt;sup>3</sup> RR = Rural Residential; RA = Residential Agriculture, TP = Timber Production, A = Agriculture, R-1 = Single-Family Residential. Note that outside the USL/RSL, R-1 zoning is generally appropriate only to recognize existing small legal residential parcels of record as conforming parcels. R-1 is not an appropriate zone district for newly created rural residential lots.

<sup>&</sup>lt;sup>4</sup> R-S designation may be allowed within RSLs as indicated in certain village and town plans (see BE-2.2.6 and BE-2.2c).



is the 2022 California Building Code, which specifies minimum residential unit sizes. Residential rental units must have at least one room that is at least 120 square feet; other rooms used for living must be at least 70 square feet; and any room used for sleeping must increase the minimum floor area by 50 square feet for each occupant in excess of two. Different rules apply in the case of "efficiency units". A dwelling that is 400 square feet or less in floor area excluding lofts is allowed.

# Single Family and Multi-Family Zone Residential District Site Development Standards

The current code establishes similar height, parking, FAR (which is a measure of the total lot area divided by total building area), lot coverage, and traditional suburban setback standards for single family and multi-family residential zone districts. Required setbacks range from a 15-20 foot yard, 5 to 8 foot side yard, and 15 foot rear setbacks based on lot size and width. Narrow sites are granted a minimum of 5 feet on both side yards. Smaller parcels are granted a minimum of 15-foot front yard setback. The current standards also allow a maximum of 50% FAR, a 28-foot building height, and 40% lot coverage across both single and multi-family zone districts. On smaller parcels it can be challenging to develop both a house and an accessory dwelling unit or multi-family development with the application of traditional suburban development standards. These standards can act as a constraint to the development of all housing types, in terms of the maximum unit sizes feasible, flexibility in building design choices, or building site layout, For single family zone districts, limits to lot coverage can increase the cost to construct allowed housing on the second floor of existing dwellings. Limits to height can also restrict development of allowed multi-family residential development. Notwithstanding, the zoning or building ordinance does not require a minimum residential unit size precluding smaller units, e.g., "affordable by design" apartments or other housing types. The only constraint to minimum unit size is the 2022 California Building Code, which specifies minimum residential unit sizes. Residential rental units must have at least one room that is at least 120 square feet; other rooms used for living must be at least 70 square feet; and any room used for sleeping must increase the minimum floor area by 50 square feet for each occupant in excess of two. Different rules apply in the case of "efficiency units." A dwelling that is 400 square feet or less in floor area excluding lofts is allowed.

In the urban areas, residential districts permit single-family housing, attached housing, accessory dwelling units, dwelling groups, community care facilities, day care facilities and transitional housing. The "dwelling unit" definition and other related definitions were modernized as part of the Sustainability Update, expected to be in effect by the end of 2023, to reflect current residential unit configuration options in alignment with HCD Housing Element update requirements (single-family detached, single-family attached, single-family dwelling groups, duplex, multifamily dwellings. The "F" definition, "family" definition was also removed because this definition is no longer used, due to fair housing laws, and the term is no longer used in Chapter 13.10 SCCC.

The basic use allowed in each of the urban residential districts is residential; the basic difference among the zones is the allowed density and type of housing (i.e., attached or detached).

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Development proposals within the USL are normally required to meet the minimum density designated in the County's General Plan. The urban residential zone districts are:

- R-1 (Single-Family Residential). To provide for areas of predominantly single-family residential development in areas which are currently developed to an urban density or which are inside the urban services line or rural services line and have a full range of urban services or are planned for a full range of urban services.
- RB (Single-Family Residential, Oceanfront). To accommodate single-family dwellings on existing lots of record in the vicinity of the cliffs and the ocean beach; where lots abut on and obtain access from a street which is generally parallel to both the beach and the cliff, and which has an elevation of not more than 20 feet above sea level; and where either the seaward right-of-way line of the street or the seaward boundary line of the lots on the ocean side of the street abut open beach lands which are unobstructed to the mean high tide line.
- RM (Multifamily Residential). To provide for areas of residential uses with a variety of types of dwellings in areas which are currently developed to an urban density or which are inside the urban services line or rural services line and have a full range of urban services.
- RF (Residential Flexible). To accommodate a greater intensity of residences along and near public transportation corridors within the County's urban services line, creating opportunities for infill housing available to residents at various income levels and household sizes, including workers, students, singles and seniors, specifically by encouraging compact attached housing units. Parcels within the RF Zone District shall be located in areas with a full range of urban services and in close proximity to commercial services, schools/colleges, major employment centers, and/or Multimodal Corridors as mapped in the Santa Cruz County General Plan/Local Land Use Plan. Ground-floor commercial uses may be appropriate in the RF district if compatible with adjacent land uses.

In the rural areas, residential districts permit single-family housing, dwelling groups, accessory dwelling units, and day care facilities, at densities consistent with the carrying capacity of the land and infrastructure limitations. The rural residential zone districts are:

RA (Residential Agriculture). To provide areas of residential use where development is limited to a range of non-urban densities of single-family dwellings in areas outside the urban services line and rural services line; on lands suitable for development with adequate water, septic system suitability, vehicular access, and fire protection; with adequate protection of natural resources; with adequate protection from natural hazards; and where small-scale commercial agriculture, such as animal-keeping, truck farming and specialty crops, can take place in conjunction with the primary use of the property as residential.



- RR (Rural Residential). To provide areas of residential use where development is limited to a range of non-urban densities of single-family dwellings in areas having services similar to RA areas, but which are residential in character rather than agricultural due to the pattern of development and use in the area and/or the presence of constraints which would preclude the use of the property for agriculture.
- R-1 (single family residential for existing developed neighborhoods)

The Special Use (SU) and Agriculture (A) zoning districts, two primarily rural districts that cover wide areas of the county, also allow single family dwellings, dwelling groups and second units. Residential mixed uses are also allowed in commercial zones as described below.

Urban residential districts also permit housing projects utilizing the State Density Bonus law. Since the County last updated Santa Cruz County Code Chapter 17.12 in late 2018, the State has enacted legislation making further amendments to density bonus law, which in most cases preempt local codes if in conflict. Staff plans to develop updates to Chapter 17.12 where necessary to ensure consistency with these recent state laws, which include AB 1763 of 2020, four bills chaptered in 2019, and other recently enacted density bonus legislation, as well as some other code amendments related to supportive housing and related matters. These updates are projected to be completed by the end of 2024.

To date, since the density bonus code update in 2018, a total of eight density bonus projects have been approved: four in 2019, two in 2020, one in 2021, and one in 2022. A Homekey project at Park Avenue was exempt from discretionary review due to its Homekey award as well as the AB 2162 ministerial processing requirement for supportive housing projects in qualifying locations. Both of these statutes allow a density bonus to be included as part of a ministerial review process. When this project is included with the other seven projects approved to date, the total comes to 195 units, including 115 affordable and 51 bonus units. In 2022, three new discretionary applications were received for density bonus projects, as well as two preliminary review applications. Two other projects were in preliminary review in 2022 but have not yet submitted discretionary applications. If preliminary review proposals that the County is aware of are included, a total of 450 units have been proposed in density bonus projects since 2019, with 147 affordable units (one third of the total) and 122 bonus units.

#### Sustainability Update and Code Modernization

The Sustainability Policy and Regulatory Update (Sustainability Update), adopted by the County in 2022, amends the General Plan and County Code to support sustainable development and meet the housing needs of the entire community, and will help the County achieve its Regional Housing Needs Allocation (RHNA) for the planning period. The Sustainability Update supports higher density housing that is affordable by design within the USL and RSL, with a new higher density residential zone district,

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more generous residential development standards, and changes to density calculations to support housing production.

A primary goal of the Sustainability Update is to update land use controls, including development standards for residential and commercial districts, to remove governmental constraints on housing development. The updated development standards respond to specific feedback from applicants. Staff also met with both market rate and affordable housing developers to review and adjust proposed development standards to support viable projects. Specific constraints that were identified include allowable densities that are too low to support viable projects, two-story height and low floor area ratio limits, requiring too much parking, and limiting residential uses in mixed-use projects on commercial sites to 50% of the total floor area. These restrictive development standards can also limit the ability of a developer to receive financing, further inhibiting viable projects. As discussed further below, updated development and density standards in the Sustainability Update, including the addition of a new higher density Residential Flex Zone District, address these specific constraints. For the following discussion refer to Tables HE-D-1and HE-D-2, above, for General Plan density and residential development standards, respectively. See the section on Parking below for a review of updated parking standards.

New Residential Flex (RF) Zone District. The new RF Zone District supports higher density housing in urban areas of the county in high resource areas, along and near transportation corridors, and in close proximity to commercial services, schools/colleges, major employment centers, and/ or multi-modal corridors. The intent of the district is to create opportunities for infill housing available to residents of varying income levels and household sizes, including workers, students, singles and seniors, specifically by encouraging compact housing units. The density range for the zone district is 22-45 units per acre, supporting new housing that is affordable by design to lower-income households.

Development standards for the RF District support development at the maximum density of 45 units per acre, allowing 3 stories and 40' building heights, a floor area ratio (FAR, which is a measure of the total lot area divided by total building area) of 1.1 for projects with less 30 units per acre and 1.5 for projects with 30 or more units per acre, and no limits on lot coverage.

Updated standards for multi-family residential development. To support higher-density housing development that is affordable by design in urban areas, more generous development standards for higher density multi-family (RM) zone districts with densities ranging from 11 to 29 units per acre (RM-1.5 to RM-4) allow three stories and 35-foot building heights, FARs of .6 or .7, and 45% lot coverage. Previously, heights were limited to 2 stories, FAR to .5, and lot coverage to 40%. Lower parking ratios also apply for multi-family projects.

Standards for residential development in commercial districts. In commercial zone districts allowing residential development in mixed-use projects (Neighborhood Commercial, or C-1, Community Commercial, or C-2, and Professional/Administrative Office, or PA, development standards were adjusted to support residential development and higher density projects and encourage redevelopment of underutilized parcels. The allowable residential floor area was increased from 50% to 80% of the



building square footage. No maximum lot coverage applies. Additionally, the allowable residential density in these commercial districts was increased to a maximum of 45 units per acre, the same as provided for the RF Zone District, which is a sufficient density to support compact units that are affordable by design. The County Code also clarifies that mixed-use projects on commercial sites are eligible for density bonuses, which include additional units and can provide concessions to development standards where necessary to achieve the additional density provided by the density bonus.

The height limit for development on C-1, C-2 and PA sites has been increased from 35' to 40', while retaining the three-story limit. A new FAR of 1.5 is provided, with an exception to FAR requirements for projects that incorporate at least 75% of parking in garages or podium parking either on or off-site. The higher FAR was made in response to developer comments that higher FARs are needed to support covered parking. Side and rear setbacks for commercial adjacent to residential parcels have been reduced to increase the development potential of these sites. The side and rear setbacks for commercial parcels adjacent to single family residential parcels (R-1) has been decreased from 30 feet to 15 feet, and decreased to 10 feet for commercial parcels adjacent to RM and RF sites.

Calculating density. Within the USL, density on RM sites and in commercial zone districts allowing mixed-use projects (C-1, C-2, and C-4) will be calculated based upon the gross density of the site. The development would then be clustered on the site where necessary to protect sensitive resources such as riparian areas, avoid steeply sloping areas, or hazardous areas on the site. This replaces the current approach which first deducts undevelopable areas to determine net site density, and then calculates the allowable density based on the net site area. Using gross density will allow more units on some sites in urban areas, supporting additional housing production and making housing development more feasible on these sites.

The General Plan Land Use densities for urban residential designations have also been adjusted, with overlapping densities that provide greater flexibility. A new "Urban High Flex" land use designation of 22-45 units per acre applies to the new "Residential Flex" multi-family zone district. The adjusted density range for "Urban High" (R-UH) of 11-30 units per acre increases the upper end of the density range from the previous maximum of 17.4 units per acre. This allows for the creation of new parcels in the RM-1.5 and RM-2 zone districts (multi-family zone districts with a minimum of 1,500 square feet or 2,000 square feet of land area per unit, respectively), to support higher-density projects in urban areas. The adjusted density range for "Urban Medium" (R-UM) of 7-15 units per acre increases the upper end of the density range from the previous maximum 11 units per acre.

The Sustainability Update is currently under review by the California Coastal Commission and is expected to be adopted by the Commission by the end of 2023, and to take effect early in 2024. Therefore, analysis of the development potential of sites and capacity analysis is provided in accordance with the General Plan and County Code amendments in the Sustainability Update as discussed above.

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Table HE-D-3: Single-Family Residential Development Standards							
Single-Family Residential Site and Structural Dimensions Chart (County Code Table 13.10.323-1)							
Development Standards			Star	dards by	Zone <sup>1.2</sup>		
	RB	R-1-2.5	R-1-5			R-1-16 to	
		to		R-1-9	R-1-15	R-1<1	R-1>1
		R-1-4				acre	acre
Parcel Dimensions	(new parce	els)					
Minimum site width (feet)	40	35	35	60	60	90	1-5 acres: 100 > 5 acres: 150
Minimum parcel frontage (feet)	40	35	35	60	60	60	1-5 acres: 60 > 5 acres: 100
Building Ma	assing <sup>1</sup>						
Maximum building height	25 (17 for beach lots)	28	28	28	28	28	28
Maximum number of stories	2 (1 for beach lots)	2	2	2	2	2	3
Maximum floor area ratio (FAR) <sup>3</sup>	0.5	R-1-2.5: 0.7 R-1-3: 0.6	0.5	0.5	0.5	NA	NA

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		R-1-4: 0.6					
Maximum parcel coverage ("lot coverage")	40%	45%	40%	40%	40%	20%	10%
Building Setback Distance from Property line 1,4,5							
Front yard setback (feet)	10	15	15	20	20	20	20
Side yard setbacks - interior (feet)	0&5	5&5	5&8	5&8	10&10	15&15	20&20
Side yard setback – street-facing (feet)	10	8	10	10	10	15	20
Rear yard setback (feet)	10 (0 for beach lots)	15	15	15	15	15	20
Front, side, or rear yard setback – garage/carport entrance (feet)	20	18	20	20	20	20	20

<sup>1.</sup> Building massing and setback standards are provided for primary dwellings. See Santa Cruz County Code (SCCC) 13.10.611 for development standards for accessory structures, including detached garages. See SCCC 13.10.681 for development standards for ADUs.

<sup>2.</sup> Exceptions to site development standards apply per subsection (E) – (G) of this section.

<sup>3.</sup> To calculate FAR, see SCCC 13.10.510 and 13.10.700 for "Floor Area Ratio" and related definitions.

<sup>4.</sup> Sidewalks and other amenities for pedestrians, bicyclists, and transit riders are required based on street typology and ro adway classification. Space for these amenities may lead to larger front and street side setback requirements. See SCCC 15.10.050 and County Design Criteria.

<sup>5.</sup> See SCCC 13.16.093 Sight Distance for areas in which no structure, fence, or retaining wall shall exceed 3 feet in height. In some cases, sight distance requirements may require a structure to be set back farther than the zone district requirements.



Table HE-D-4: Multi-Family Resi	dential Develo	pment Stan	dards			
Multifamily Residential Site and Structural Dimer Development Standards	nsions Chart (Co		able 13.10.32 Standards by			
Development Standards	RF	RM-1.5 to RM-2.5	RM-3 to	RM-4.5	RM-5 to	RM-6.5 to RM-9
Parcel Dimension	ns (new parcels)		1		•	
Minimum site width (feet)	50	35	35	35	50	60
Minimum parcel frontage (feet)	50	35	35	35	50	60
Building N	Massing <sup>1</sup>					
Maximum building height	40	28 (outside USL) 35 (within USL)	28 (outside USL) 35 (within USL)	28	28	28
Maximum number of stories	3	3	3	2	2	2
Maximum floor area ratio (FAR) <sup>3</sup>	1.1 (<30 du/acre) 1.5 (≥30 du/acre)	0.7	0.6	0.5	0.5	0.5
Maximum parcel coverage ("lot coverage")	NA	45%	45%	45%	45%	45%
Building Setback Distance	ce from Property	/ line <sup>1,4,5</sup>	1		1	1
Front yard setback (feet)	10	15	15	15	20	20
Side yard setbacks – interior (feet)	5&5	5&5	5&5	5&5	5&8	5&8
Side yard setback – street (feet)	8	8	8	8	8	8

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Table HE-D-4: Multi-Family Residential Development Standards						
Multifamily Residential Site and Structural Dimens	ions Chart (C	County Code Ta	ble 13.10.32	23-2)		
Development Standards Standards by Zone <sup>1,2</sup>						
RF RM-1.5 to RM-3 to RM			RM-4.5	RM-5 to	RM-6.5 to	
		RM-2.5	RM-4		RM-6	RM-9
Rear yard setback (feet)	15	15	15	15	15	15
Front, side, or rear yard setback – garage/carport entrance (feet)	18	18	18	20	20	20
Third story setback (feet)	Minimum of 50% of exterior walls of the third story set back at least 10 NA NA feet from property setback lines		NA			

<sup>1.</sup> Building massing and setback standards are provided for primary dwellings. See SCCC 13.10.611 for development standards for accessory structures, including detached garages. See SCCC 13.10.681 for development standards for ADUs.

<sup>2.</sup> Exceptions to site development standards apply per subsections (E) - (G) of this section.

<sup>3.</sup> To calculate FAR, see SCCC 13.10.510 and 13.10.700 for definition of "Floor Area Ratio" and related definitions. See SCCC 13.10.323(F)(8) for FAR exemption.

<sup>4.</sup> Sidewalks and other amenities for pedestrians, bicyclists, and transit riders are required based on street typology and roadway classification. Space for these amenities may lead to larger front and street side setback requirements. See SCCC 15.10.050 and County Design Criteria.

<sup>5.</sup> See SCCC 13.16.093, Sight Distance for areas in which no structure, fence, or retaining wall shall exceed 3 feet in height. In some cases, sight distance requirements may require a structure to be set back farther than the zone district requirements.



#### Building and Fire Codes

The County's Building Code and Fire Code are currently based on the latest, 2022 version of the California Building Standards Code, along with all required updates; however, the County will adopt new building codes effective January 1, 2026. Building and fire code requirements related to engineering standards, energy conservation, parking, materials, seismic safety, sanitation, and fire prevention and protection requirements add to the cost of housing production in Santa Cruz County, however such costs must be considered in the context of the public health and safety objectives they address. These codes do not appear to be a significant constraint, and are similar, where not identical, to codes throughout the State. The County has not made any amendments to the Code that might diminish the ability to accommodate persons with disabilities or other special-needs groups. In addition, the County has not made any amendments to the County Building Code that would establish a unit size requirement that would preclude smaller units (e.g., "affordable by design" apartments or other housing types). Unit size is regulated by the California Building Code.

Building permits for single family dwellings and accessory dwelling units, once any discretionary permit has been obtained, are usually processed in about six weeks. Accessory dwelling units are processed as ministerial permits and, consistent with State law, do not require a public hearing, even within the Coastal Zone.

### Accessory Dwelling Units, Junior Accessory Dwelling Units

In 2020 new state Accessory Dwelling Unit (ADU) laws went into effect that required updates to the County's ADU ordinance. Key provisions contained in these laws address streamlined ADU review, reduced fees, more lenient development standards such as reduced setback standards, increased allowable square footage, and lower parking requirements. The laws also increase allowances for Junior ADUs (JADUs) and multifamily dwelling ADUs, and address owner occupancy requirements, short-term rentals, nonconformities, code enforcement, and separate sale of ADUs. In January 2020 and again in March 2022, the Santa Cruz County Code was updated in alignment with these state law requirements. An additional incentive is provided for ADUs less than 750 square feet, whereby the County does not impose impact fees from water districts, or other local agencies on these units that would otherwise apply to a single-family dwelling. The County has also waived its own permit processing fees for ADUs up to 750 square feet as part of a pilot program that has been extended through April 30, 2025. In response to the enactment of more recent state law requirements for ADUs, the County intends to update its ADU regulations to align with these new state laws by the end of 2024.

In addition, during the 5<sup>th</sup> Cycle Housing Element, the County created an ADU and JADU webpage that provides information on State Laws and County regulations and streamlined application processes for developing ADUs and JADUs. Online resources provide design assistance, cost considerations and financing, and ADU and JADU construction tools, as well as



information regarding resources available from other agencies. Online design information includes an ADU design guide, ADU building plans, and building advisory weblinks and a how-to guide. Financial assistance programs include property valuation, mortgage calculators, cost and rental cash flow estimator, local landlord and rental information, and financing and lender information. Construction cost related resources include a construction cost calculator, construction management links, unit fees, and a fee calculator. The webpage includes both weblinks and downloadable material.

In 2023 the County, in partnership with Hello Housing, implemented an ADU Incentives program for homeowners to help make the process of developing an ADU less overwhelming. The program offers free feasibility and project management support provided by Hello Housing and paid for by the County for homeowners who live in the unincorporated areas of the County. Hello Housing's team of design and construction experts help homeowners to figure out what may be possible on their property. In addition to feasibility and project management, the program offers design coordination, cost estimating, and contractor selection. After receiving help through the permit process, the program also offers landlord training and tenant matchmaking.

#### Manufactured Housing / Mobile Homes

There are 87 mobile home parks located in Santa Cruz County with approximately 60 in the unincorporated area. The County's Zoning Ordinance permits manufactured housing in all residential zoning districts. Manufactured homes include modular homes, mobile homes, and any structure that meets the definition in Santa Cruz County Code 13.10.700-M.

#### Multi-family Rental Housing

Multi-family and duplex housing units constituted approximately 12% of the county's housing stock. Multi-family housing is a permitted use in the RM (Multifamily Residential) and RF (Residential Flex) zoning districts and conditionally in the C-1 (Neighborhood Commercial), C-2 (Community Commercial), and PA (Professional Administrative) zoning district as part of a mixed-use building.

#### Design Standards

In 2022, the County adopted the Santa Cruz County Design Guidelines as part of the Sustainability Update, which were crafted to ensure that development projects are attractive, functional, context-sensitive, and in alignment with community goals and objectives. The guidelines support the County's sustainability goals and contribute toward building functional and livable communities. These guidelines are designed to work in tandem with development standards and other regulatory documents to construct a complete framework to ensure that new projects fit with the built and natural character of sites throughout the County. The guidelines offer illustrative examples of how new projects should be built or remodeled to best fit overarching

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objectives while still offering developers, architects, designers and property owners the flexibility to be creative in their projects. Alignment with the design guidelines is crucial in streamlining the review process and ensuring that project designs complement or enhance the community's vision.

#### Community Care Facilities

To maintain compliance with the Lanterman Developmental Disabilities Services Act (Lanterman Act) the County currently permits small residential or community care facilities serving six or fewer individuals in all residential zoning districts by-right, and facilities serving seven or more individuals in all residential zoning districts with approval of a Conditional Use Permit. A conditional use permit is required for all similar group type uses, including multi-family residential uses, home occupations with employees, bed and breakfast uses, etc., where densities exceed the principal permitted use allowed in the district. Processing procedures, including application review levels, noticing, approval findings, public noticing, and public involvement are addressed in greater detail in the "Processing and Permit Procedures" section. Larger community care facilities (greater than six persons) may be required to meet certain conditions, including restrictions on hours of operation, security, loading requirements, and management. Project conditions are typically required to ensure compliance with the purpose and objectives of the residential zone district, to achieve neighborhood compatibility with the character of the residential neighborhood, and to protect the health and safety and welfare of the general public. These conditions are comparable to conditions applied to all similar uses within the designated zoning district, and do not impose constraints to the development of care facilities.

#### Transitional and Supportive Housing

California Government Code Section 65582 provides the following definitions of transitional and supportive housing:

"Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists 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. "Supportive services" include, but are not limited to, a combination of subsidized, permanent housing, intensive case management, medical and mental health care, substance abuse treatment, employment services, and benefits advocacy.

"Transitional housing" means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined



future point in time that shall be no less than six months from the beginning of the assistance.

Transitional and/or supportive housing can have various physical forms, from shared housing in a single-family home, to standard multi-family (typically apartment) units. These types of uses are allowed in any residential or mixed-use zone, depending on the type of dwellings proposed. For example, if a single-family home is proposed to be built and used as transitional housing, it is allowed in any zone where a new single-family home may be built. If a transitional housing project is proposed that consists of construction of a new multi-family building, it is allowed in any zone where a multi-family building of the same size and scale is allowed to be built. The same applies to supportive housing projects. There are various existing single-family and multi-family properties in the County that currently operate as supportive housing and several larger multi-family projects currently under construction that include some permanent supportive housing units. There are currently 80 beds within existing transitional housing facilities across the County.

The County applies the above state definitions when applications for transitional or supportive housing projects are received. The County does not impose any additional requirements on such developments, just the development standards that apply to the same types of residential development in the zone where the proposed project is located. In some cases, fewer requirements may be applied to such projects than to other types of residential uses, if discretionary review for the supportive or transitional housing is precluded by state law (such as Homekey or AB 2162). For example, the County has recently processed and approved a permanent supportive housing (PSH) project using the ministerial process required by AB 2162. That project, which also received Homekey Round 2 funding, is currently under construction at 2838 Park Avenue in Soquel. The County has also recently provided predevelopment funding to a new transitional housing project proposed to be developed by reconfiguring a vacant care facility located at 2716 Freedom Blvd. in Watsonville. That project application was also processed ministerially, and is awaiting a Homekey Round 3 award. The County has written administrative procedures for ministerial processing for any future AB 2162 applications that may be received, somewhat similar to the procedures for SB 35 applications.

The County's Sustainability Update, expected to be in effect by the end of 2023, includes Policy BE-3.2d below.

Policy BE-3.2d: In the SCCC, develop clear definitions, and use and development standards for care facilities, supportive housing, and other facilities or residential land use types that typically offer residents full or partial assistance with daily living, or other support. Ensure that the SCCC allows for small licensed institutional facilities as well as unlicensed residential housing in residential zone districts per State law. Ensure that appropriate licensed facilities and congregate care uses are allowed as a commercial use, and that the SCCC also

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accommodates other alternate unlicensed residential housing arrangements, with the potential for such to be accommodated on residential, commercial and public facility lands as outlined in the SCCC.

This policy was created in part to modernize the terminology in County zoning codes and land use policies for a range of residential/quasi-residential facilities and improve consistency with the terminology currently used by entities developing such uses, and with various state laws and agencies that regulate or license such facilities. For example, until the Sustainability Update was recently adopted, the County's zoning code did not include the phrase "assisted living facility" or "continuing care facility", nor have any use or development standards appropriate for such uses, although that is a relatively common land use application type. While that issue was addressed by the Sustainability Update, Policy BE-3.2d was included to allow for similar updates in terminology and/or development standards related to similar facilities, that were not addressed with that Update. The other intent of this policy was to make any updates that may be necessary to make the County's codes and policies consistent with recent state laws that prescribe how localities may regulate development of community care facilities, supportive housing, navigation centers, and/or similar quasi-residential facilities, and to consider allowing some or all such uses in a wider range of appropriate zone districts, such as commercial and/or public facility zones, so developers of for-profit care facilities, for example, are not out-competing multifamily housing developers for limited multi-family-zoned properties.

The zoning code amendments completed through the Sustainability Update also updated the definitions of single-family dwelling, "attached" and "detached", to be defined as a dwelling unit with open space on all sides, or a dwelling unit attached to a dwelling unit with a common wall, respectively. The definitions focus on physical form of the unit, rather than how many families occupy the structure, where prior code definitions might have resulted in confusion about what types of households can occupy a single-family home. The zoning code regulates the physical form of new residential development of various types, not its transitional and/or supportive features. As noted above, no additional requirements are imposed on transitional and/or supportive housing by the code.

#### Emergency Shelters

Emergency shelter is defined in State law as "housing with minimal supportive services for homeless persons 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." (CA Gov. Code §65582(d) and Health and Safety Code §50801(e)). Emergency shelters of up to 75 beds each are permitted by-right in the County's PF (Public Facilities) Zoning District. The County has approximately 466 emergency shelter beds available year-round, and an additional 100 beds available between November 15 and April 15 when the temporary winter shelters open. Most of the shelter beds are located in the cities of Watsonville and Santa Cruz. Emergency shelters are



a principally permitted use in the County's PF (Public Facilities) zone district, and are also allowed as a discretionary use in several other zone districts.

Government Code Section 65583 allows local governments to require off-street parking based upon demonstrated need, provided that the standards do not require more parking for emergency shelters than for other residential or commercial uses within the same zone. Section 13.10.364 of the County's zoning code sets forth the standards for approval of emergency shelters in the PF zone district. The parking standards therein require one space per seven beds, plus one space for each awake overnight staff person, however, a lower parking requirement may be approved under the provisions of Santa County Code Chapter 13.16. The full text of Section 13.10.364, as recently amended by the Sustainability Update, is included below. It does not impose unreasonable standards or separation/spacing requirements on such development.

#### 13.10.364 Special standards and conditions for the Public and Community Facilities PF District.

- (A) Emergency Shelters. Emergency shelters shall be permitted without additional discretionary review, subject to the following conditions:
  - (1) The maximum number of clients that may be served on a nightly basis shall be that number which can be accommodated in the facility while meeting the requirements of the California Fire Code, and in no case shall this number exceed 75.
  - (2) No individual or household may be denied emergency shelter because of an inability to pay for accommodation.
  - (3) Parking shall be provided at a rate of one space per seven beds, plus one space for each awake overnight staff person.
    - (a) A lower parking requirement may be approved under the provisions of SCCC13.16.
  - (4) The client intake area must provide a minimum of two square feet of space per client based on the number of clients expected on a nightly basis. Intake areas shall be oriented toward the interior of the site whenever possible, so as to minimize spillover of waiting clients to neighboring properties or the public street, and may include a combination of both indoor and outdoor space.
  - (5) On-site management shall be provided during all hours of operation as described below, and all operators must ensure that an operations manual that includes, at a minimum, the following components is available to staff at all times:
    - (a) Awake overnight supervision procedures and practices. A minimum of one awake overnight staff person for every 45 clients shall remain on site during operation hours.
    - If shelters serve fewer than 45 clients on a given night, a minimum of one awake overnight staff person shall be required. Additionally, all supervision staff shall be trained in first aid and CPR;
    - (b) Emergency evacuation procedures;
    - (c) Client intake procedures;

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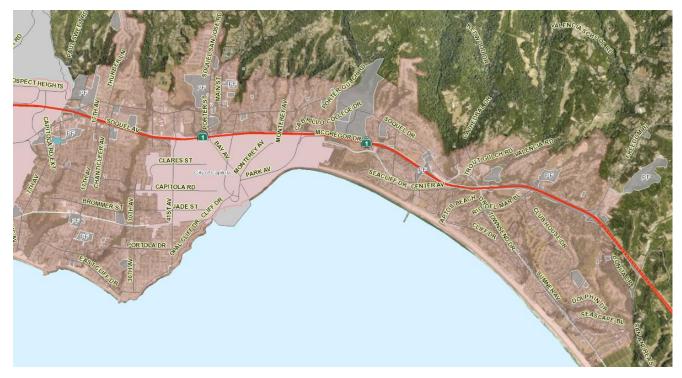


- (d) Process for providing referrals to other agencies or organizations serving the client population including drug treatment, mental health, hygiene, and healthcare services not otherwise provided on site; and
- (e) Facility maintenance and site management.
- (6) Interior and exterior lighting shall provide for the safety of staff and clients, while minimizing impacts on neighboring properties.
  - (a) All exterior lighting shall include cut-offs that prevent light from extending beyond the boundaries of the property.
  - (b) Interior lighting shall include exit-path lighting in sleeping and living areas, and full lighting of all bathroom and washroom areas.
- (7) Emergency shelter facilities shall maintain a safe and secure environment, ensuring the safety of all staff and clients, as well as a secure location for valuables, such as a locker for each client or a locked room for storing valuables and medication during sleeping hours, including a location for medications that must be refrigerated.
- (8) New emergency shelters with proposed building envelopes within 50 feet of a mapped scenic resource or a slope exceeding 30 percent will require a CUP approval. Existing structures converted to use as emergency shelters will not be subject to this requirement.
- (9) Exceptions to the above standards for emergency shelters may be considered with a CUP approval.

#### Capacity for Shelter Development

A significant amount of land in the Public Facility (PF) zone, which allows emergency shelters by right, is located within the County's Urban Services Line (USL), where most urban services and amenities are located, such as transit, jobs, schools, shopping, health care, parks, and social services. Many of these PF zones are shown on the map below, in grey shading, although smaller PF sites may not be visible at this scale. Most PF sites are owned by public agencies or faith-based entities. While many of these sites are in use, a significant amount of vacant or underutilized acreage remains on many PF sites within the USL.





October 4, 2023

State Highways Public & Community Facilities (PF) City Limits

State Highways Public & Community Facilities (PF) City Limits

Major Roads Urban Service Boundary

Urban Service Boundary

County of Santa Cruz GISWeb, 2023

Staff reviewed the PF properties within the unincorporated portions of the USL to evaluate the capacity and adequacy of sites for shelter development, as required by the recent bill AB 2339. Staff found approximately 7.8 vacant or underutilized acres across five PF sites, four of which are on major transit corridors and are accessible by bus. These were not the only PF sites which could potentially accommodate new shelter beds, however they appeared to be the most feasible for development of shelters with a larger number of beds. Based on the standard of 200 square feet per bed noted in AB 2339, the underutilized acreage within these five sites is adequate for development of shelter space for approximately 1,699 beds. The County's 2023 Point in Time (PIT) Count found 308 unsheltered people in the unincorporated area, a subset of the total of 1,426 unsheltered people in the entire county, including its four cities. The nearly 8 underutilized acres in PF zones meets the requirement of AB 2339. Using the 200 SF/bed metric, 1.5 acres is adequate to provide beds for the 308 unsheltered people counted in the unincorporated area.

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<sup>&</sup>lt;sup>1</sup> 2023 County of Santa Cruz Homeless Count and Survey Comprehensive Report, by Applied Survey Research, at: <a href="https://housingforhealthpartnership.org/Portals/29/HAP/Providers/Data/2023PITFullReport.pdf">https://housingforhealthpartnership.org/Portals/29/HAP/Providers/Data/2023PITFullReport.pdf</a>



Detail on these sites is provided in Appendix HE-E. These sites are suitable for human habitation and free of known hazards and are within standard residential neighborhoods.

#### Low Barrier Navigation Centers

Assembly Bill (AB 101), adopted in 2019, requires approval "by right" of low barrier navigation centers that meet the requirements of State law. A "Low Barrier Navigation Center" is a housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing. If the County receives applications for these uses, it will process them as required by State law. A program has been included in this Element to review land use policies and County Codes for consistency with state laws and make any amendments necessary to achieve consistency.

#### Tiny Homes on Wheels (THOWs)

A tiny home on wheels (THOW) is a specific type of nonmotorized recreational vehicle called a park trailer as defined in California Health and Safety Code (HSC) 18009.3. It is a house on a trailer that can be towed on public roads with a special permit from the DMV and is registered annually as a park trailer with the DMV. They are no larger than 400 square feet and no taller than 14 feet. Generally, they are designed to look like a tiny house using various design and materials options. They are constructed in compliance with an established national standard for park trailers (ANSI-A119.5 Park Model RV Standard) and inspected and certified by a qualified inspector. They can be purchased from a certified manufacturer or they could be constructed by an owner builder on site under the supervision of a qualified inspection agency. The THOW would come with a certification documenting the THOW meets the accepted standard for park trailers. For this type of structure, the local building inspector would be verifying the unit has the thirdparty certification and would only be inspecting the on-site installation according to the approved site plan and connection to utilities. THOWs have the potential to provide a small, flexible, and relatively low-cost housing option for residents in Santa Cruz County. A THOW is allowed with a building permit only in any zone where residential use is allowed either by zoning or General Plan designation.

#### Constraints for People with Disabilities

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps



in the setbacks of properties that have already been developed to accommodate residents with mobility impairments.

The County has not identified any barriers to the provision of accessible housing. The County currently complies with the requirements to remove constraints and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities pursuant to Cal. Gov. Code § 65583(c)(3) including but not limited to the following:

The County's Sustainability Update includes a Reasonable Accommodation ordinance that will be adopted by the end of 2023. The ordinance includes an application process, written findings, and approval by the Building Official within 30 days. A fee study is anticipated to be completed by the end of the 2023 fiscal year, prior to Board consideration and approval of the associated fee. Findings required by the ordinance include:

- 1. The housing, which is the subject of the request for reasonable accommodation, will be used by an individual protected under the Federal Fair Housing Act of 1988 or the California Fair Employment and Housing Act.
- 2. The request for reasonable accommodation is necessary to make specific housing available to an individual protected under the Federal Fair Housing Amendments Act of 1988 or the California Fair Employment and Housing Act.
- 3. The requested reasonable accommodation will not impose an undue financial or administrative burden on the County.
- 4. The requested accommodation will not require a fundamental alteration of the zoning or building laws, policies, or procedures of the County.
- 5. The requested accommodation will not deprive adjacent properties of light, air, and open space consistent with the intent of the Zoning Ordinance for reasonable.

The zoning ordinance includes provisions for minor exceptions to site standards for people with disabilities to request reasonable accommodation in the application of zoning laws and other land use regulations, policies and procedures. Reasonable accommodations are commonly applied to requests for height exceptions for dwelling remodels to allow elevators for single family dwellings and for path of travel improvements located in required yard areas for existing or proposed buildings, etc. Fees for minor exceptions to zoning development standards are approximately \$1,500.00. Findings for minor exception are included in the County Code Section 13.10.235 and approved administratively. The "Reasonable Accommodations" ordinance findings may be included to support minor exceptions.

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The County has incorporated accessible features into several affordable, multi-family rental, for sale, and supportive housing projects. American Disability Act (ADA)/wheelchair accessible units have been incorporated into these projects and they have been marketed to prioritize households that need ADA units.

In more general terms, commercial and multi-family residential projects are subject to ADA (Americans with Disabilities Act) requirements as required by the 2022 California Building Code and as provided on the Building Department accessibility webpage. ADA application requirements are also available to the public on the County Department web page. This includes handouts regarding standards for compliance with required ADA parking, path of travel, slope grade and ramps, doors, restroom design, etc. Furthermore, the County building code includes a requirement for reasonable accommodation for buildings two or more stories in height, intended and designed for occupancy by the elderly, by requiring elevators in buildings that are offered for rent, lease or compensation. In addition, accessibility improvements, required under the ADA or Title 24, including site improvements associated with structural work to non-conforming buildings, are required pursuant to non-conforming development standards contained in the Building and Zoning Code.

Lastly, reasonable accommodations are currently provided for the Public in the Community and Development Department at the zoning and building counter and are provided on-line to assist with development inquiries and appointments. This includes but is not limited to, translation services for public counter service appointments; provisions of ADA accessible desks in the public service area; written instruction included in project noticing regarding available reasonable accommodation for those needing assistance during public hearings; and an "accessibility specialist" available to assist the public with questions regarding project design related accessibility questions and the reasonable accommodations process. These in-house services facilitate the development of housing for those with disabilities.

#### Planning and Building Summary of Common Fees

The County uses a cost recovery model for many discretionary zoning fees, which are paid with an initial deposit, and time and materials are tracked by staff. This model applies to projects that require a use permit in additional to building permit(s). This model more effectively covers development costs leaving the General Fund to support more programmatic efforts related to housing. The County recognizes that cost recovery relies on an efficient processing system in order to prevent increased fees due to an elongated and onerous permitting process.

The cost of a building permit in the county includes fees associated with building plan check and inspection and fees collected on behalf of other departments, agencies, and programs. Typical fees associated with a new single-family residential project on a vacant lot, a new ADU on a lot



with an existing single-family dwelling, and a multi-family development in the urban area of the county are shown below in Table HE-D-5, Table HE-D-6, Table HE-D-7, and Table HE-D-8.

Compared to surrounding jurisdictions, including cities within the county and nearby counties, building and impact fees vary but are generally comparable. Fees for a single-family dwelling project in the City of Santa Cruz are approximately equivalent, but higher for multi-family projects. Fees for both a single-family and multi-family project are lower compared to City of Scotts Valley. Compared to the County of San Mateo, fees are higher for a single-family project, but approximately equivalent for a multi-family project. Although there is some variation in building permit and impact fees, this is not considered a constraint to development. As shown in the table, the County has waived many of the building permit and impact fees associated with an ADU less than 750 square feet bringing the fees down to a very low level.

Compared to the high costs of undeveloped, unimproved land and high site development costs, including high labor and materials costs in the county, building permit and impact fees represent a relatively small percentage (<10%) and, therefore, do not present a significant constraint to development. Cost information for two larger multi-family projects are consistent with this analysis. Cost of construction for recently constructed 80-unit project was approximately \$46.7M and the planning and permit fees amounted to approximately \$3M representing approximately six percent of construction costs. For another 57-unit project the cost of construction was approximately \$42M and the planning and permit fees amounted to approximately \$2M representing approximately four percent of the construction costs.

Table HE-D-5: Summary of Building Permit/ Impact Fees				
Hypothetical Development: Single Family Infill  A new home on an empty lot in an existing neighborhood, no significant grading or other complicating factors				
2,600 sf + 500 sf garage, 3				
Summary				
Building Permit Fees:	\$29,187			
Impact Fees:	\$24,274			
Total:	\$53,461			
Building Permit Fees				
Processing	\$4,073			
Building Plan Check	\$3,624			
Permit Fee (Inspections)	\$3,659			
CA Building Standard Administration	\$12			
Technical Training Fee	\$57			
CA Strong Motion Fee	\$29			
General Plan & Technology Fee \$1,094				
Records Management Fee	\$15			

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Soils Report Review	\$1,573
Environmental Plan Check	\$576
Environmental Inspections	\$350
Zoning Plan Check	\$742
Public Works Fees	
Roads Review	\$433
Drainage Review	\$970
Impervious Surface Fee	\$2,980
Sewer/Sanitation Connection	\$3,000
Roadside Improvement	\$3,000
Transportation Improvement	\$3,000
Subtotal	\$29,187
Development Impact Fees	S
Park Dedication Fees	\$4,000
Child Care Fees	\$436
School Fees	\$6,838
Affordable Housing Impact Fee	\$13,000
Subtotal:	\$24,274

Hypothetical Development: Accessory Dwelling Unit Infill

A new ADU on a lot with an existing main dwelling in an existing neighborhood, no significant grading or other complicating factors

749 sf, 1 story, 1 bdrm, 1 bth

Note: ADUs 750 sf or less are exempt from most building permit and impact fees

Summary of Fees	
1. Building Permit Fees:	\$4,585
2. Impact Fees:	\$0
Total:	\$4,585
Building Permit Fees	
Processing	\$0
Building Plan Check	\$0
Permit Fee (Inspections)	\$0
CA Building Standard Administration	\$3
Technical Training Fee	\$24
CA Strong Motion Fee	\$8
General Plan & Technology Fee	\$0
Records Management Fee	\$15
Soils Report Review	\$0
Environmental Plan Check	\$0
Environmental Inspections	\$0
Grading	\$0



Zoning Plan Check	\$0
Public Works Fees	
Roads Review	\$460
Drainage Review	\$1,075
Impervious Surface Fee	0
Sewer/Sanitation Connection	\$3,000
Roadside Improvement	\$0
Transportation Improvement	\$0
Subtotal	\$4,585
Developmen	t Impact Fees
Park Dedication Fees	\$0
Child Care Fees	\$0
School Fees	\$0
Affordable Housing Impact Fee	\$-
Subtotal:	\$0

#### Table HE-D-6: Summary of Building Permit/Impact Fees Hypothetical Development: Multi Family Infill Multi-family development on existing parcel consisting of 10 units and a total of 8,000 square feet. No significant grading or complicating factors Summary of Fees \$24,660 1. Development Permit Fees 2. Building Permit Fees: \$103,900 3. Impact Fees: \$175,600 Total: \$304,160 **Development Permit Fees** Residential Development Permit (total at cost \$15,854 charges) Public Works Fees \$8,281 Miscellaneous Fees \$525 Subtotal \$24,660 **Building Permit Fees** \$10,899 Processing Building Plan Check \$9,698 Permit Fee (Inspections) \$9,289 CA Building Standard Administration \$34 State Accessibility Program \$12 Technical Training Fee \$152 CA Strong Motion Fee \$110

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General Plan & Technology Fee	\$3,272			
Records Management Fee	\$15			
Soils Report Review	\$1,573			
Environmental Plan Check/Inspections	\$1,046			
Zoning Plan Check	\$845			
Public Works Fees				
Roads Review	\$1,000			
Drainage Review	\$1,695			
Impervious Surface Fee	\$12,160			
Drainage Inspection	\$4,200			
Sewer/Sanitation Connection	\$12,990			
Roadside Improvement	\$16,800			
Transportation Improvement	\$16,800			
Encroachment/Driveway	\$1,178			
Street Naming and Numbering	\$132			
Subtotal	\$103,900			
Other Development Impact Fees				
Park Dedication Fees	\$27,040			
Child Care Fees	\$2,240			
School Fees	\$38,320			
Affordable Housing Impact Fee	\$108,000			
Subtotal:	\$175,600			

Table HE-D-7: Summary of Planning Application Fees				
Application Type	Fee			
Development Review Group - Pre-Application Review	\$1,500*			
Design Review	\$1,000*			
General Plan Amendment or Property Rezone	\$15,000*			
Property Rezone	\$15,000*			
Zoning Ordinance Amendment	\$12,500*			
Specific Plan Adoption	\$15,000*			
2-4 Unit Multi-Family Residential Development (2-4 units)	\$6,250*			
5-19 Unit Multi-Family Development	\$10,000*			
>20 Unit Multi-Family Residential Development	\$12,500*			
1-4 Unit Minor Land Division	\$10,000*			
5-19 Unit Subdivision	\$12,500*			
>20 Unit Subdivision	\$15,000*			
Planned Unit Development	\$15,000*			



Minor Use Approval/Minor Site Development Permit w/out notice	\$1,500*
Administrative Use Approval or Site Development Permit whotice	\$3,750*
Coastal Zone Development Permit (Administrative with notice)	\$3,750*
Coastal Zone Development (Zoning Administrator)	\$7,500*
Vacation Rental	\$2,500*
Variance	\$3,750*
Intake Fees	Ψο,του
Records Management	<u> </u>
Application Intake	\$239
CEQA Exemption Filing Fee	\$50
Environmental Resource Review	*
Urban Resource Review	\$700*
Land Division Review	\$1,000*
Riparian Exception (development proposed in corridor)	\$1,250
Biotic Report Review	\$1,850
Arborist Report Review	\$339
Archaeological Report Review	\$149
Significant Tree Removal	\$880.27
Soils Report Review (if required)	\$1,577
Soils Report Review Waiver – Single Family Residence	\$590
Soils Report Waiver - Subdivision	\$850
Geological Report Review	\$2,012
Combined Geological and Soils Report Review	\$3,616
Preliminary Grading Review <1000 cubic yards	\$1,000*
Preliminary Grading Review >1000-8000 cubic yards	\$1,500*
Preliminary Grading Review for subdivisions, condo,	\$2,000*
multi-family development	
Environmental Review	
Initial Study/ND/MND – non-complex project (Staff Preparation and Review)	\$10,000*
Environmental Impact Report Review	\$20,000*
Public Works Fees	7-2,000
Surveyor	
Tentative Parcel Map (1–4 Unit Single or	\$4,000**
Multi-Family Minor Land Division) **	Ψ 1,000
Tentative Tract Map (5 plus Unit Single or	\$6,000**
Multi-Family Subdivision) **	Φ0 000+
Subdivision Inspection	\$2,000*
Drainage	
Single family Dwelling	\$1,120
Multi-Family or Complex Project	\$1,585*

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Sanitation				
New Single-Family Dwelling	\$250			
Mixed-Use/Multi-Family	\$750			
Road Engineering				
Single Family Dwelling (per unit fee)	\$483			
Up to 5 units (per unit fee)	\$483			
6 units or more	\$2,000*			
Notes  *Billed at actual cost  **All Public Works Agency Review fees				

Table HE-D-8: Development Impact Fees			
Fee Type	Fee		
Stormwater Impact Fee			
Impervious Surface area	\$1.42 per square foot**		
Sanitation Connection Fee			
Sewer Connection Fee (per residential unit)	\$3,000		
Sewer Connection Fee (per affordable unit)	\$750		
Childcare Impact Fee			
Single Family Dwelling	\$.85 per square foot		
Multi-Family Dwelling	\$.28 per square foot		
Park Impact Fee			
Single Family Dwelling \$4.51 per square			
Multi-Family Dwelling	\$3.38 per square foot		
School Impact Fee	4.79-5.81 per square foot*		
Transportation Impact Fee			
Bedroom Addition	\$1,000		
Single Family Dwelling	\$3,000.00		
Multi-Family Dwelling	\$2,100		
Roadside Impact Fee			
Bedroom Addition	\$1,000		
Single Family Dwelling	\$3,000		
Multi-Family Dwelling	\$2,100		
Affordable Housing Impact Fe	ee		
Residential Rental Projects			
New Rental Projects (including ADUs)	Impact Fee Per Habitable Sq. Ft.		



Table HE-D-8: Development Impact Fees			
All market-rate rental units, (including ADUs of 751 Sq. Ft. or more)	\$2		
ADUs of 750 Sq. Ft. or less	Exempt		
Deed-restricted affordable rental units (standard or ADU) affordable to lower-income households			

## Residential Ownership Projects: Developments of multiple homes for sale and/or single-family home projects\*\*\*

	New Single Family Home	Single Family Home Additions, Remodels and Replacements:  Net new square footage greater than 500	2-4 Home Projects	5+ Home Projects
Up to 2,000 square feet	\$2	\$2	\$7	\$15
2,001-2,500 Square feet	\$3	\$3	\$8	\$15
2,501-3,000	\$5	\$5	\$10	\$15
3,001-4,000	\$10	\$10	\$12	\$15
4,001 square feet and up	\$15	\$15	\$15	\$15
Water Connection Fees				
Single Family Dwelli	ng			\$24,790
ADU				\$13,335

#### Notes:

Major water providers serving the urban area of the county that charge fees for new water connections. are the City of Santa Cruz Water Department and the Soquel Creek Water District. In the Soquel Creek Water District, the new water service charges for a new single-family dwelling are \$24,790 and the charges for a new ADU is \$13,335, for example.

#### Processing and Permit Procedures

The processing time needed to obtain development permits and required approvals varies depending on the scope of the project. The size of residential projects in the county is typically limited to the remodeling or construction of a single-family home or the construction of a second unit or smaller market rate multi-family projects. The County strives to keep its permit procedures streamlined and processing times short. The Planning Division is the lead agency in processing

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<sup>\*</sup>Each School District has different fees within the range

<sup>\*\*</sup> Fee calculated on net increase in impervious surface area

<sup>\*\*\*</sup> Fee stated per square foot



residential development applications and coordinates the processing of those applications with other County departments and other outside agencies as deemed appropriate, such as the Fire and Water Districts.

Applications for building and related permits are generally processed in an efficient manner in the County as they are ministerial projects that are not subject to discretionary action by the County. Some projects that require a discretionary approval involve a public review and approval component by a County decision-making body, as regulated by the County Code. However, most discretionary projects are subject to a minor use approval (MUP) without public notice, or an administrative use approval (AUP) with public notice. Some projects are subject to a Conditional Use Approval (CUP) which requires a public hearing before the Zoning Administrator, Planning Commission or Board of Supervisors. It is notable that the Sustainability Update increased the number of units a development may contain before it goes to the next higher level of site development permit review; and, land divisions now require Zoning Administrator approval instead of Planning Commission approval, which eliminates a previous constraint to development. Overall levels of review were lowered, especially for multi-family housing projects.

Some projects, where the property is vacant or underdeveloped, are subject to a site development permit and design review pursuant to the design review ordinance, SCCC 13.11.037², as amended by the Sustainability Update. Residential and mixed-use development are usually subject to either Zoning Administrator or Planning Commission approval. Multi-family projects submitted pursuant to SB 35 may be processed ministerially. A SB 35 streamlined multi-family review process guide³ is available on the Planning Department website for this purpose. It provides an overview of SB 35, project eligibility criteria, application requirements, and ministerial process overview and review time.

Table HE-D-10 highlights noted levels of design review for residential project types. Although the Zoning Administrator, Planning Commission, and Board of Supervisors generally meet twice a month, a determination on a project subject to this review is usually reached in one meeting or two meetings and within the permit streamlining act deadline established by the State

There is no separate Design Review Board in the County. This process is completed during project site development permit review by the staff planner. The typical processing time for this

<sup>&</sup>lt;sup>2</sup> https://www.codepublishing.com/CA/SantaCruzCounty/ords/Ord5421.pdf

<sup>3</sup>https://sccoplanning.com/Portals/2/County/Planning/forms\_docs/StateLegislationHandouts/SB35%20St\_reamlined%20Multifamily%20Review%20Process%20Guide.pdf?ver=TfoDZCgrnBXsBqWe2NEAtw%3d\_%3d\_



discretionary review is therefore two or three months. This procedure assists in achieving project acceptability and allows for neighborhood participation.

Lastly, Planning Unit Developments (PUDs) are allowed for all residential, nonresidential development, and mixed-use projects in the R-1, RA, RR, or RM, or RF residential zoning districts, the VA, PA, C-1, or C-2, or C-3 commercial zoning districts or the Public Facility (PF) Zone District, upon the adoption of a PUD ordinance for the subject property. Pursuant to County Code 18.30, PUDs are allowed for projects that do not conform in all respects to the land use regulations prescribed by the County Code. Although PUDs have been allowed for decades by the County Code, new findings were added for mixed-use projects and minor amendments were made throughout the PUD<sup>4</sup> chapter to streamline language and clarify procedures in the Sustainability Update.

Santa Cruz County's development process can be summarized in the following 10 steps. All of these steps may not be necessary depending on the nature of a project:

- Application Submittal The planning application submittal process begins when a developer or property owner (Project Applicant) submits a development application, required fees, and application materials. Often the developer will have met informally with the Planning Division to review the project and receive preliminary feedback on the proposal in advance of the formal project submittal;
- 2. Plan Review After the application is received, it is routed through the relevant County divisions for a 30-day review process, consistent with the State Permit Streamlining Act requirements, including Building, Fire, and Public Works reviews. A planner is assigned to serve as the developer's liaison, helping to expedite the permit process and coordinating the department reviews. During the 30-day review period for completeness determination, individual departments assess the completeness of the application, staff completes preliminary design review, and works with the Project Applicant to correct any project deficiencies, and prepares preliminary Conditions of Approval;
- 3. Application Assessment The application is assessed for its compliance with the standards of the Zoning Ordinance (SCCC 13.10) as well as the County's Design Review Ordinance (SCCC 13.11) and, if applicable, the Coastal Zone Regulations (SCCC 13.20). These ordinances require findings of compliance with the General Plan, applicable ordinance site standards, coastal resource protection criteria, where applicable, and findings of neighborhood compatibility,

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<sup>&</sup>lt;sup>4</sup> https://www.codepublishing.com/CA/SantaCruzCounty/ords/Ord5429.pdf



consistent with the design review ordinance (when a site development permit is required by the design review ordinance). A staff report is prepared for project approval.

- 4. **Environmental Review** A review of the environmental issues associated with the proposed project (as required by the California Environmental Quality Act) will also be completed during the Plan Review stage of the process;
- 5. Public Noticing Requirements and Hearing Process If a project is determined to be subject to a discretionary action, a staff report, including project findings, will be prepared and scheduled for review by the relevant decision-making body; this typically includes either a minor or administrative use permit action (with or without noticing) and approval by the Planning Director, or by a CUP with public noticing and approval by the Zoning Administrator, Planning Commission, or Board of Supervisors. Tables HE-D-9 and HE-D-10 provide a summary and approval framework for approval levels for use permits and site development permits, providing both the approval body and the type of approval process. Manufactured housing is treated the same as other housing types, i.e., the type of approval process required for manufactured housing (e.g., principally, conditionally, etc.) is the same whether the housing is a stick built single family dwelling or a manufactured single-family dwelling or a stick built multi-family dwelling project or manufactured multi-family dwelling project, etc. Noticing is completed consistent with the Board adopted notice requirements contained in County Code Chapter 18.10. Administrative projects (with notice) include a minimum 20-day review and comment period and a 10-day public notice prior to Zoning Administrator, Planning Commission, and Board hearings.



### **Table HE-D-9: Permitted Residential Uses**

### KEY:

- P Permitted by right: Use is allowed without a use permit.
- ZC Zoning Clearance: Ministerial review for conformance with Zoning Ordinance, no use permit required.
- MUP Minor Use Permit: Discretionary permit, no public notice.
- AUP Administrative Use Permit: Discretionary permit with public notice.
- CUP Conditional Use Permit: Discretionary permit with public notice and a public hearing. Hearing is before the Zoning Administrator except where the Planning Commission (PC) is specified.
- Use must be ancillary or complementary to another allowed use. A primary allowed use must first be in place or must be proposed concurrently on a site to allow an ancillary or complementary use.
- NA Use not allowed in this zone district.

	PERMIT REQUIRED BY ZONE				REFERENCES AND			
LAND USE	RA/ SU	RR	R-1	RB	RM	RF	NOTES	
Housing - Residential Units								
Dwelling unit, single-family detached	Р	Р	Р	Р	NA*	NA*	*Exception per 13.10.324(F) (AB 803).	
Dwelling unit, single-family attached	Р	Р	Р	Р	Р	Р	CUP for units >5,000	
Dwelling units, single-family dwelling groups	ZC	ZC	ZC	ZC	NA	NA	sf per 13.10.324(C). 13.10.700-D	
Dwelling units, multifamily	NA*	NA*	NA*	NA*	Р	Р	*Exception for duplexes where allowed per CA Gov Code 65852.1 (SB 9). 13.10.700-D	
Senior rental housing	NA	NA	NA	NA	CUP	CUP	13.10.700-S	
Foster home: 7 or fewer children	Р	Р	Р	Р	Р	Р	13.10.700-F	
Foster home: 8 or more children	CUP	CUP	CUP	CUP	CUP	CUP	13.10.700-F	
Mobile home park	NA	NA	NA	NA	CUP	NA	13.10.684	
Permanent Room Housing	CUP- PC	CUP- PC	CUP- PC	NA	CUP- PC	NA	13.10.425-428	
Accessory Dwelling Unit (ADU)	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	13.10.681	
Junior ADU	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	P <sup>A</sup>	NA	JADU must be associated with a single-family dwelling unit. 13.10.681	

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	PERMIT REQUIRED BY ZONE				REFERENCES AND		
LAND USE	RA/ SU	RR	R-1	RB	RM	RF	NOTES
Residential accessory structure, habitable and non-habitable	P*	P*	P*	P*	P*	P*	*See 13.10.611 for when a discretionary permit is required.
	Housi	ng - Instit	utional ar	nd Care F	acilities		
Residential care home (six or fewer residents)	Р	Р	Р	Р	Р	Р	Residential care homes are considered a residential use if less than 7 residents. Larger facilities are commercial. 13.10.700-R
Residential care home, (seven or more residents)	CUP	CUP	CUP	CUP	CUP	CUP	
Skilled nursing facility, residential care facility for the elderly, continuing care retirement community with fewer than 100 occupants, group quarters  Continuing care retirement community with over 100 occupants	CUP- CUP- PC	CUP- CUP- PC	CUP- CUP- PC	NA NA	CUP- CUP- PC	CUP- PC	These are all considered non-residential uses. 13.10.700-C,-G,-R,-S

Table HE-D-10: Site Development Permit Chart							
Type of Development	Permit Required <sup>1</sup>	References & Notes					
Land divisions	CSP	14.01					
	Residential Site Development						
Residential dwellings (<5,000 sf): 1-2 units 3-10 units 11-15 units More than 15 units	P/MSP* ASP CSP CSP-PC	*MSP requires on sensitive sites or in CA or TP zone district (see 16.50.090). See 13.10.611 for SDP requirements for accessory structures.					
Residential additions > 500 sf on sensitive sites or in Coastal Species Communities	MSP						
Site development accessory to a residential use, including	Р						



swimming pools and storage tanks		
Residential dwelling(s) 5,000 sf or greater	CSP	13.10.325
Accessory Dwelling Unit (ADU) or Junior ADU	Р	13.10.681

<sup>1</sup>Key to Abbreviations:

- 5. Public Involvement All projects subject to a discretionary approval involve a public input component which may delay project approval and/or create uncertainty for the applicant regarding the decision outcome and extend the duration of the processing timeframes. Multifamily projects subject to Planning Commission approval may involve more contentious public involvement and a hearing continuance or project appeal. All discretionary projects are subject to a 14-day appeal period whereby an interested party may submit an appeal fee with an appeal letter for consideration by the next highest level of review. For example, projects considered by the Zoning Administrator are subject to appeal to the Planning Commission and so forth. Appeal fees are typically between \$1,200 to \$1,800 depending on the hearing level appealed. General project timeframes are provided in Table HE-D-11. Most often, public involvement involves written correspondence or verbal input provided prior to or during the public testimony portion of the public hearing. Hearings are conducted pursuant to the Brown Act, which stipulate that public documents are required to be made available to the public a minimum of 72 hours in advance of a public meeting. The hearing proceeding itself is conducted according to Rosenbergs Rules of Order, which address the general sequence of the hearing, whereby the public is allowed an opportunity to speak prior to a decision by the Zoning Administrator, Planning Commission or Board of Supervisors.
- 6. Building Application Plan Check After the project receives any required discretionary approvals, the full building plans may be submitted to the Building Section for a plan check for building permits. The plans will be routed to the County's Public Works and Planning Divisions. The project planner will review the plans for conformance with the Zoning Code, any required Conditions of Approval, and with plans approved by the Planning Commission or Board of Supervisors. The Building Department will verify that all building, fire, mechanical, plumbing and electrical code requirements are fulfilled in compliance with the California Code and other State requirements;
- 7. **Building Permit** After the project plans receive approval from the relevant departments, the Building Section issues a building permit. Construction can begin after this point. Regular inspections are required throughout the construction process. The final inspection requires clearance from all relevant County departments and the applicable Fire District; and

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P = Site Development Permitted by Right: No discretionary site development permit required.

MSP = Minor Site Development Permit: Administrative permit, no public notice.

ASP = Administrative Site Development: Administrative permit with public notice.

CSP = Conditional Site Development Permit: Permit subject to public hearing with public notice. Hearing is before the Zoning Administrator except where a different hearing body is specified.



8. Final Inspection - For residential projects, once the final inspection is complete, the building inspectors signature on the building permit is the equivalent to the certificate of occupancy. New buildings or structures cannot be used or occupied until the Building Official has approved the final inspection.

## **Processing Times**

Table HE-D-11: Typical Processing Times, shows the typical processing time for a residential development application.

Table HE-D-11: Typical Processing Times					
Application Type	Typical Processing Time in Months				
Permit/Procedure					
Ministerial Review	2-4				
Conditional Use Permit (Public Hearing)	4-6				
Zone Change	6-9				
General Plan Amendment	6-9				
Development Review with public hearing	4-6				
Tentative Map	6-9				
Subdivision	6-9				
Initial Environmental Study (additional time)	2				
Environmental Impact Report (additional time)	12 (outsourced to consultant)				
Variance	4-6				
Developments					
Single-family Unit	4-6				
Second Unit	4-6				
Subdivision	6-9				
Multi-family	6-9				

SOURCE: County of Santa Cruz (2022)

Both single-family homes, duplexes and multi-family projects go through the same zoning compliance and design review process. The review and approval of multi-family and subdivision projects typically takes longer due to the complexity of a more intense development and the myriad issues that need to be considered including adequate site servicing, design review,



potential tentative map review, soils and geology reports and resource protection, and the more active involvement of other departments and agencies outside of Planning as well as public involvement during the public hearing process.

The County processes discretionary permits pursuant to the California Permit Streamlining Act. The Permit Streamlining Act prohibits processing times beyond 180 days (six months) from application completeness. Processing times reflect these deadlines. Project times can exceed the above noted timeframes; however, this would be the result of an incomplete application submittal rather than inaction by the County. Furthermore, plan requirements are provided on the website and made available to the applicant prior to application submittal to ensure a complete application if at all possible.

Although there is a high level of public input on some planning applications, Santa Cruz County's zoning standards and design review ordinance are fairly detailed. Development approval findings, contained in County Code Chapter 18.10, address required coastal and design review requirements, as applicable to the project. There is a level of certainty on behalf of the Project Applicants that if the project meets the standards and goals of the ordinances, the project will receive County support.

Applicants are encouraged to complete preapplication resource protection reports and constraint analysis prior to application submittal to ensure timely review and approval. This includes riparian pre-site applications, biotic, archaeological, geological, soils report reviews, and site storm water analysis and engineering. Multi-family and subdivision projects are typically completed within 6 to 9 months of application completeness, mostly because these projects are often not exempt from CEQA review, which requires the preparation of an initial study addressing resource related project impacts and issuance of a mitigated negative declaration, adding an additional two to three months to the project timeline. The six to nine months noted for multi-family projects includes the CEQA review component. The CEQA review component typically requires approximately two to three months for completion of an initial study, Environmental Coordinator's review, and public review and comment prior to action on the project. Thus, timeframes for larger projects such as multifamily projects and subdivisions include three months for CEQA and an additional six months for compliance with the Permit Streamlining act deadlines. This timeframe accounts for potential appeals. Projects that are exempt are processed without the CEQA related timeframe noted.

### Constraints to Approval Certainty and Timely Processing

While public notice and occasionally project appeals are a part of discretionary process, they do not normally affect approval certainty or estimated approval timelines. This is primarily because agency staff address public input as part of project review or they incorporate conditions of approval into the final project approval documents. In addition, projects subject to Planning

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Commission and Board of Supervisors approval require the applicant to hold a community meeting prior to application submittal, whereby neighborhood input is encouraged to be incorporated into the project design plans so that neighborhood concerns are addressed as much as feasible prior to the beginning of the public review process. Applicants are also required to complete development review group applications to solicit policy input and agency requirements to avoid policy conflicts and ensure a timely process. These preapplication processes and application review processes reduce the likelihood of a project appeal.

Despite current County Code regulations in place that allow the developer to achieve project approval, occasionally public involvement related to large multi-family housing projects, subdivisions, and mixed-use projects result in appeals to the Planning Commission or Board of Supervisors. This accounts for the longer time frames associated with these types of projects.

In an effort to remove constraints associated with noticing and appeals, the Sustainability Update included changes to the noticing procedures in the code allowing for alternative noticing in the Coastal Zone to allow a newspaper ad in place of mailed notices where there are more than 200 property owners noticed, replacing the current alternative notice standard of 1000 property owners. In addition, noticing revisions will also preclude re-noticing for project continuances.

The County of Santa Cruz also includes Housing Element programs to further streamline housing projects to increase approval certainty and more timely approval. These programs create a ministerial process for units in prior housing cycles, priority processing for multi-family projects, streamlining map filing, and additional code amendments to facilitate development and continuation of the Unified Permit Center (UPC) (see Programs H-1C, H-1G, and H-1K). The UPC provides a single physical location where all building and discretionary requirements are provided to the public by agency representatives to help facilitate coordinated submittal of applications to reduce timelines. The UPC is located at the Community Development and Infrastructure Department. Agency representatives provide the public with information, application procedures, requirements, and cost estimates related to discretionary and building applications. The Community Development and Infrastructure Department website also provides a newly developed tool called Camino, which provides a customized checklist of building permit application submittal requirements tailored to a potential applicant's self-described project. Camino creates a checklist to be used as a road map of what to prepare to provide a complete application.

# On and Off-Site Improvement Standards

The County's General Plan and Local Coastal Program Land Use Plan include policies which require that development proceed in a manner consistent with the provision of adequate services. The County Code Title 15, Community Facilities requires certain off-site improvements to be constructed in conjunction with development projects, or the payment of in lieu fees, or the payment of impact fees to support community services. Construction of the off-site improvements



or payment of in lieu fees or other impact fees is required in conjunction with new development projects. The requirements apply to the following off-site improvements and community services:

- Parks and Recreation Development Impact Fees;
- Dedication of Land and Fees for School Districts:
- Child Care Fees and Exactions;
- Trail and Coastal Access Dedication, Standards and Review;
- Roadway and Roadside Improvements; and
- Transportation and Roadside Improvement Fees.

All residential developments in the county require the submittal of soil reports for review by County technical staff. Additionally, for development on slopes and in mapped fault zones, review of geology reports is necessary. This ensures that the grading is done to minimize cuts, fills and retaining walls, and it minimizes the chances of geologic problems. Similarly, a development site may contain sensitive habitat or species and require investigation of the potential impact of the development and requirements for avoidance and mitigation measures. While the county's topography and geography and ecological habitats pose many challenges to development, the County's requirements for site development and public improvements do not pose a constraint to development in that such technical investigation is a requirement of the building code or other environmental laws to ensure buildings are sited and designed to mitigate geologic and geotechnical hazards and avoid or reduce impacts on sensitive habitats.

# Parking Requirements

The Sustainability Update reduced parking requirements for residential development in response to feedback from applicants and developers, to support the development of housing. The County's updated parking requirements are generally in line with typical parking requirements. One- and two-bedroom multi-family units are required to provide 1-2 spaces, depending on the size of the unit plus a percentage of parking for guests, which is low enough to avoid posing a constraint to development. Table HE-D-12 summarizes parking requirements.

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Table HE-D-12: Parking Standar	ds		
Residential <sup>4,7</sup>			
Detached Single Family, Duplexes and Mobile Homes including employee housing	1 Bedroom 2 -3 Bedrooms 4 Bedrooms or more	1 2 3	
Attached Single Family (Townhomes)	1 Bedroom	1 per unit plus 20% guest parking	
	2+ Bedrooms	2 per unit plus 20% guest parking	
Permanent Room Housing and Single Room Occupancy	1 space per sep	•	
Senior Housing and Transitional Housing <sup>5</sup>	0.5 spaces per unit minimum 1 space per unit maximum		
	Units less than or equal to 750 GSF	1 per unit plus 20% guest parking (30% in LODA/SALSDA /DASDA) or 1 per unit if in transit priority area <sup>3</sup>	
Multifamily <sup>6</sup>	Units greater than 750 GSF	2 per unit plus 20% guest parking (30% in LODA/SALSDA /DASDA) or 1.5 per unit if in transit priority area <sup>3</sup>	
Accessory Dwelling Units	Up to 1 per unit: See SCCC 13.10.681 for details and exceptions		

- 1. Auto storage areas associated with commercial services do not count as parking.
- 2. Includes indoor and outdoor dining establishments.
- 3. Transit priority area (TPA) parking reductions are optional and are not allowed for in the Live Oak, Sea Cliff/Aptos/La Selva Beach, and Davenport/Swanton, Designated Areas (LODA/SALSDA/DASDA). TPA is defined by Public Resources Code Section 21064.
- 4. Residential projects that qualify for a density bonus pursuant to SCCC 17.12 may use the alternative (state) parking standards provided in that chapter.
- 5. Transitional housing may be located in any type of residential structure (Single-family, condominium, multi-family, etc.) and state law requires it be treated as the same as any other residential use in the same zone. Apply the parking standards for the structure type in which the transitional housing project is proposed, per the table above, unless the project qualifies for parking reductions based on state law, depending on project type, occupant type, etc.
- 6. Managers units are required to have the same parking ratio as other units.
- 7. Guest parking shall be provided as common parking accessible to all parcel occupants and visitors.



### ENFORCEMENT OF LAND USE REGULATIONS

The Code Compliance Section of the Planning Department is responsible for the enforcement of Building Code requirements for permits, Zoning Ordinance regulations, Environmental Protection Ordinances and Abatement of Dangerous Buildings.

These programs generally operate in responses to citizen complaints of alleged code violations or from referrals from other public agencies, but at times are initiated by Department staff such as for unpermitted construction underway, or situations of life-safety hazards or severe nuisance activities. Cases are investigated and, if appropriate, administrative citations, warning and/or violation notices are issued. Increased (double) fees may be associated with permits resulting from "Stop Work" and code compliance cases. These actions may be followed by additional legal sanctions, such as recordation, fines, or civil penalties. The overall objective of the code enforcement process is to motivate the property owner to discontinue the illegal use or activity, address dangerous buildings and life safety issues, and/or to obtain the required permits.

The Code Compliance Investigators respond to complaints from the public and referrals from local agencies, such as local fire departments, sheriff, and State agencies. The mission of Code Enforcement is to ensure the equitable and consistent enforcement of local building and land use regulations as adopted by the Board of Supervisors.

### The Enforcement Process

The enforcement process usually begins with a "Stop Work" notice or the filing of a complaint, alleging that a violation of County Building or land use regulations has occurred. A First Contact Letter is sent to the property owner upon receipt of the complaint, informing them of the complaint. Next, the Code Compliance Investigator, reviews the complaint, completes research of available building and land use information and records, and conducts a site inspection.

If the reported violation is confirmed, a Notice of Violation is posted on the property and the property owner is informed, by mail, that a violation has been posted and must be corrected within a specific amount of time, usually 90 days. The property owner has 20 days within which to appeal the issuance of this notice. If the notice is not appealed, it may be recorded on the title to the property, informing any future owner that there is a violation that must be corrected. However, a Notice of Violation is not recorded on the title if good faith progress is made to cure the violation.

The property may be reinspected, usually 90 days after the notice was issued, and if the violation has been corrected, the investigation is resolved. If the violation remains, the matter may be referred for an administrative hearing, or to County Counsel, or the District Attorney for legal action. Although voluntary compliance is sought. Uncorrected violations can result in significant penalties to the

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property owner. Additionally, the property owner or responsible party is liable for enforcement costs, that is staff time spent on obtaining compliance.

### The Abatement Process

The Code Compliance Section only has access to a limited amount of funds available for abatement of properties where all other efforts for compliance have been exhausted. These cases typically involve dangerous buildings and neglected properties. In these cases, several bids will be sought from contractors who specialize in demolition and site cleanup, and the lowest bidder will be selected. Once the nuisance has been abated, the cost of that action will be attached to the property tax bill for cost recovery. Once that bill has been paid, the fund for abatement is replenished and further abatement can take place.

## Summary of Governmental Constraints

Santa Cruz County's development regulations are generally consistent with California housing law, and where this is not the case, as with Low-Barrier Navigation Centers, Section 2 of the Housing Element (Goals, Policies, and Programs) includes a program to correct the deficiency. The Zoning Code does not pose an unnecessary constraint to the development of affordable housing. To summarize:

- Single-family zones allow supportive and transition housing, small residential and family care facilities, and manufactured housing;
- Multi-family densities, which allow up to 45 dwelling units per net acre, are high enough to facilitate affordable housing projects;
- Objective design standards are in place for SB 9 projects, so that the development process for duplexes and multi-family housing is not subject to local design discretion;
- Off-site improvement requirements are typical and not unduly constraining;
- Processing times are consistent with State law and typical for a Monterey Area community;
- Parking requirements are low enough to not pose a constraint; and
- The County has reasonable accommodations in place to facilitate needed modifications for special needs households.
- The County has a code compliance process in place to address rectification of violations of public citizen complaints and referrals from local agencies, such as local fire



departments, sheriff, and State agencies to ensure safe buildings and equitable treatment of housing and other code violations.

# NON-GOVERNMENTAL CONSTRAINTS

HCD Requirement: An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, the requests to develop housing at densities below those anticipated in the analysis required by subdivision (c) of Section 65583.2, and the length of time between receiving approval for a housing development and submittal of an application for building permits for that housing development that hinder the construction of a locality's share of the regional housing need in accordance with Section 65584. The analysis shall also demonstrate local efforts to remove nongovernmental constraints that create a gap between the locality's planning for the development of housing for all income levels and the construction of that housing.

# Land Availability and Cost

Three primary factors contribute to high land costs in Santa Cruz County: 1) The area is considered a desirable place to live, 2) Available land is in short supply, and 3) land costs vary both between and within jurisdictions based on factors such as the desirability of the location and the permitted density. There is a significant gap between the availability and cost of land in the rural areas versus the urban areas of the county. Typically, in the urban areas the availability of developable land is limited, and the cost is very high, estimated at approximately \$1M for a single-family zoned lot. Cost can be lower than this estimate in less desirable locations and higher in more desirable locations. Along the immediate coastal areas of the urban area of the county on coastal bluffs or beaches, costs for a very limited amount of available land or properties where an existing structure is considered a "tear down" are extremely high, in the \$5M range. In the rural areas of the county there is more availability of land for sale in a wide range of sizes from small to very large acreage and costs vary widely, as well. Costs generally reflect the size of the property because properties in the rural areas of the county have limited development potential, and many of the smaller properties for sale for relatively low cost are unbuildable. Land costs will remain a constraint to affordable housing, and programs to use publicly owned lands such as County-owned land—can make a difference, and in future housing element cycles, it may be here that the County will need to turn to meet its housing needs.

## Construction Costs

Construction costs associated with housing development are generally comprised of both soft and hard costs. Soft costs for housing development include the cost of architectural, engineering,

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accounting, legal and other professional services, as well as the cost of obtaining permits and paying government-imposed fees. Carrying costs and the cost of construction financing can also be considered soft costs. Hard costs include the costs of labor and materials and can also include impact fees and costs accumulated through permitting delays.

Hard costs are very high in Santa Cruz County, and both the high cost of labor and the high cost of materials could be considered constraints on housing development. Hard construction costs can vary significantly across Santa Cruz County based on the varied and unique geographic conditions throughout the county. Hard costs can be higher than average in the county.

Hard and soft costs contribute significantly to the overall cost of developing new housing. High hard costs are difficult for an individual jurisdiction to mitigate.

# Availability of Financing

As a stable and affluent community, private housing mortgage financing is readily available in Santa Cruz County. There are no mortgage-deficient areas in the county. At the time this Housing Element was prepared, interest rates for homebuyers were increasing from a low of 2.75% in 2020 to 6.57% in 2023 for a fixed rate, 30-year mortgage. The current economic climate is uncertain and still affected by the COVID-19 pandemic, increasing inflation, and supply chain disruptions.

# Requests to Develop at Densities Below Those Permitted

New State Housing Element law now requires the non-governmental constraints analysis to evaluate developer requests to build at densities below the density identified in the Housing Sites Inventory. Santa Cruz County does not permit development at densities lower than that established in the General Plan (although there had been a preference for that in the past). The Santa Cruz County General Plan establishes a policy prohibiting approval of a development on sites within the USL/RSL at a density below the designated density range, except where written findings required by California Government Code Section 65589.5 have been made or when planning or environmental review demonstrates that development in the designated density range will cause significant health, safety, nuisance or other significant policy or environmental impacts that cannot be feasibly mitigated (see Built Environment Element Policy BE-2.1.9).

# Approval Times -Length of Time between Application Approval and Building Permit Submittal

New Housing Element law now also requires an examination of the length of time between receiving approval for a housing development and submittal of an application for building permits. The time between application approval and building permit submittal is influenced by a number of factors, including required technical or engineering studies; completion of construction drawings and detailed site and landscape design; preparation of HOA documents, securing



construction and permanent financing including the interest rate environment, which may limit the developer financing availability; retention of a building contractor and subcontractors; County staffing levels; and whether there is a recessionary environmental when the housing project was approved by the County. Where staffing levels have impacted plan check times, the Building section has brought on consultant assistance, as necessary.

The existing County Code establishes a two-year time frame to submit a building permit after discretionary approval and allows five one-year time extensions. Notwithstanding, the established practice by the County is to permit a three-year expiration date of use approvals. This practice began during the 2008 recession and continues to date. The State legislature also authorizes automatic time extensions for tentative maps during recessionary periods to allow submittal beyond the allowed County timeframe. Thus, the County Code typically allows up to eight years for building permit submittal and longer for map approvals, depending on the number of state map extensions approved during a recession. These governmental practices remove hindrances to the developer.

The Department evaluated recently approved residential projects, including for-sale market rate housing projects, 100% affordable housing projects, and projects approved during the last housing recession in 2008. The below table HE-D-13provides the date of discretionary approval, date of building permit issuance, and the total time between application and building permit issuance.

It is notable that 100% affordable housing projects are submitted more quickly following approval because grant funding is typically in place and there are mandated deadlines for construction expenditure as part of grant requirements. The exception to this is the Harper project, which was a Habitat for Humanity project that included a variety of funding sources and had a longer submittal timeframe due to limits on available construction crews because construction is provided by volunteers. On the other hand, market rate projects are developed by private developers, many of which are small developers/property owners with vastly less experience with preparation of civil plans, agency requirements, construction and contracting, and more limited financial resources and knowledge of construction financing, as evidenced by longer submittal time frames. Lastly, the table includes projects affected by recession, which are intended to show that recessions act as a non-governmental constraint to submittal of building permit applications and, by extension, construction timeframes. These developments clearly show both the legislative and County permit extensions support for applications submitted many years after submittal. Both County permit extensions and State map time extensions were completed for these projects. Applications completed during the last recession are still underway.

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Table HE-D-1	13: Time Between	Approval to Build	ding Application Subr	mittal
Project Type	Density Bonus	Discretionary Approval	Building Application Submittal	Time to Submittal Days/Months
100% Affordable Projects				
1520 Capitola Road 57 rental units	Yes	12/17/2020	12/23/2020	.1 month (5 days)
Harper Street project 11 units	Yes	1/29/2019	12/16/2020	12.9 months
<b>Pippin II</b> 80 multi-family rental units	No	12/7/2021	12/30/2021	.75 month (23 days)
				Average Time 4.58 months
Market Rate Projects				
Mission Drive/Thurber 21 townhouse ownership units	Yes	4/13/2021	9/14/2021	5 months
432 Capitola Road Extension 7 rental units	Yes	8/26/2020	2/3/2021	5.1 months
Soquel Townhomes 16 ownership units	Yes	1/22/2020	11/22/1019	-2 months*
3300 Maplethorpe 11 ownership units	No	2/11/2020	9/13/2021	19 months
				Average Time 6.7 months
Recession Projects				
Los Esteros - Rodriguez 100% affordable 7 units (Habitat Project)	No	7/28/2011	6/11/2015	3.8 years
Cypress view 9 units	No	2/30/2008	10/21/2016	8.9 years
Aptos Village Phase 1 16 units	No	9/25/2012	8/16/2018	5.9 years
Aptos Village Phase 1 3 units	No	9/25/2012	12/6/2018	6.2 years
Aptos Village Phase 1 17 units	No	9/25/2012	7/8/2015	2.9 years
Aptos Village Phase 2 5 units	No	9/25/2012	6/18/2019	6.8 years
Aptos Village Phase 2 12 units	No	9/25/2012	4/25/2019	6.5 years
Aptos Village Phase 2 12 units	No	9/25/2012	12/11/2018	6.2 years
				Average Time 5.9 years



## Table HE-D-13: Time Between Approval to Building Application Submittal

### Concurrent review of discretionary and building permit review

Source: County of Santa Cruz (2023)

# **Disadvantaged Communities**

Disadvantaged communities are defined, in part, as population groups that are disproportionately affected by environmental hazards, have high concentrations of low income, high rates of unemployment, low levels of homeownership, and high rent burden. Disadvantaged communities exist near the City of Watsonville and in portions of the counties coastal area, including Live Oak (see Also Appendix HE-A: Fair Housing Report).

Recent General Plan amendments included in the Sustainability Update address environmental justice, which means equitable protection from environmental and health hazards for everyone. California law requires that cities and counties that have identified disadvantaged communities must also address environmental justice in their general plans.

There are seven overarching environmental justice themes that are addressed with new General Plan policies: pollution exposure and air quality, public facilities, food access, safe and sanitary homes, physical activity, "civil" or community engagement, and improvements and programs that address the needs of disadvantaged communities. Environmental justice policies are woven throughout the General Plan by identifying policies and programs that support and prioritize services to disadvantaged populations. Environmental justice policies are denoted with "EJ" in the General Plan. These policies are also included in General Plan Appendix E: Environmental Justice Policies and Implementation Measures. By encouraging and supporting the development of affordable housing throughout the urban areas, General Plan policies seeks to avoid natural hazards, create lower cost housing near employment centers, and provide more opportunities for homeownership in the urban areas of the county. In addition, Section 2 of the Housing Element describes policies and programs aimed at increasing the supply of housing and supportive programs.

### **Environmental Constraints**

The County's environmental policies and codes limit development from occurring where hazards are present and, in most cases, require substantial setbacks from these hazards, or mitigations, as applicable. Seismic safety standards are part of the County Building Codes and are a requirement for all building permits.

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## **Geologic Materials**

Santa Cruz County's land area is comprised of sandy beaches and steep coastal bluffs, and a series of coastal marine terraces stepping up to the foothills of the Santa Cruz Mountains. The Pajaro River in the southern portion of the county flows through the wide Pajaro Valley containing extensive agriculture lands. The San Lorenzo River in the northern portion of the county is the largest of a series of watersheds that flow out of the mountains and cut through the coastal terraces on the way to the coast. The mountainous areas containing steep slopes and deep canyons are crossed by a series of active and potentially active faults. Most of the county, the coastal terraces and the mountain slopes are underlain by sedimentary rocks that have been shaped by erosional processes. These geologic conditions contribute to potential hazards including coastal erosion, flooding, landslides, seismic shaking, and wildland fires.

### Seismic

Within Santa Cruz County there are several active and potentially active faults. Zones of fracture are designated in the Public Safety Element of the General Plan/Local Coastal Plan and California State designated Seismic Review Zones. Movement along these faults can cause fault-related surface deformation (e.g., surface fault rupture) where the fault reaches the surface of the ground. Within the mapped fault zones in the County, it is likely that movement along these faults will damage structures, roads, utilities, and other fixed facilities. In addition to these zones, other ground cracking was observed during the Loma Prieta earthquake and the San Francisco earthquake of 1906. Many of these ground cracks can be attributed to movement or consolidation of large and moderate sized landslides while other ground cracks were most likely related to ridge spreading. Although much of the ground cracking was found near the fault zones and in the Summit area of the county, other ground cracking was found on ridge tops throughout Santa Cruz County. During the past five years Santa Cruz County has not experienced similar ground cracking as a result of an earthquake. (Santa Cruz County Local Hazard Mitigation Plan [LHMP] 2021)

Past experience has shown that the entire county is vulnerable to earthquake hazards including severe ground shaking. Thus, every structure in the unincorporated area of the County is vulnerable to earthquake related hazards. However, the structures located in proximity of a fault zone or high or very high liquefaction area are particularly vulnerable. (LHMP 2021)

The objective of the policies in the General Plan Public Safety Element are to reduce the potential for loss of life, injury, and property damage resulting from earthquakes by regulating the siting and design of development in seismic hazard areas; encouraging open space, agricultural or low-density land use in the fault zones; and increasing public information and awareness of seismic hazards. Title 16 of the County Code contains Chapter 16.10 Geologic Hazards containing



provisions for investigation of known or suspected earthquake fault hazards and requires adequate setbacks from any faults for all development.

## **Liquefaction and Ground Lurching**

Liquefaction is the transformation of loose, water-saturated granular materials (such as sand or silt) from a solid to a liquid state accompanying ground shaking during an earthquake. Liquefaction commonly, but not always, leads to ground failure. On slopes liquefaction may result in slope failure. Liquefaction potential varies significantly, and site-specific analysis is needed to accurately determine liquefaction potential in earthquake prone areas. Most of the valley bottoms in the southern regions of the county are underlain by alluvium and are considered at very high, high, or moderate risk for liquefaction potential based on the Santa Cruz County Liquefaction Hazard Areas map. Coastline regions also have low to very high liquefaction potential. Policies in the Public Safety Element are intended to reduce the potential for loss of life, injury, and property damage resulting from location of improvements in areas that contain soils subject to liquefaction and subsidence by: avoiding location of critical and essential facilities in areas subject to these conditions, and adopting building codes that, for areas where development is allowable, requires site-specific analysis and adequate mitigations to be incorporated into project designs (LHMP 2021). While required site investigations and any necessary mitigations measures to account for liquefaction hazards, such as site preparation and foundation design, would add cost to a housing project, they will prevent costly repairs in the future. Furthermore, building codes require investigation and mitigation of identified liquefaction hazards in building design and construction.

### **Tsunami**

A tsunami is a series of waves generated by an impulsive disturbance in a large body of water such as an ocean or large lake. Tsunamis are produced when movement occurs on faults in the ocean floor, usually during very large earthquakes. Sudden vertical movement of the ocean or lake floor by a fault, landslide or similar movement displaces the overlying water, creating a wave that travels outward from the source. The waves can travel across oceans and maintain enough energy to damage distant shorelines. The hazard posed by tsunamis came to the attention of the world during the 2004 Indian Ocean tsunami that killed as many as 300,000 people who lived more than a thousand miles from the source of the earthquake. An earthquake anywhere in the Pacific Ocean can cause tsunamis around the entire Pacific basin, including offshore of Santa Cruz County. Since the Pacific Rim is highly seismically active, tsunamis are not uncommon, but historically have been only a few meters in height. In 2011, significant damage occurred in the Santa Cruz Harbor as a result of a 9.0 earthquake in Japan. While the tsunami caused massive damage and casualties in Japan, the Santa Cruz Harbor experienced waves estimated to be several feet, combined with swift and chaotic currents causing approximately \$20 million in damage. However, the historic record is short, and may not reflect the true tsunami hazard to

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the County, which is at risk from both local and distant source tsunamis. The potential outcome of a tsunami could be more significant damage and loss of life. The Public Safety Element contains policies intended to reduce the potential for loss of life, injury, and property damage resulting from tsunamis by providing signage and warning systems in tsunami hazard areas to increase public awareness of hazard and actions to take in event of tsunami, publicizing evacuation routes, and designing structures as feasible to withstand tsunamis or to minimize damage that may occur due to tsunamis (LHMP 2021). There are no requirements in County policy or codes specifically addressing site or building design to mitigate tsunami hazards. However, the County participates in the National Flood Insurance Program (NFIP) making flood insurance available to County residents while the County enforces floodplain regulations in compliance with FEMA and the NFIP standards. Although tsunami hazard areas are larger in areal extent, much of the tsunami hazard areas are coincident with FEMA-mapped flood hazard areas. To the extent that areas along the coast that are mapped within FEMA-designated flood hazard areas are proposed for development, there are requirements to elevate the lowest floor of the building to mitigate and prevent flood damage (see flooding section below). In this way, mitigation for flood hazards also helps mitigate tsunami hazards in certain areas.

## Flooding

Flooding and coastal storms present similar risks and are usually related types of hazards in Santa Cruz County. Coastal storms can cause increases in tidal elevations (called storm surge), wind speed, coastal erosion, and debris flows, as well as flooding. During a flood, excess water from rainfall or storm surge accumulates and overflows the channels of creeks and rivers onto the banks and adjacent floodplains and inundates beaches. Floodplains are lowlands adjacent to rivers, lakes and oceans that are subject to recurring floods. Several factors determine the severity of floods, including rainfall intensity and duration, creek and storm drain system capacity, and the infiltration rate of the ground. Floodwaters can carry large objects downstream with a force strong enough to destroy stationary structures such as homes and bridges and break utility lines. Floodwaters also saturate materials and earth resulting in the instability, collapse, and destruction of structures as well as the loss of human life.

Settlement and habitation in the county, from the historic Ohlone/Awaswas indigenous communities through the founding of the Santa Cruz Mission in 1791, and subsequent logging communities throughout the 1800s, tended to acknowledge the floodplain areas of the rivers and streams, building on the higher ground. However, as the population grew, particularly in the middle 1900's, low lying areas near virtually every waterway were encroached upon for housing, business, or agricultural development. As a consequence, flooding has affected houses and businesses in the San Lorenzo Valley along the San Lorenzo River, in the Pajaro Valley along the



Pajaro River, and along every other major creek in the county, and in beach areas on multiple occasions over the past half-century.

The Public Safety Element contains policies intended to reasonably protect new, replacement, reconstructed, modified, and existing structures from flood hazards, including sea level rise and coastal wave run-up hazards, in order to minimize economic damages within the expected lifespans of such structures; and to address threats to public health and safety, prevent adverse impacts on floodplains, and maintain their beneficial function for flood water storage and transport and for biotic resource protection (LHMP 2021). The County participates in the NFIP that provides flood insurance for county residents and requires the County to regulate development in flood-prone areas according to national standards. This generally requires new development and substantial improvement of existing development to be constructed with the lowest floor elevated above an established base flood elevation. Structures designed in this manner are much less susceptible to significant flood damage. Any increased costs for site preparation and building design and construction to mitigate flood hazards are considered an investment in prevention of costly flood damage to the building in the future.

### Landslides

Landsliding is a general term that describes a wide variety of mass downslope movements of soil and rock in response to gravity. Factors causing landsliding include the rock strength and orientation of elements on the slope, erosion, weathering, high rainfall, steepness of slopes, recent fire activity, seismic shaking and human activities such as the removal of vegetation, drainage mismanagement, and inappropriate grading. Santa Cruz County's unique geologic conditions make large portions of the County particularly susceptible to many forms of landsliding.

Policies in the Public Safety Element are intended to reduce life safety hazards and property damage caused by landslides, debris flow, adverse soil conditions, and other ground movements affecting land use activities in areas of unstable geologic formations, potentially unstable slopes and adverse soil conditions. County Code Section 16.10 in combination with the California Building Code require careful consideration of landslide factors by both engineering geologists, soils engineers, and civil engineers. However, even with proper care, there remains a higher-than-normal potential for damage from landsliding in many areas of the county (LHMP 2021). County policy encourages the development of additional housing within the urban area where landslide hazards are generally low and limits the creation of new building sites in rural areas where landslide hazards are generally higher. To the extent that mitigation of landslide hazards add costs to the construction of a housing unit, this is not considered a constraint. Rather, landslide hazards are considered a life safety issue and must be adequately mitigated for the construction of any housing unit. However, because landslide hazards generally occur in areas

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where new housing construction is limited, mitigation of this hazard is not considered a significant constraint to the development of housing.

### **Fire Hazards**

A wildland fire may be defined as any unwanted fire involving outdoor vegetation. This may be perceived as only occurring in forests, rangelands, or agricultural fields, but it might also occur in vacant lots, highway medians, parks, golf courses and rural residential areas. The term Wildland Urban Interface (WUI) describes many of these areas. The potential for both life and property losses in the WUI is exponentially higher than non-populated wildlands. In addition, human influence, forest management practices, and aging utility infrastructure has greatly increased the number and variety of potential sources of ignition. A fire threat will always exist in the WUI. There will always be flammable vegetation, residential structures, utility infrastructure and human activities creating risks for the next large fire in the county.

Large areas of the county have been mapped and designated in the County's General Plan as Critical Wildfire Hazard Areas due to accumulations of wildfire prone vegetation, steep and dry slopes, and the presence of structures vulnerable to wildland fires. These areas are generally situated in the steeper higher elevations of the county. Most of these areas are along the border of Santa Clara County or in the coastal ridges between Highway 9 and Highway 1. While areas designated Critical Fire Hazard Areas are areas of increased wildfire risk, it should be noted that wildland fires may occur anywhere within the county.

The State Responsibility Area (SRA) is the area of the County where financial responsibility for the prevention and suppression of wildfires is primarily the responsibility of the state. In general, SRA includes forest-covered lands, whether of commercial value or not, or brush or grass-covered lands. SRA does not include lands within city boundaries or in federal ownership. Local Responsibility Areas (LRA) include incorporated cities and other urbanized areas, and cultivated agriculture lands. CalFire has mapped fire hazard severity zones within SRA and LRA. Mapping of the areas, referred to as Very High, High, and Moderate Fire Hazard Severity Zones (VHFHSZ), is based on relevant factors such as fuels, terrain, and weather. This mapping includes all of the Critical Fire Hazards Areas designated in the General Plan.

Policies in the Public Safety Element are intended to protect the public from the hazards of fire through citizen awareness, prevention measures for mitigating the risks of fire, responsible fire protection planning, and built-in systems for fire detection and suppression. The County Fire Code and Building Code require fire prevention and protection measure in new development such as adequate access, water storage and fire suppression systems, noncombustible construction materials, and creation and maintenance of defensible space around structures (LHMP 2021). Similar to certain other environmental constraints, construction of new housing in



fire prone areas in accordance with building and fire code standards is required to protect life and property from fire damage. This can be seen as a proactive mitigation measure for the preservation of housing stock, particularly in rural areas where wildland fire hazards are greatest. Any costs for such protection that are added to the cost of construction of new housing are more than offset by the protections provided to both residents and the housing stock itself.

## **Emergency and Evacuation Planning**

The Santa Cruz County Office of Response, Recovery, and Resilience (OR3) team provides emergency management services, including disaster preparedness for residents, development of written guidelines for emergency preparedness, response, recovery and mitigation for disasters and operation of the Emergency Operations Center (EOC). The EOC serves as a centralized point for emergency operations coordination during a disaster.

Evacuations are frequently a response to natural disasters in order to protect people from potential harm. People may be evacuated because they are in the direct path of a natural disaster or because emergency responders may lose the ability to rescue residents due to road closures.

The County uses a variety of methods to notify residents when an evacuation is necessary. These include reverse 911 calls, text or phone messages through Code Red (for those who have signed up) and/or door to door notifications. Evacuation areas are determined by the incident command team, who are in charge of responding to the disaster. They are typically based on zones making it very important for people to know their zones, which are publicized through an online mapping application. Evacuations may be short-term or longer term depending on the scope of the disaster. A temporary or short-term evacuation typically involves moving residents to a Temporary Evacuation Point (TEP) where evacuees will have access to food, water, restrooms, blankets and information about the emergency. These TEPs are meant for short durations and not meant for extended stays so sleeping accommodations are not available at these sites. For longer-term evacuations, shelters are typically established, which allow for sleeping accommodations as well as meeting basic human needs such as food, water, restrooms, showers and disaster information (Santa Cruz County Office of Response, Recovery, and Resilience).

Evacuation planning is an ongoing project by OR3 and community partners using existing resources and grant funding to identify and develop additional evacuation routes in areas of the county where communities lack adequate secondary access routes.

## Summary of Non-governmental Constraints

Land costs, construction costs, and availability of financing are all factors that present challenges to the production and increase the cost of housing. The County recognizes these market conditions and works successfully with non-profit housing developers to leverage

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county, state and federal housing funds and programs to ensure the success of affordable housing projects in these challenging market conditions in the county.

- The rural areas of the county have many natural constraints to the development of housing such as landsliding, flooding, and wildland fire. By recognizing the resource constraints facing development in the rural areas of the County and targeting specific areas delineated by the USL as appropriate for more intensive uses, the County's growth management policies (Measure J) avoid natural hazards, protects agricultural lands, and encourage the creation of affordable housing within the USL through an affordable housing requirement applicable to new residential development.
- Disadvantaged communities are defined, in part, as population groups that are disproportionately affected by environmental hazards, have high concentrations of low income, high rates of unemployment, low levels of homeownership, and high rent burden. Environmental justice is woven throughout the General Plan by identifying policies and programs that support and prioritize services to disadvantaged populations. By encouraging and supporting the development of affordable housing in the urban areas, County policy seeks to avoid natural hazards, create lower cost housing near employment centers, and provide more opportunities for homeownership in the urban areas of the county.